

# Management report

## Business performance and economic situation

### Economic environment

From an economic point of view 2025 was mainly characterised by higher trade barriers, elevated policy uncertainty, stricter immigration policies, rising AI (Artificial Intelligence)-related investments and continued regional conflicts. Inflation levels declined further during the year although with significant regional divergence. On the monetary condition side, most of the world's major central banks continued to gradually loosen their respective policy stance and further cut their policy rates. The global economy proved more resilient than expected which was mainly due to front loaded imports in the first half of the year and reorganised supply chains to redirect trade flows. Economic growth rates varied significantly among advanced and emerging economies with the latter significantly supported by China and India. Overall, the global economy achieved a growth rate of 3.3%.

Among advanced economies, the United States again outperformed the Euro Zone and Japan. While higher imports tariffs, measures to curb immigration, the record long government shutdown, and policy uncertainty negatively impacted economic growth in the US, these effects were counterbalanced by solid consumption, an accommodative fiscal and monetary policy as well as strong AI-related investments. Inflation bottomed out in April 2025 then rising again at moderate levels. In response to the weakening labour market the US Federal Reserve (Fed) resumed monetary policy easing and decreased the federal funds rate in three steps, the first one in September, from 4.5% to 3.75%. The Fed also announced at its December meeting that it would start to buy short-term government bonds. The initial amount was set at a monthly rate of USD 40 billion. The US government deficit slightly decreased. Overall, the US economy grew by 2.1% in 2025.

In Europe economic growth was supported by resilient labour markets, decreasing inflation, and a more favourable interest rate environment. In addition, policy support from the Recovery and Resilience Facility and other EU funding cushioned the effect of tighter fiscal policy in several EU member states. Strong demand for services was supportive and important tourism destinations such as Croatia and Spain benefited. Spain in particular recorded well above-average growth benefiting from successful reforms and the country's strong service sector. Germany, Europe's largest economy, on the other hand, remained relatively weak. The euro appreciated against the US dollar and other major currencies. Average inflation in the euro area hovered around the 2% target of the European Central Bank (ECB), which cut the key policy rate from 3.00% to 2.00% in four steps during the year. The unemployment rate stabilised at low levels in most European countries. Overall, the growth rate of the European Union stood at 1.5% in 2025.

Austria's economic performance was slightly better than originally expected and after two years of recession the country's economy resumed with modest growth in 2025. Economic growth was mainly driven by increased consumption, government spending, and a stabilisation of investment activity. Private consumption growth was supported by real income gains of the previous years. Exports, on the other hand, dampened economic growth particularly against the backdrop of the weak performance of Germany, Austria's main trading partner. Non-residential construction recovered in 2025. Industrial production showed signs of recovery. Tourism again performed well and contributed to economic growth. The agricultural sector, although not a major contributor to GDP, also performed well. Overall, the Austrian economy underperformed the European Union average and grew by 0.4% in 2025.

Inflation increased during the year with average inflation in Austria amounting to 3.6%, above the euro zone average of 2.1%. Service and energy prices remained among the main inflation drivers. Food prices and industrial goods prices also came in higher than expected. Austria's labour market remained relatively stable throughout the year with the unemployment rate increasing slightly to 5.5%. Despite the fiscal consolidation measures adopted for the year the general government deficit increased further. The general government debt in relation to GDP increased.

Central and Eastern European economies experienced solid economic growth in 2025 driven mainly by household consumption on robust labour markets, easing inflation and, in most cases, higher real wages. Investment activity was fuelled by Next Generation European Union funds. Deterioration of foreign demand was most pronounced in countries with a high dependency on Germany's economy, such as Slovakia or Hungary. Romania's economy underperformed the CEE average as well. The economies of Croatia and Poland posted the highest growth dynamics. Croatia benefitted from its booming tourism sector and was again one of the best performing economies in the region. The Czech Republic also performed well. Consumer sentiment gradually recovered across all CEE countries except Romania where fiscal consolidation affected households. Overall, CEE economies achieved GDP growth rates ranging from 0.4% in Hungary to 3.6% in Poland in 2025.

Labour markets remained very strong in Central and Eastern Europe with the Czech Republic again posting one of the lowest unemployment rates among the European Union countries. Inflation, on the other hand, increased in most CEE countries driven mainly by higher food and energy prices. Romania's inflation was the highest in the European Union as the country eliminated the cap on electricity prices and increased value-added taxes in the course of the year. The Czech and Polish central banks further cut their interest rates throughout the year while the Hungarian, Romanian and Serbian central banks kept their policy rates unchanged. In Slovakia and Croatia ECB policy rates apply. While most CEE currencies were relatively stable during the year the Hungarian forint appreciated against the euro. Windfall taxes, special banking levies, and financial transaction taxes were introduced or increased in a number of CEE countries.

## Analysis of performance

In the group management report P&L data of 2025 is compared with data of 2024, balance sheet data as of 31 December 2025 is compared to data as of 31 December 2024. The entire development is presented in detail in the notes to the consolidated financial statements.

## Profit and Loss Statement

in EUR million	2024	2025	Change
Net interest income	7,528	7,788	3.5%
Net fee and commission income	2,938	3,191	8.6%
Net trading result and gains/losses from financial instruments at FVPL	437	419	-4.1%
Operating income	11,178	11,659	4.3%
Operating expenses	-5,279	-5,583	5.8%
<b>Operating result</b>	<b>5,900</b>	<b>6,076</b>	<b>3.0%</b>
Impairment result from financial instruments	-397	-478	20.3%
Other operating result	-414	-158	-62.0%
Levies on banking activities	-245	-372	52.0%
<b>Pre-tax result from continuing operations</b>	<b>4,997</b>	<b>5,400</b>	<b>8.1%</b>
Taxes on income	-1,053	-1,103	4.8%
<b>Net result for the period</b>	<b>3,945</b>	<b>4,297</b>	<b>8.9%</b>
Net result attributable to non-controlling interests	819	788	-3.9%
<b>Net result attributable to owners of the parent</b>	<b>3,125</b>	<b>3,510</b>	<b>12.3%</b>

### Net interest income

Net interest income rose especially in the CEE markets. Increases were recorded primarily in the Czech Republic and Slovakia and were mainly attributable to higher loan volumes as well as lower interest expenses on customer deposits. The decline in Austria was mainly due to repricing of variable rate customer loans and the delayed passing on of lower market rates on customer deposits. The net interest margin (calculated as the annualised sum of net interest income, dividend income and net result from equity method investments over average interest-bearing assets) was nearly stable at 2.41% (2.46%).

### Net fee and commission income

Growth was achieved across all core markets and income categories. Asset management and the securities business showed a strong development. Insurance brokerage also performed well. The significant rise in income from the lending business was mostly attributable to a reclassification from payment services.

### Net trading result & gains/losses from financial instruments measured at fair value through profit or loss

Net trading result as well as the line item gains/losses from financial instruments measured at fair value through profit or loss are materially affected by the fair value measurement of debt securities issued. The related valuation is shown in the fair value result, the valuation of corresponding hedges in the net trading result.

Net trading result deteriorated to EUR 313 million (EUR 519 million) due to negative valuation effects in derivatives held for trading, despite a strong foreign exchange business. Gains/losses from financial instruments measured at fair value through profit or loss trended in the opposite direction and improved to EUR 107 million (EUR -82 million), primarily due to a decline in losses from the valuation of debt securities in issue at fair value.

## General administrative expenses

in EUR million	2024	2025	Change
Personnel expenses	-3,202	-3,335	4.1%
Other administrative expenses	-1,529	-1,688	10.4%
Depreciation and amortisation	-547	-560	2.3%
<b>General administrative expenses</b>	<b>-5,279</b>	<b>-5,583</b>	<b>5.8%</b>

Personnel expenses were up in nearly all core markets – most significantly in Austria – driven mostly by collective salary agreements. The rise in other administrative expenses was primarily attributable to higher IT, consulting and marketing expenses. Contributions to deposit insurance schemes declined to EUR 53 million (EUR 72 million). Almost all of this decline occurred in Austria, where contributions fell to EUR 13 million (EUR 33 million). General administrative expenses did include costs related to the integration of Erste Bank Polska in an amount of EUR 38 million.

The cost/income ratio stood at 47.9% (47.2%).

## Gains/losses from derecognition of financial instruments not measured at fair value through profit or loss and of financial assets measured at amortised cost

Losses from this position amounted to EUR 41 million (EUR 91 million). This includes most notably negative results from the sale of securities in the Czech Republic.

## Impairment result from financial instruments

The impairment result from financial instruments amounted to EUR -478 million (EUR -397 million). Net allocations to provisions for loans and advances rose to EUR 557 million (EUR 394 million), most notably in Central and Eastern Europe, which last year benefited from releases. Positive effects came from high recoveries of receivables already written off, most notably in Austria. Overall, the majority of impairments on financial instruments in 2025 occurred again in Austria..

## Other operating result

Other operating result is significantly affected by taxes and levies on banking activities and one-off effects. Other operating result is significantly affected by taxes and levies on banking activities and one-off effects. Taxes and levies on banking activities included in this line item rose to EUR 372 million (EUR 245 million). In Austria, banking tax increased to EUR 133 million (EUR 40 million), primarily on the back of a temporary tax increase in the amount of EUR 60 million. In Hungary, banking levies amounted to a total of EUR 175 million (EUR 168 million). In Romania, banking levies rose to EUR 63 million (EUR 37 million), mainly due to the increase in banking tax from 2% to 4% in July 2025. The rise in banking taxes was partly offset by lower contributions to resolution funds, which dropped to EUR 15 million (EUR 28 million), most notably in the Czech Republic. In 2025, credit institutions in the euro zone were again not charged regular contributions. Overall, other operating result improved mainly due to several positive one-off effects, namely EUR 88 million related to a technical change in the inclusion of an associated company, EUR 77 million resulting from the release of a provision after a positive court decision in Romania as well as EUR 48 million in gains from real estate sales in the Czech Republic, while in the previous year a provision of EUR 90 million was booked for legal risks.

## Net result attributable to owners of the parent

Taxes on income amounted to EUR 1,103 million (EUR 1,053 million). The decline in the minority charge to EUR 788 million (EUR 819 million) was attributable to lower profitability at the savings banks. The net result attributable to owners of the parent rose to EUR 3,510 million (+12.3%; EUR 3,125 million). The return on tangible equity (ROTE) was 16.6% (16.3%).  
adding some information.

## Balance sheet

in EUR million	Dec 24	Dec 25	Change
<b>Assets</b>			
Cash and cash balances	25,129	27,573	9.7%
Trading, financial assets	75,781	79,522	4.9%
Loans and advances to banks	26,972	20,827	-22.8%
Loans and advances to customers	218,067	231,985	6.4%
Intangible assets	1,382	1,413	2.2%
Miscellaneous assets	6,405	7,254	13.3%
<b>Total assets</b>	<b>353,736</b>	<b>368,574</b>	<b>4.2%</b>
<b>Liabilities and equity</b>			
Financial liabilities held for trading	1,821	2,412	32.4%
Deposits from banks	21,261	16,919	-20.4%
Deposits from customers	241,651	252,991	4.7%
Debt securities issued	51,889	54,872	5.7%
Miscellaneous liabilities	6,346	6,715	5.8%
Total equity	30,767	34,665	12.7%
<b>Total liabilities and equity</b>	<b>353,736</b>	<b>368,574</b>	<b>4.2%</b>

Cash and cash balances amounted to EUR 27.6 billion (EUR 25.1 billion). Trading and investment securities held in various categories of financial assets increased to EUR 79.5 billion (EUR 75.8 billion).

Loans and advances to credit institutions (net), including demand deposits other than overnight deposits, declined to EUR 20.8 billion (EUR 27.0 billion). Loans and advances to customers (net) increased to EUR 232.0 billion (EUR 218.1 billion). All core markets recorded a positive development, with Central and Eastern Europe posting stronger growth, most notably the Czech Republic and Hungary. Growth was recorded in both retail and corporate business.

Loan loss allowances for loans to customers were almost unchanged at EUR 4.0 billion (EUR 4.1 billion). The NPL ratio – non-performing loans as a percentage of gross customer loans – improved to 2.4% (2.6%), the NPL coverage ratio (based on gross customer loans) slipped to 69.7% (72.5%).

Financial liabilities – held for trading amounted to EUR 2.4 billion (EUR 1.8 billion). Deposits from banks declined to EUR 16.9 billion (EUR 21.3 billion). Deposits from customers increased to EUR 253.0 billion (EUR 241.7 billion) across the group, most notably in the retail business and most strongly in the Czech Republic. The loan-to-deposit ratio stood at 91.7% (90.2%). Debt securities in issue rose to EUR 54.9 billion (EUR 51.9 billion) on increased issuance activity.

Total assets rose to EUR 368.6 billion (EUR 353.7 billion). Total equity increased to EUR 34.7 billion (EUR 30.8 billion). This includes AT1 instruments in the amount of EUR 3.5 billion. After regulatory deductions and filtering according to the Capital Requirements Regulation (CRR) common equity tier 1 capital (CET1, CRR phased-in) rose to EUR 28.5 billion (EUR 24.0 billion) as were total own funds (CRR phased-in) to EUR 36.5 billion (EUR 30.9 billion). Total risk – risk-weighted assets including credit, market and operational risk (CRR phased-in) – declined to EUR 147.5 billion (EUR 157.2 billion). The decline, despite strong credit growth, was attributable to a regulatory effect (CRR3 implementation) and securitisations and portfolio effects.

The total capital ratio, total eligible qualifying capital in relation to total risk, stood at 24.8% (19.7%), well above the legal minimum requirement. The tier 1 ratio was 21.7% (17.0%), the common equity tier 1 ratio 19.3% (15.3%) (all ratios are CRR phased-in).

Cash earnings per share (diluted/undiluted) amounted to 8,25/8,26 in 2025 (EUR 7.20/7.21). Earnings per share (diluted/undiluted) are EUR 8,24/8,24 (EUR 7.19/7.20).

The cash return on equity, i.e. the return on equity adjusted for non-cash expenses such as goodwill amortization and straight-line depreciation for the customer relationships, was 15.7% (return on equity: 15.5%) after 15.2% (return on equity: 15.2%) last year.

## Branches

Erste Group Bank AG maintains branches in New York, Hong Kong and Germany (Berlin and Stuttgart) that provide commercial lending to foreign banks, leasing companies and sovereign debtors as well as institutional sales.

# Expected development and risks of the Group

## Long-term growth trends in Central and Eastern Europe

In line with growing economic performances disposable income have risen significantly in recent decades compared to Western Europe. In addition, most countries of Central and Eastern Europe have labour markets that are considerably more flexible. These advantages are complemented by, on average, highly competitive export industries that benefit from wage costs that are low relative to workforce productivity and from investor-friendly tax and welfare systems.

A comparison of per capita private debt levels in Central and Eastern Europe with those of Western economies reveals the gap that exists between these markets. Private debt levels and particularly household debt, are substantially lower than in the advanced economies. Erste Group firmly believes that credit expansion accompanied by economic growth in this region will prove to be a lasting trend.

Over the upcoming 15 to 20 years, on average, the countries of the eastern part of the European Union are therefore expected to experience higher growth rates than the countries of Western Europe, even though periods of expansion may alternate with times of economic stagnation or even setbacks on this long-term path of sustainable growth.

## Customer banking in Central and Eastern Europe

The basis of Erste Group's banking business are essentially the business segments of retail business, corporate business and the capital markets business. For further information on the business segments, Erste Group refers to [Note 1 Segment reporting](#) in the consolidated financial statements.

### Retail business

Erste Group's key business is the retail business, covering the entire spectrum from lending, deposit and investment products to current accounts and credit cards. Erste Group's core competence in retail banking has historical roots. In 1819, wealthy Viennese citizens donated funds to establish Erste Group's predecessor, the first savings bank in Central Europe. It was their aim to bring basic banking services such as safe savings accounts and mortgage loans to wide sections of the population. Today, the bank serves over 16 million customers in its markets and operates nearly 1,800 branches. Wealthy private clients, trusts and foundations are served by the bank's private banking staff and benefit from services that are tailored to the needs of this target group.

In addition, the bank uses and promotes digital distribution channels such as internet and mobile banking not only to meet the increasing importance of digital banking, but also to actively shape the digital future. George, Erste Group's digital platform, is already available in six core markets: Austria, the Czech Republic, Slovakia, Romania, Croatia and Hungary. The roll-out in Serbia already started after year-end 2025 and will be completed in 2026.

Retail banking is attractive to Erste Group for a number of reasons: It offers a compelling business case that is built on market leadership, an attractive risk-reward profile and the principle of self-funding. In addition, it benefits from a comprehensive range of products that are simple and easy to understand and provide substantial cross-selling potential. Erste Group takes advantage of these factors in all core markets and makes best use of its resulting position of strength by pursuing a hybrid business model. Erste Group's integrated-channel approach integrates the various sales and communication channels. Customers decide on how, when and where they do their banking business. Contact centers serve as interfaces between digital banking and traditional branch business. These contact centers offer advice and sales, thus going far beyond the traditional help desk function.

In addition to the expansion of digital sales channels, the branch network remains an important component of the business strategy. Only a retail bank that offers modern digital services and operates an extensive distribution network is able to offer tailor-made solutions and fund loans in local currency mainly from deposits made in the same currency. In short, Erste Group's retail banking model supports sustainable and deposit-funded growth even in economically more challenging times. Another positive factor is the diversification of the retail business across countries that are at differing stages of economic development, which is the case across the seven banking markets in which Erste Group has a direct presence.

### Corporate business

The second main business line, which contributes significantly to Erste Group's earnings, is business with small and medium-sized enterprises, regional and multi-national groups, commercial real estate and public sector companies. Erste Group's corporate strategy is based on a universal service approach, following an organic growth strategy aimed at increasing the number of primary clients and share of wallet across all corporate sub-segments.

Erste Group strives to be the bank of choice for outstanding service, encompassing financial health and sustainable business practices. Based on the specific needs of its clients, Erste Group serves small and medium-sized enterprises through local branches or dedicated commercial centers, while larger and multinational groups are supported by specialized Large Corporates, Commercial Real Estate, or Public Sector units. In addition, the Group maintains a focused approach to large multinational clients, which are served centrally from the Holding through Group Large Corporates or related specialized units. Digital channels are also gaining increasing importance for corporate clients, particularly within the small and medium-sized enterprise segment.

The outlined approach enables Erste Group to integrate its industry-specific and product expertise with a strong understanding of regional needs and preferences, supported by the combined experience of local and central customer relationship managers as well as modern data supported technology and intelligence .

### Capital markets business

Client-driven capital markets activities are also part of the comprehensive portfolio of products and services that Erste Group offers to its retail and corporate customers. The strategic significance of the bank's centrally governed and locally rooted capital markets operations consists in supporting all other business areas in their dealings with the capital markets and, hence, in providing the bank's customers with professional access to the financial markets. Erste Group, therefore, views its capital markets business as a link between financial markets and its customers. As a key capital markets player in the region, Erste Group also performs important functions such as market making, capital market research and product structuring.

The capital markets business serves the needs of Erste Group's retail and corporate customers, as well as those of banks and non-bank financial institutions. On account of Erste Group's strong network in the eastern part of the European Union, the bank has a thorough understanding of local markets and customer needs. In Erste Group's capital markets business, too, the bank concentrates on core markets of the Retail, SME, Large corporate, Corporate Real Estate and Public Sector business.

For institutional customers, specialized teams have been established in Germany and Poland, as well as in Hong Kong and New York, that offer these customers a tailor-made range of products.

In many countries where Erste Group operates, the local capital markets are not yet as highly developed as in Western Europe or in the United States of America. That means Erste Group's banking subsidiaries are pioneers in some of these markets. Therefore, building more efficient capital markets in the region is another strategic objective of Erste Group's capital markets activities.

## 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, readiness to switch to another bank, customer effort score and the repurchase rate of the main customers of the individual banks

It thus reflects all conscious and unconscious experiences and decisions that Erste Group's customers make with its bank in the courses of their lives and that have an impact on the Group's 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, Erste Group's 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 Erste Group calculates the CXI as follows:

$\% \text{ advocates} + \% \text{ loyal customers} + 0.5 \times \% \text{ simply satisfied} - \% \text{ non-engaged} - \% \text{ dissatisfied}$ . The CXI rating therefore ranges on a scale from -100 to +100. This value is put in relation to the Top 3 competitors in each country and in each segment and is 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.

## DETAILED RESULTS

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

### Differences in relation to the top 3 competitors

	PI		Micro		SME		Total	
	2024	2025	2024	2025	2024	2025	2024	2025
Erste Group	2.4	6.0	-0.9	0.4	2.9	3.9	1.9	4.8
Erste Bank Oesterreich	18.6	16.9	3.2	1.3	-2.0	3.7	12.0	11.9
Erste Bank Hungary	1.5	16.1	2.2	4.9	0.0	1.8	1.3	11.7
Česká spořitelna	-2.3	-2.0	-15.0	-11.5	0.9	4.4	-3.7	-2.5
Slovenská sporiteľňa	1.0	4.5	6.1	6.3	4.7	4.2	1.8	4.6
Banca Comercială Română	-0.4	5.5	1.5	1.8	1.6	1.5	0.3	4.3
Erste Bank Croatia	13.2	12.9	6.8	11.0	9.3	10.1	11.1	12.0
Erste Bank Serbia	4.1	7.4	-3.0	-2.4	-0.8	2.7	2.1	4.7

number 1 in the respective market

In 2025, the Erste Group once again succeeded in maintaining – or even improving – the excellent customer satisfaction levels achieved in the previous year.

### CXI Privates (PI)

In the segment of private customers not only Erste Bank Oesterreich and Erste Bank Croatia achieved the best values in their respective countries this year, but also Erste Bank Hungary, Erste Bank Serbia, and Banca Comercială Română. Compared to the Top 3 competitors, Erste Bank Hungary, Erste Bank Serbia, Slovenská sporiteľňa, and Banca Comercială Română were able to improve their results, while the other banks remained stable.

### CXI Micro segment

In the Micro segment, the subsidiary Slovenská sporiteľňa, Banca Comercială Română, and Erste Bank Croatia succeeded in taking the leading position in their respective banking markets. Compared to the Top 3 competitors, Česká spořitelna and Erste Bank Croatia improved their performance, while the development of all other banks remained stable.

### CXI SME segment

In the SME segment, Česká spořitelna, Slovenská sporiteľňa, Banca Comercială Română, Erste Bank Croatia, and Erste Bank Serbia demonstrated leading performance in their respective markets. The development in this segment was generally stable to positive in all markets when compared to the Top 3 competitors. Erste Bank Oesterreich, Česká spořitelna, and Erste Bank Serbia showed positive developments.

## Erste Group's strategy

Erste Group has devised a comprehensive and forward-looking strategy to secure its position as a leading financial institution in the eastern part of the EU while addressing the challenges of rapidly changing market dynamics. Erste Group's strategy addresses significant global developments, including economic shifts, demographic changes, technological advancements, geopolitical fragmentation and climate change, to ensure sustainable growth and resilience even in the event of a different future.

The political landscape in Europe and globally is changing rapidly, with rising populism, sentiments and measures hostile to the European idea and potential political interventions in such forms as tariffs and new or expanded taxes posing challenges to some or all of the bank's core markets and to Europe more broadly. These challenges increase pressure on the continent's politicians, often leading to more interventionist policies and a distancing from the norms and practices that have so far shaped the EU. Monitoring and appropriately responding to these developments on both global and CEE-specific levels is crucial for a large publicly-listed firm with a prominent presence across the region.

Technological advancements, including AI, virtual/augmented reality, tokenized finance and quantum technology, are evolving quickly. For Erste Group, data science and AI are expected to impact business operations and customer interactions, further enabling high-quality and highly individualized digital advice and driving the demand for such advice on the part of the bank's clients.

The continuing convergence potential of CEE countries with the EU-27 remains a core principle of the bank's business model. However, rising wages and the end of cheap energy in Europe present growth challenges for the CEE economies, necessitating adaptations to their long-term growth strategy.

The demographic shifts apparent across Europe will also impact the bank's core markets, leading to shrinking workforces, intensifying competition for talent and increasing wage pressures. Addressing these challenges through digitalization and AI to improve workforce productivity is essential. Against the backdrop of ageing populations, Erste Group's mission to provide access to financial health across all age groups and customer segments takes on even more importance.

Environmental risks are also becoming increasingly significant. Projections indicate that five of the top ten global risks in the next decade are likely to be environmental, such as extreme weather events and biodiversity loss. Erste Group is dedicated to sustainability and aims to support social inclusion and is actively taking steps to support the net-zero transition being pursued by its customers and region.

Erste Group's strategy centers on five overarching objectives, designed to drive sustainable growth, improve customer experience and strengthen operational excellence. These objectives emphasize the need for transformation, innovation and efficiency while integrating principles of sustainability to ensure the bank remains competitive and relevant in a rapidly changing financial landscape.

## **BUILDING A DISTINCTIVE BRAND IDENTITY**

At the heart of Erste Group's strategic goals is the creation of a unique and highly recognizable brand identity that resonates across its markets. Erste Group seeks to differentiate itself from competition in the financial sector that is increasingly becoming commoditized. This involves positioning Erste Group as more than just a bank, focusing instead on being a trusted partner that understands and meets the needs of its customers at every stage of their financial journey.

To achieve this, Erste Group is committed to developing innovative and tailored products and services that cater to the specific demands of regional markets and address the needs and interests of its customers at an individual level. This customer-first approach is not only designed to foster customer-loyalty, but also to build long-term relationships by providing value that extends beyond conventional banking. The group's strong branding initiatives also seek to reinforce its reputation as a forward-thinking and customer-focused financial institution.

## **PROVIDING EVERYONE WITH ACCESS TO FINANCIAL EXPERTISE AND FINANCIAL ADVICE**

Erste Group proactively empowers every customer to improve their financial health. Modern technologies, particularly artificial intelligence (AI) are at the core of Erste Group's strategic objective to provide everyone with access to financial advice. The bank aims to make high-quality financial expertise accessible to a much broader customer base by applying AI and data-driven solutions. This represents a significant shift from traditional models, where personalized financial advice was often limited only to higher-income clients.

Erste Group's use of technology enables customized insights and recommendations tailored to individual financial needs. Whether customers are seeking advice on investments, savings or retirement planning, this approach ensures they receive relevant information and product offers in an easy-to-understand format to improve their financial health. Importantly, these technological advancements will complement but not replace human interaction, ensuring that customers can still benefit from face-to-face or conversation-based support when needed.

Through these efforts, Erste Group aims to bridge the gap between technology and personal service, creating a seamless, hybrid advisory model that enhances the customer experience. Erste Group is also committed to integrate sustainability and ESG principles and to improve financial literacy across its markets as a means of fostering informed decision-making on the part of its clients.

## **DRIVING EFFICIENCY THROUGH DIGITALIZATION**

A critical element of Erste Group's transformation is its commitment to comprehensive digitalization. The bank plans to digitalize all key processes across its operations, from customer-facing interactions to internal workflows, creating a more efficient and agile organization. This focus on end-to-end digital solutions will not only enhance the speed and convenience of banking for customers but also deliver significant cost savings and reduce operational risk through lowering the share of manual processes and improving operational efficiency.

Digitalization efforts range from streamlining customer journeys, enabling seamless interactions through platforms such as Erste Group's flagship digital banking platform George, to digitalizing internal functions.

This ensures that customers can manage their banking needs independently while receiving a premium, user-friendly digital experience. By making banking faster, more intuitive and more accessible, Erste Group can free up resources, allowing employees to dedicate more time to high-value activities. This is essential for providing high-quality advisory services.

## **INNOVATIVE FINANCIAL HEALTH PROPOSITIONS**

As part of its strategic focus, Erste Group is committed to developing innovative financial products and services that address the evolving needs of its customers. This includes broadening the bank's product offering in areas such as wealth management, as well as introducing insurance and pension schemes designed to improve customers' financial health and resilience. By aligning its product portfolio with the priorities of its customers, Erste Group ensures that it remains relevant in an increasingly competitive market.

By delivering value-driven and innovative solutions, Erste Group is positioning itself as a partner that genuinely cares about the prosperity of its clients.

## **EXPANDING THROUGH ORGANIC AND INORGANIC GROWTH**

Erste Group continues to capitalize on the substantial growth potential within the CEE banking sector by advancing both its organic expansion initiatives and its long-term strategy of targeted inorganic growth. With a focus on strengthening its presence in existing markets and broadening its regional footprint, the Group has now taken a significant step toward consolidating its position as a leading financial institution in Central and Eastern Europe through its successful entry into Poland — the region's largest and fastest-growing economy, characterized by strong fundamentals and an underpenetrated banking sector.

A major milestone in this strategic expansion was the acquisition of Santander Bank Polska S.A. ('SPL Bank'). The transaction agreement was signed on 5 May 2025 and successfully closed on 9 January 2026, marking Erste Group's formal entry into the Polish market. The acquisition includes a 49% stake in SPL Bank as well as a 50% stake in Santander Towarzystwo Funduszy Inwestycyjnych S.A. ('TFI' - asset manager, further 50% are held directly by SPL Bank), both purchased from Banco Santander S.A., Spain. With the transaction now completed, Erste Group is positioned to accelerate operational integration and leverage the substantial opportunities offered by this new market.

Strategic mergers and acquisitions such as this one enable Erste Group to scale its operations more effectively, diversify its customer base, and unlock synergies across the Group's regional network. These advantages — combined with the Group's solid financial foundation — ensure that Erste Group remains well equipped to pursue high-value opportunities that align with its long-term strategic direction.

The rationale behind the acquisition is firmly anchored in Erste Group's objective to establish a meaningful and sustainable scale in each of its core markets. Poland's economic resilience, market size, and attractive growth dynamics make it a natural and strategically compelling extension of Erste Group's presence in the CEE region. With the acquisition now finalized and stepping into the integration phase, Erste Group is poised to deepen its regional influence and reinforce its growth trajectory in one of Europe's most promising banking markets.

## SUSTAINABILITY AS A STRATEGIC DRIVER

Sustainability is an integral part of Erste Group's long-term vision to ensure future success by taking into account environmental, social and governance (ESG) factors. Erste Group's sustainability strategy is based on two main pillars: supporting the green transition and promoting social inclusion.

The Group supports the green transition in the CEE region by promoting a sustainable real estate sector and financing emission reductions in the energy sector, in line with Erste Group's net zero ambition. Erste Group offers sustainable financing, sustainable investment funds and advisory services to help businesses and private clients reduce their environmental footprint and positions itself as a preferred partner for sustainability-oriented clients.

Erste Group assists its corporate customers with ESG topics by facilitating their green transition. To align the retail business with the ESG strategy, Erste Group offers products and services that promote decarbonization aiming to enhance both financial health and environmental sustainability. These products are aimed at not only providing financial security, but also empowering customers to achieve their long-term goals.

Internally, Erste Group is reducing its carbon footprint by optimizing energy use and adopting environmentally friendly practices.

Social responsibility is embedded in Erste Group's DNA, with initiatives aimed at reducing inequality, increasing financial access and supporting community development. The bank also focuses on governance, ensuring transparency, ethical decision-making and accountability.

Innovation is key in this sphere too, with advanced technologies like AI and data analytics enhancing sustainability solutions. Erste Group's holistic approach to sustainability aligns its business goals with ESG principles, ensuring inclusive, responsible growth. This strategy combines customer-centric initiatives, technological innovation, operational efficiency and sustainable growth, positioning Erste Group as a trusted financial institution in the CEE region.

For more details regarding strategy please refer to the chapters '[SBM-1 - Strategy, Business model and value chain' in the sustainability statement](#)' and '[E1 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model](#)'.

## Outlook statement

Erste Group's goal for 2026 is to achieve a return on tangible equity (ROTE) of about 19% and an increase in earnings per share of more than 20% based on 2025 net profit adjusted for one-off items compared to 2026 net profit adjusted for extraordinary items connected to the acquisition and first-time consolidation of Erste Bank Polska. This ambition is built on the following key assumptions:

Firstly Erste Group's business, as at year-end 2025 in seven core markets (Austria, Czech Republic, Slovakia, Romania, Hungary, Croatia and Serbia), is expected to perform well supported by an improved macro-economic environment, broadly stable interest rates, especially in the euro zone, stable margins and healthy loan volume growth of more than 5%. Operating performance as defined by operating result (operating income minus operating expenses) is expected to improve year-on-year, as net interest income is projected to grow by about 5%, fee and commission income continues to grow by more than 5%, net trading and fair result produces a similar revenue contribution as in 2025, and operating expenses grow in the order of 3%. Consequently, the cost/income ratio is expected to improve from the level of about 48% in 2025 to about 47% in 2026. Other operating result is expected to normalise following several positive one-offs in the amount of about EUR 270 million in 2025 and be more in line with the amount of banking levies also booked in this line item. Risk costs, at 20-25 basis points, are expected at a similarly benign level as in 2025.

Secondly, extraordinary effects due to the full consolidation of Erste Bank Polska are primarily expected in net interest income, operating expenses and risk costs. Net interest income will be negatively impacted by about EUR 170 million (equivalent to a net profit impact of approx. EUR -60 million) connected to the amortisation of positive fair value adjustments recognised on debt securities and derivatives. In addition, interest income earned on the purchase price in 2025 will not recur in 2026. Operating expenses will be affected by the amortisation of intangibles (customer stock and brand) and the booking of integration costs. Customer relationships will be amortised over 10 years in the amount of about EUR 210 million per annum (net profit impact of approx. EUR -70 million), while the brand will be fully written off following rebranding in 2026 (EUR 30 million gross or EUR ~10 million net). Remaining integration costs are forecast at EUR 180 million gross, mostly booked in 2026. The corresponding net impact will depend on the allocation of costs between the parent company and the local bank, which is still to be determined. Risk costs will be impacted by a EUR 300 million charge (net profit impact of about EUR -120 million) for expected credit losses of the Polish portfolio required under IFRS 9 following fair valuation of all assets and liabilities on first-time consolidation, in line with IFRS 3. This charge is not indicative of portfolio deterioration.

Consequently, taking into account organic underlying growth as well as the contribution from Erste Bank Polska including extraordinary effects from its first-time consolidation, Erste Group in its now eight core markets, in 2026, targets net interest income in excess of EUR 11 billion, fee income of approx. EUR 4 billion and operating expenses of about EUR 7 billion. Consequently, the cost/income ratio is projected to improve to about 45%. Risk costs are expected in the range of 25-30 basis points of average gross customer loans, as risk costs tend to be somewhat higher in Poland than in other CEE markets. This expectation is adjusted for the EUR 300 million one-off ECL provision mentioned above. Reported net profit for the combined entity is forecast somewhat below EUR 4 billion, net profit adjusted for extraordinary items related to first time consolidation of Erste Bank Polska is projected at somewhat above EUR 4 billion.

First-time consolidation of Erste Bank Polska is expected to result in a CET 1-ratio drawdown of approximately 460 basis points, and consequently, lead to a dip in the CET 1-ratio in the first quarter of 2026, albeit from a historic record level of 19.3% at the end of 2025. Thereafter, in line with the projected strong profit performance, the CET1 ratio is expected to increase in 2026, providing renewed capital return and/or M&A flexibility. Due to the full internal funding of the Erste Bank Polska acquisition, which required higher profit retention in 2025, Erste Group management will propose a reduced dividend payment of EUR 0.75 per share to the annual general meeting. This equals a payout ratio from 2025 net profit after deduction of AT1-dividends of 9.1%, in line with the 2025 dividend policy of limiting the payout ratio to 10%, announced at the time of acquisition.

Potential risks to the guidance include (geo)political and economic (including monetary and fiscal policy impacts) developments, regulatory measures as well as changes to the competitive environment. Current international (military) conflicts do not impact Erste Group directly, as it has no operating presence in regions involved. Indirect effects, such as financial markets volatility, sanctions-related knock-on effects, supply chain disruptions or the emergence of deposit insurance or resolution cases cannot be ruled out, though. Erste Group is moreover exposed to non-financial and legal risks that may materialise regardless of the economic environment. Worse than expected economic development may put goodwill at risk.

## Risk management

With respect to the explanations on substantial financial risks at Erste Group as well as the goals and methods of risk management, Erste Group would like to draw the reader's attention to the information provided in [Note 32 Risk management](#) and in the [Notes 27, 34](#) et seq, [44, 45, 46](#) and [54](#) of the consolidated financial statements.

# Research and development

## Digitalisation

Digitalisation and innovative technologies have fundamentally transformed the banking sector, with change unfolding at an ever faster pace. Digital technologies reshape not only consumer expectations. Erste Group is convinced that digital banking will further gain in relevance and will be essential for sustainable economic success in the long term and is therefore committed to digital innovation. Intra-group interdisciplinary teams are developing innovative solutions with the goal of offering everyone access to financial literacy and financial advice and helping the bank's customers to strengthen their financial health in a sustainable manner.

The centre-piece of Erste Group's digital strategy is the digital platform George, designed to provide customers access to personalised products of Erste Group. APIs support a wide range of co-operation arrangements with fintechs, start-ups and even across industries and can therefore help to open up new markets and attract new customers. George is available to retail customers in Austria, the Czech Republic, Slovakia, Romania, Croatia and Hungary. The roll-out in Serbia already started after year-end 2025 and will be completed in 2026. At present, George is being actively used by more than eleven million customers. The portfolio of digitally available products and services is being constantly expanded. Customers can activate applications via plug-ins and use them to manage their finances.

George Business was developed to provide excellent digital banking to corporate customers as well. It was implemented in Austria in 2022, in Romania in 2023, and in the Czech Republic in 2025. The roll-out in Slovakia will be completed in 2026. It is the aim to offer all customer segments across the group an outstanding digital user experience on a single platform.

Digital innovation such as artificial intelligence (AI) and deep customer data analysis are the key to success. Erste Group's holistic approach combines the broadening of financial expertise through the use of modern technologies ('AI-supported digital advisory') with the digitalisation of all relevant bank processes. One App for the account, cards, savings, loan and securities account.

In 2025, software development costs of EUR 27 million (EUR 25 million) were capitalised.

## Reporting on material characteristics of the internal control and risk management system with regard to the accounting process

### Internal Control System Framework Requirements

The internal control system (ICS) is an essential element of the corporate governance system of Erste Group contributing to the safeguarding of shareholders' investments and company's assets. Erste Group's ICS plays a key role in identifying risks associated with the respective internal processes.

The ICS Policy provides the framework conditions for the internal control system at Erste Group. It defines current standards concerning general tasks and responsibilities as well as minimum criteria for ICS documentation. In Erste Group, a top down, risk oriented, decentralised ICS approach is applied, designed based on the local process map, which promotes adequacy by focusing on all material risks. This means, that all material risks identified must be mitigated by key controls which are involved in the ICS process. The following criteria are applied for an adequate ICS:

- **Completeness:** The process landscape as well as policies and procedures issued within the Group Policy Framework ensure that all identified risks and potential risk scenarios are considered, regulated and managed, aiming to set up a comprehensive and integrated control environment throughout the entity. All material risks must be covered with key controls, to demonstrate the importance at local level.
- **Effectiveness and traceability:** The functionality of key controls are regularly checked, the optimal control environment is reviewed and challenged during monitoring activity of risk appetite/tolerance.
- **Comprehensibility:** The process landscape together with local policies and procedures constitute documentation of identified key controls, which ensures that relevant employees are aware of all key controls and their role in the internal control process is transparent and accountable within the entire local entity.

The risk profile, which includes the current and target situation, is monitored by each individual risk function unit and is illustrated in the framework of the consolidated risk reporting (GRR) for the management or relevant Risk Committee.

### Control environment

The Code of Conduct provides orientation for all employees of Erste Group, defines mandatory rules for day-to-day business life, describes the corporate values, affirms the obligation to act responsibly as a company and ensures compliance with legal provisions and internal guidelines (compliance).

The awareness of potential compliance issues and a sustainable risk culture enable risks to be identified quickly and well-considered decision-making when dealing with existing regulations. The main component of the risk culture are internal guidelines and, above all, open communication in order to create the broadest possible awareness of all employees for all risks that Erste Group is confronted with.

The Management Board is responsible for the establishment, structure and application of an appropriate internal control and risk management system that meets the company's needs in its group accounting procedures.

Erste Group's IFRS Accounting Manual provides a comprehensive methodological basis for the preparation and submission of the monthly, quarterly and annual IFRS Group Reporting Packages by Erste Group's subsidiaries.

The management in each subsidiary is responsible for implementing group-wide instructions. Compliance with group rules is monitored as part of the audits performed by group and local auditors.

Group Accounting and Group Controlling are responsible for preparing the consolidated financial reporting. Both divisions are assigned to the CFO of Erste Group. The preparation of the consolidated financial statements is the responsibility of the Group Accounting department. The assignment of competencies, the process description and the necessary control procedures are defined in the working instructions.

## Risk assessment and controls measures

The main risk in the financial reporting procedures is that errors or deliberate action (fraud) prevent facts from adequately reflecting the company's financial position and performance. This is the case if the data provided in the financial statements and notes is materially deviating from the correct figures, i.e. whenever, alone or in aggregate, they could influence the decisions made by the users of financial statements. Such a decision may incur serious damage, such as financial loss, the imposition of sanctions by the banking supervisor or reputational harm.

Furthermore, especially estimates for the determination of the fair value of financial instruments for which no reliable market value is available, estimates for the accounting of risk provisions for loans and advances and for provisions, complex measurement requirements for accounting as well as a volatile business environment bear the risk of significant financial reporting errors.

Erste Group issues group policies used for preparation of consolidated financial statements in accordance with IFRS. A summary description of the accounting process is provided in Erste Group's IFRS Accounting Manual. All transactions in subsidiaries have to be recorded, posted and accounted for in accordance with the accounting and measurement methods set out in this manual.

The basic components of the internal control system (ICS) within Erste Group are:

- \_ systemic, automatic control systems and measures in the formal procedure and structure, e.g. programmed controls during data processing,
- \_ principles of functional separation and checks performed by a second person (the four-eye principle),
- \_ Controlling as a permanent financial/business analysis (e.g. comparison of target and actual data between accounting and controlling) and control of the company and/or individual corporate divisions,
- \_ highly automated data validation in the group consolidation process.
- \_ The integrated Disclosure Management Tool ensures high audit readiness through clear documentation ('Single Source of truth').

The areas of responsibility assigned to the individual positions are documented and are continuously updated. Special attention is paid to a functioning deputy regulation in order not to jeopardize the ability to meet deadlines if one person is absent.

## Group consolidation

The individual financial statements reported by the subsidiaries in the consolidation system are checked by the person responsible for the individual financial statements in Group Accounting as part of the data release process, which provides for extensive, largely automated check routines and - if necessary - adjustments to the individual financial statements are made in coordination with the individual entities or the auditors. The subsequent consolidation steps are then performed using the consolidation system. These include consolidation of capital, expense and income consolidation and debt consolidation, any intragroup gains are eliminated. At the end of the consolidation process, the notes to the consolidated financial statements are prepared in accordance with IFRS and BWG/UGB.

The consolidated financial statements and the group management report are reviewed by the Audit Committee of the Supervisory Board and are also presented to the Supervisory Board for approval. They are published as part of the annual report, on Erste Group's website and in the Official Journal of Wiener Zeitung and finally filed with the Commercial Register.

## Information and communication

Throughout the year, the group produces consolidated monthly reports for group management. Statutory interim reports are produced that conform to the provisions of IAS 34 and are also published quarterly in accordance with the Austrian Stock Corporation Act. Before publication, the consolidated financial information is presented to senior managers and the CFO for final approval and then submitted to the Supervisory Board's Audit Committee.

Reporting is almost fully automated, based on source systems and automated interfaces and guarantees up-to-date data for controlling, segment reporting and other analyses. Accounting information is derived from the same data source and is reconciled monthly for reporting purposes. Close collaboration between accounting and controlling permits continual target/actual comparisons for control and reconciliation purposes. Monthly and quarterly reports to the Management Board and the Supervisory Board ensure a regular flow of financial information and monitoring of the internal control system.

In addition, when introducing new core banking systems and implementing new products, accounting is in contact with the relevant departments in order to provide information at an early stage on accounting-specific aspects and implications for new product launches.

## Monitoring

In order to monitor and at the same time support strong governance and risk management, Erste Group applies three lines of defence to review the structures and processes that enable the achievement of the objectives for their effectiveness.

The first line of defence includes the business lines in which the department heads are responsible for monitoring including internal controls of their business areas. This line is in constant dialogue with the business areas and reports on planned, actual and expected results in connection with the goals of the organisation as well as on risks.

The role of the second line of defence is covered by specific areas of expertise, in addition to providing expertise, support, monitoring and risk management tasks. At Erste Group, these activities are carried out by the departments Risk Management, BWG Compliance, WAG Compliance, Anti Money Laundering Prevention, Group Data and Reporting Governance and Group Security. Above all, the departments should support the business lines in the control steps, validate the actual controls, bring state-of-the-art practices into the organisation and cover tasks related to risk management.

The third line of defence is responsible for providing independent and objective assurance and advice on the adequacy and effectiveness of governance and risk management. Internal Audit is in charge of auditing and evaluating all areas of the bank based on risk-oriented audit areas (according to the annual audit plan as approved by the Management Board and reported to the Audit Committee). The main focus of audit reviews is to monitor the completeness and functionality of the internal control system. Internal Audit has the duty of reporting its findings to the group's Management Board, Supervisory Board and Audit Committee several times within one year.

Internal Audit is according to section 42 Austrian Banking Act (BWG) a control body that is directly subordinate to the Management Board. Its sole purpose is to comprehensively verify the lawfulness, propriety and expediency of the banking business and banking operation on an on-going basis. The mandate of Internal Audit is therefore to support the Management Board in its efforts to secure the bank's assets and promote economic and operational performance and thus in the Management Board's pursuit of its business and operating policy. The activities of Internal Audit are governed in particular by the currently applicable Rules of Procedure, which were drawn up under the authority of all Management Board members and approved as well as implemented by them. The Rules of Procedure are reviewed on a regular basis and whenever required and adapted should the need arise.

## Holdings, purchase and sale of own shares

The presentation of own shares as of trade date follows the disclosure requirements in accordance with the Austrian Stock Corporation Act (AktG).

### Holdings of own shares

Number of shares	Dec 24	Dec 25
Erste Group Bank AG	-257,675	-106,551
Affiliates	761,329	551,329
thereof pledged	0	0

As of 31 December 2025, retained earnings include a short position in Erste Group Bank AG shares amounting to 106,551 units (prior year: short-position 257,675), which is covered by securities lending deals.

From the purchase and sale of its own shares in the long portfolio Erste Group Bank AG generated selling gains in course of securities trading in the amount of EUR 0 million (2024: EUR 1 million) which were recognized in the capital reserve and in course of the employee share program selling losses in the amount of EUR 1 million (2024: selling gains of EUR 1 million in the capital reserve) which recognized in other retained earnings .

## Purchase of own shares

	Erste Group Bank AG				Affiliates of Erste Group Bank AG			
	Number of shares	Par value of the share capital EUR million	Purchase price in EUR million	Purpose of transaction	Number of shares	Par value of the share capital EUR million	Purchase price in EUR million	Purpose of transaction
January	186,435	0.37	11.27	trading				
February	224,829	0.45	14.60	trading				
March	326,721	0.65	21.72	trading				
March	23,253	0.05	1.59	employee share programm				
April	398,793	0.80	23.36	trading				
May	116,459	0.23	7.97	trading				
May	22,000	0.04	1.55	employee share programm				
June	94,700	0.19	6.72	trading				
June	432,000	0.86	30.74	employee share programm				
July	49,155	0.10	3.74	trading				
August	79,466	0.16	6.70	trading				
September	178,594	0.36	14.88	trading				
October	54,412	0.11	4.59	trading				
November	48,650	0.10	4.39	trading				
December	155,854	0.31	15.49	trading				
<b>Total</b>	<b>2,391,321</b>	<b>4.78</b>	<b>169.31</b>		<b>0</b>	<b>0.00</b>	<b>0.00</b>	

The purpose of securities trading was in particular ‘market making’ and hedging positions in the Austrian Stock Exchange Index (ATX).

For further details on the employee share program, Erste Group refers to *Note 62 Share-based payments*.

## Sale of own shares

	Erste Group Bank AG			Affiliates of Erste Group Bank AG		
	Number of shares	Par value of the share capital EUR million	Selling price in EUR million	Number of shares	Par value of the share capital EUR million	Selling price in EUR million
January	158,249	0.32	9.60			
February	249,493	0.50	16.17			
March	173,905	0.35	11.56	210,000	0.42	14.20
April	361,592	0.72	21.74			
May	208,165	0.42	13.86			
June	719,873	1.44	50.53			
July	73,956	0.15	5.65			
August	57,357	0.11	4.83			
September	64,945	0.13	5.39			
October	65,251	0.13	5.58			
November	53,637	0.11	4.88			
December	53,774	0.11	5.32			
<b>Total</b>	<b>2,240,197</b>	<b>4.48</b>	<b>155.11</b>	<b>210,000</b>	<b>0.42</b>	<b>14.20</b>

## Capital, share, voting and control rights and associated agreements

For details in respect of capital structure, class of shares and treasury shares please refer to *Note 55 Total equity* of the consolidated financial statements. The mandatory disclosure requirements of Section 243a (1) UGB are met as follows:

## 1. Capital structure and class of shares

As of 31 December 2025, together with its syndicate partners (savings banks, share management savings banks – ‘Anteilsverwaltungs-sparkassen’ and savings bank foundations – ‘Sparkassenstiftungen’), DIE ERSTE oesterreichische Spar-Casse Privatstiftung (‘ERSTE Stiftung’), a foundation, controls 25.52% (prior year: 25.41%) of the shares in Erste Group Bank AG and with 18.59% (prior year: 18,48%) is the main shareholder. The ERSTE Stiftung holds 6% (prior year: 5.94%) of the shares directly; the indirect participation of the ERSTE Stiftung amounts to 12.59% (prior year: 12,54%) of the shares held by Sparkassen Beteiligungs GmbH & Co KG, which is an affiliated undertaking of the ERSTE Stiftung. 2.66% (prior year: 2.66%) are held directly by savings bank foundations, savings banks and the Erste employee share participation foundation (Erste Mitarbeiterbeteiligungsstiftung), acting together with the ERSTE Stiftung. 4.27% (prior year: 4.27%) are held by a syndicate partner, Wiener Städtische Versicherungsverein.

The Erste Group Bank AG forms a joint liability scheme (Haftungsverbund), together with the Austrian savings banks, in accordance with article 4 (1) Z 127 CRR as well as an institutional protection scheme (IPS) approved by the supervisory authority pursuant to article 113(7) CRR. The required individual services of the individual members of the scheme are in case of an occasion subject to an individual and general ceiling. The applicable amounts are determined by joint liability scheme’s steering company and made known to the paying members.

The payments of the individual members in the IPS Ex-Ante Fund established for support measures are recognised in the financial statements as a share in IPS GesbR, which manages the ex-ante fund and are accounted for as retained earnings. Due to the contractual terms, these retained earnings represent a blocked reserve. The release of this blocked reserve may only take place as a result of the utilisation of the ex-ante fund due to a claim. This reserve can therefore not be utilised internally to cover losses and on member level does not qualify as own funds according to the CRR; on a consolidated level, the ex-ante fund does qualify, however. For details, please refer to the section scope of consolidation and Note 33.

Erste Group Bank AG is the central institution for the associated Austrian savings banks and together they form a cash pool pursuant to section 27a Austrian Banking Act (BWG). Where necessary, Erste Group Bank AG must supply liquidity to an associated savings bank in accordance with legal and contractual provisions.

## 2. Restrictions of voting rights and of the transfer of shares

The Articles of Association do not contain any restrictions affecting voting rights or the transfer of shares.

In shareholder agreements ERSTE Stiftung - which, together with its syndicate partners, held 25.52% capital shares as at 31 December 2025 (previous year: 25.41%) agreed the following: concerning the appointment of the members of the Supervisory Board the partners are obliged to vote as required by ERSTE Stiftung. The partners can dispose of shares according to a predefined sale procedure and can purchase shares only within the quotas agreed with ERSTE Stiftung (of a maximum of 3% per calendar year); with this regulation an unwanted creeping-in according to takeover law shall be prevented. In addition, the partners have committed themselves not to make a hostile takeover bid, nor to participate in a hostile takeover bid nor to act together with a hostile bidder in any other way.

## 3. Direct or indirect shareholdings amounting at least 10%

Apart from ERSTE Foundation, the Management Board is not aware of any other direct or indirect shareholdings that amount to at least 10%.

## 4. Special rights of control associated with holding shares

There are no shareholders with special control rights.

## 5. Voting rights control in the case of capital participation of employees

The voting rights of shares held by Erste Mitarbeiterbeteiligung Privatstiftung in trust or by proxy for the employees of employer companies participating in employee share programs according to section 4d (5) (1) Income Tax Act (EStG) are exercised by the Board of Directors of Erste Mitarbeiterbeteiligung Privatstiftung. The members of the Board of Directors are appointed and dismissed by the Advisory Board through resolution with simple majority, whereby the delegation rights of Erste Group Bank AG as well as the existing statutory employee representatives of Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG shall be taken into account. A further member of the Board of Directors to be appointed by the Advisory Board shall

be a former member of the Management Board or a former (freelance) employee of an employer company pursuant to section 4d (5) (1) Income Tax Act (EStG). The Advisory Board of Erste Mitarbeiterbeteiligung Privatstiftung consists of up to five members.

## 6. Special control rights, bodies and amendments of the articles of association

This concerns:

- Art. 15.1 of the Articles of Association, which provides that ERSTE Stiftung will be granted the right to nominate up to one third of the members of the Supervisory Board to be elected by the shareholders' meeting, as long as ERSTE Stiftung is liable for all present and future liabilities of the company in the case of its insolvency pursuant to Section 92 (9) Banking Act,
- Art. 15.4 of the Articles of Association, which provides that a three-quarter majority of valid votes cast and a three-quarter majority of the subscribed capital represented at the meeting considering the proposal are required to pass a motion for removal of Supervisory Board members and
- Art. 19.9 of the Articles of Association, which provides that amendments to the Articles of Association, in so far as they do not alter the business purpose, may be passed by simple majority of votes cast and simple majority of the subscribed capital represented at the shareholders meeting considering the amendment. Where higher majority votes are required by individual provisions of the Articles of Association, these provisions can only be amended with the same higher majority vote. Moreover, amendments to Art. 19.9 require a three-quarter majority of the votes cast and a three-quarter majority of the subscribed capital represented at the meeting considering the proposal.

## 7. Powers of the Management Board to issue and repurchase shares

As per decision of the General Meeting of 21 May 2025:

- The Management Board is entitled to purchase up to 10% of the share capital in own shares for the purpose of securities trading according to section 65 (1) (7) Austrian Stock Corporation Act (AktG). However, the trading volume of shares acquired may not exceed 5% of the share capital at the end of each day. The consideration may not be more than 50% below or above the closing price of the share on the Vienna Stock Exchange on the last trading day prior to the acquisition. This authorization is valid for a period of 30 months from the date of the resolution, i.e. until 21 November 2027.
- The Management Board is entitled, pursuant to section 65 (1) (8) as well as (1a) and (1b) Stock Corporation Act and for a period of 30 months from the date of the resolution, i.e. until 21 November 2027, to acquire own shares in the amount of up to 10% of the share capital, subject to approval by the Supervisory Board and without any further resolution of the General Meeting at a lowest consideration of EUR 2.00 per share and a highest consideration not exceeding 50% above the average Vienna Stock Exchange price, weighted according to trading volumes, of the last 20 trading days prior to the respective acquisition of the shares; in the case of a public offer, the cut-off date for the end of the calculation period shall be the day on which the intention to make a public offer is announced (sec 5 (2) and (3) Austrian Takeover Act [ÜbG]). The acquisition may, at the discretion of the Management Board and with the consent of the Supervisory Board, be effected on the stock exchange or by means of a public offer or in any other legally permissible and expedient manner, in particular also off the stock exchange and/or from individual shareholders and excluding the pro rata tender right (reverse subscription right). The authorization may be exercised in whole or in part or in several partial amounts and in pursuit of one or more purposes by the Company, its affiliated companies (sec. 189a (8) Commercial Code [UGB]) or for their account by third parties. Pursuant to section 65 (1b) Stock Corporation Act, the Management Board is authorized for a period of five years from the date of the resolution, i.e. until 21 May 2030, with the consent of the Supervisory Board, to sell or dispose the company's own shares, also in a way other than via the stock exchange or by means of a public offer for any legally permissible purpose, to determine the terms and conditions of the sale and to decide on the exclusion of the shareholders' subscription rights. These authorizations include the sale of own shares in particular for the following purposes: (i) in order to be able to sell the shares for a consideration other than cash, provided that this serves the purpose of acquiring (also indirectly) companies, businesses, parts of businesses, shares in one or more companies domestically or abroad; (ii) to transfer shares free of charge or at a reduced price to employees, executives and members of the Management Board of the Company or of an affiliated company (sec 189a (8) Commercial Code [UGB]) or of any other company within the meaning of sec 4d (5) (1) Austrian Income Tax Act (EStG), as well as to Erste Mitarbeiterbeteiligung Privatstiftung and its beneficiaries; and (iii) to resell own shares with partial or full exclusion of the subscription rights in any manner permitted by law, including over-the-counter. The authorizations in this resolution may be exercised once or several times, in whole or in part, individually or jointly.
- The Management Board is authorized to redeem shares without further resolution at the General Meeting with the approval of the Supervisory Board.

All sales and purchases were carried out as authorized at the General Meeting.

According to section 8.3 of the Articles of Association, the Management Board is authorized to issue until 18 May 2027, with the consent of the Supervisory Board, convertible bonds (including Contingent Convertible Bonds according to section 26 Austrian Banking Act), which have the conversion or subscription right for shares of the Company, observing or excluding the subscription

rights of the shareholders. The terms and conditions may, in addition or instead of a conversion or subscription right, also provide for the mandatory conversion at the end of the term or at any other time. The issuance of convertible bonds is limited to the extent that all conversion or subscription rights and in case of a mandatory conversion stipulated in the terms and conditions, the mandatory conversion, are covered by conditional capital. Section 5.3 shall apply to the issue of convertible bonds without subscription rights. The issue amount, the terms and conditions of the issue of the convertible bonds and the exclusion of the subscription rights for the shareholders will be determined by the Management Board with the consent of the Supervisory Board.

## **8. Significant agreements which become effective, are amended or are rendered ineffective when there is a change in the control of the company and their effects**

### **CROSS-GUARANTEE SCHEME AGREEMENT**

The agreement in principle of the cross-guarantee scheme (Haftungsverbund) provides for the possibility of early cancellation for good cause. Good cause, allowing the respective other contracting parties to cancel the agreement, is deemed to exist if:

- \_ one contracting party grossly harms the duties resulting from the present agreement,
- \_ the ownership structure of a party to the contract changes in such a way – particularly by transfer or capital increase – that one or more third parties from outside the savings bank sector directly and/or indirectly gain a majority of the equity capital or voting rights in the contracting party or
- \_ one contracting party resigns from the savings bank sector irrespective of the reason.

The cross-guarantee scheme's agreement in principle and supplementary agreements expire if and as soon as any entity that is not a member of the savings bank sector association acquires more than 25% of the voting power or equity capital of Erste Group Bank AG in any manner whatsoever and a member savings bank notifies the cross-guarantee scheme's steering company and Erste Group Bank AG by registered letter within twelve weeks from the change of control that it intends to withdraw from the cross-guarantee scheme.

### **DIRECTORS & OFFICERS-INSURANCE**

In the event that any of the following transactions or processes occur during the term of the insurance policy (each constituting a 'change in control') in respect of the insured:

- \_ the insured ceases to exist as a result of a merger or consolidation, unless the merger or consolidation occurs between two insured parties, or
- \_ another company, person or group of companies or persons acting in consent, who are not insured parties, acquire more than 50% of the insured's outstanding equity or more than 50% of its voting power (resulting in the right to control the voting power represented by the shares and the right to appoint the Management Board members of the insured),

then the insurance cover under this policy remains in full force and effect for claims relating to unlawful acts committed or alleged to have been committed before this change in control took effect. However, no insurance cover is provided for claims relating to unlawful acts committed or allegedly committed after that time (unless the insured and insurer agree otherwise). The premium for this insurance cover is deemed to be completely earned.

In the event that a subsidiary ceases to be a subsidiary during the insurance period, the insurance cover under this policy shall remain in full force and effect for that entity for the remainder of the insurance period or (if applicable) until the end of the extended discovery period, but only in respect of claims brought against an insured in relation to unlawful acts committed or alleged to have been committed by the insured during the existence of this entity as a subsidiary. No insurance cover is provided for claims brought against an insured in relation to unlawful acts committed or allegedly committed after this entity ceased to exist.

### **COOPERATION BETWEEN ERSTE GROUP BANK AG AND VIENNA INSURANCE GROUP (VIG)**

Erste Group Bank AG and Vienna Insurance Group AG Wiener Versicherung Gruppe (VIG) are parties to a general distribution agreement (the Agreement) concerning the framework of the cooperation of Erste Group and VIG in Austria and CEE with respect to bank and insurance products. Originally concluded in 2008 (between Erste Bank der österreichischen Sparkassen AG and Vienna Insurance Group der WIENER STÄDTISCHE Versicherung AG), the Agreement was renewed and extended in 2018 until the end of 2033. The objective for the renewal and extension in particular was to adapt the Agreement to the corporate restructuring of the original parties, to amend some commercial parameters and to align the Agreement with recent developments in the legal framework. Already in the original Agreement the parties stipulated that both parties have the right to terminate the Agreement in case of a change of control of one of the parties. In case of change of control of Erste Group Bank AG, VIG has the right to terminate the Agreement. In case of change of control of VIG, Erste Group Bank AG has the reciprocal right. A change of control is defined, with respect to Erste Group Bank AG, as the acquisition of Erste Group Bank AG by any person/entity other than DIE ERSTE österreichische Spar-Casse Privatstiftung or Austrian savings banks of 50% plus one share of Erste Group Bank

AG's shares or voting rights. In respect to VIG, the aforementioned provisions apply analogously, except for share purchases by Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group.

Apart from this regulation on the termination of the Agreement, the parties agreed in the renewal and extension of the Agreement for an additional termination for cause if based on new legal or regulatory provisions, the continuation of the Agreement is unreasonable for each or both of the parties.

Erste Group Bank AG and VIG are furthermore parties to an asset management agreement, pursuant to which Erste Group undertakes to manage certain parts of VIG's and its group companies' securities assets. In case of a change of control (as described above), each party has the termination right. The asset management agreement has been renewed and extended until 2033 concurrently with the renewal and extension of the Agreement outlined above.

## 9. Indemnification agreements

In the event of a public takeover offer, there are no compensation agreements between Erste Group Bank AG and its Executive Board and Supervisory Board members or employees.

# (Consolidated) Non-financial statement

## Basis of preparation

Erste Group applies the provisions of the Austrian Commercial Code (UGB) in accordance with § 908 (2b) UGB in the version applicable before the entry into force of the Sustainability Reporting Act (NaBeG, BGBl I Nr.6/2026). Pursuant to § 243b and § 267a (previous version) of the Austrian Commercial Code (UGB), Erste Group Bank AG is required to include a (consolidated) non-financial statement in its consolidated management report as of 31 December 2025.

Erste Group Bank AG relies, in accordance with § 267a (5) UGB (previous version), on the European Sustainability Reporting Standards (ESRS) as a Union-based framework for the preparation of its (consolidated) non-financial statement for the 2025 financial year, and therefore includes a sustainability statement in its consolidated non-financial statement within the consolidated management report. This also includes the disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy).

Any additional information required by §§ 243b, 267a (previous version) of the Austrian Commercial Code (UGB) which is not covered by the sustainability statement is presented in the chapter 'Additional information pursuant to §§ 243b, 267a of the Austrian Commercial Code (UGB) (previous version)'; this specifically comprises selected information and KPIs referring to Erste Group Bank AG on a non-consolidated basis as presented in previous years.

## Additional information pursuant to §§ 243b, 267a of the Austrian Commercial Code (UGB) (previous version)

### Matters not covered by the Sustainability Statement

As ESRS reporting follows the double materiality assessment, certain matters required to be reported in the non-financial statement are not covered by the sustainability statement.

### Selected information and KPIs referring to Erste Group Bank AG on a non-consolidated basis

Whereas sustainability matters related to Erste Group Bank AG are fully reflected in the sustainability statement, information in the sustainability statement is, in accordance with ESRS 1.54, disaggregated at entity level only if required for a proper understanding of material impacts, risks and opportunities.

The following KPIs relating to social and employee matters, presented in previous years under GRI 2021, relate to Erste Group Bank AG on a stand-alone basis:

### Workforce by age group

2025	Total			<30 years		30-50 years		>50 years	
	Women	Men	Others	Number	in %	Number	in %	Number	in %
EGB	1,010	1,073	0	307	14.70%	1,101	52.90%	675	32.40%

2024	Total			<30 years		30-50 years		>50 years	
	Women	Men	Others	Number	in %	Number	in %	Number	in %
EGB	991	1,065	0	289	14.10%	1,161	56.40%	606	29.50%

Sick leave days per employee

	2024	2025
EGB	4	5

# Sustainability Statement

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# General information

## Basis for preparation

### BP-1 – GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENT

This sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) and the requirements of Article 8 of EU Regulation 2020/852 (EU Taxonomy).

The scope of consolidation of the sustainability statement corresponds to the scope of consolidation of the financial statements, which are prepared in accordance with the International Financial Reporting Standards (IFRS) and presented in *Note 70* of the 2025 consolidated financial statements. The information in this statement relates to entities within this consolidation scope. Metrics provided include information on the upstream and downstream value chain, as appropriate and specified in the respective text.

To ensure that all material sustainability matters are addressed, Erste Group Bank AG (hereinafter ‘Erste Group’ or ‘the Group’) conducted a value chain assessment as part of the double materiality assessment (DMA). This materiality analysis helped Erste Group to identify and assess impacts, risks and opportunities (IROs) across the value chain. Further information on the value chain and its assessment can be found in the chapter ‘*SBM-1 – Strategy, Business Model and Value Chain.*’

Erste Group did not make use of the option to exclude information on intellectual property, know-how or innovation results, as there is no such information that requires disclosure.

### BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES, TIME HORIZONS AND DATA METHODOLOGY FOR REPORTING

#### Estimation uncertainty and assumptions

Certain disclosed metrics have been calculated using estimates and assumptions. Information on the estimates and data sources, including potential measurement uncertainties and assumptions, where applicable, is provided in the respective chapters. Erste Group discloses metrics that incorporate value chain information which has either been sourced directly from counterparties or derived indirectly through third-party data providers or industry-specific proxies.

A high level of measurement uncertainty due to limitations in data and methodologies relate to the disclosure of GHG emissions. In Erste Group’s analysis and climate target-setting, estimates have been made using the recognised frameworks available at the time. Detailed descriptions of the methodological approaches can be found in sections *E1-4* and *E1-6*.

The presentation of EU Taxonomy reporting is subject to uncertainty due to limitations to the availability of information and the use of third-party data. See the ‘*Reporting methodology and underlying assumptions and interpretations*’ section within the *EU Taxonomy Disclosures* chapter for a description of limitations in data and data quality for EU Taxonomy reporting.

The limitations in the availability of environmental data from Erste Group’s corporate clients and other business relationships may also have impacted the results of its impact materiality assessment.

Climate-related target setting, alongside the respective actions and policies, require forward-looking parameters over a long-term horizon. Erste Group’s parameters are based on expectations, projections and estimations, which inherently involve a degree of uncertainty and risk. This is due to factors such as evolving methodologies, fluctuating market conditions, technological advancements and challenges in data availability, accuracy, as well as potential regulatory changes. These assessments are subject to change and should not be considered reliable indicators of future performance. To address these limitations, Erste Group has implemented an ESG Data Strategy, approved by the Management Board, which defines structured short- and medium-term actions to enhance ESG data availability. The strategy focuses in particular on strengthening client-level ESG data collection. Progress against these actions is regularly monitored through internal governance frameworks with the objective of progressively reducing estimation uncertainty over time.

### Transitional provisions and phase-in options

- \_ Erste Group has used the phase-in option under ESRS 1 Appendix C with respect to anticipated financial effects of material risks and opportunities identified on Erste Group's financial position and financial performance in future years (SBM-3).
- \_ Erste Group has used the phase-in option under ESRS 1 Appendix C with respect to anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9).
- \_ Erste Group has set GHG intensity reduction targets and, correspondingly, reports progress against these relative targets. Erste Group does not report associated absolute values for the target years in accordance with ESRS 1.133 (transitional provision regarding value chain information).

### Time horizons

Erste Group uses the following time horizons in accordance with ESRS:

- \_ short-term: up to 1 year,
- \_ medium-term: 1 to 5 years,
- \_ long-term: over 5 years.

Where applicable, any deviations from these time horizons are noted, for example when internal risk processes foresee different time horizons.

# Governance

## GOV-1 – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

### Organisational structure for sustainability topics

#### Management Board

The Management Board of Erste Group Bank AG (Management Board) has overarching responsibility for managing the organisation and defining the sustainability strategy, framework, goals and priorities. This includes ensuring the implementation of the sustainability strategy by allocating adequate resources and controls and preparing the sustainability statement. The Management Board is also responsible for the process of identifying and managing impacts, risks and opportunities (IROs) and is periodically informed on the status and milestones achieved.

In 2025, the Management Board was briefed six times on material environmental matters (sustainable financing, climate change mitigation, Responsible Financing Policy) in the context of board meetings by experts from CEO, CFO and CRO divisions. For social topics the gender pay gap was presented to the Management Board and the Remuneration Committee of the Supervisory Board. The CRO was briefed quarterly on data privacy issues and receives regular reports. There are also ad-hoc meetings with other board members on these matters.

The Management Board, the Audit Committee and the Strategy and Sustainability Committee of the Supervisory Board were informed four times about the status and results of the updated double materiality assessment (DMA) by experts from the CEO, CFO and CRO divisions. The DMA was then acknowledged by the Management Board and presented to the Audit Committee.

#### Supervisory Board

The Supervisory Board is responsible for overseeing the implementation of the sustainability strategy and for approving fundamental decisions on strategy. To facilitate this, the Supervisory Board has established its own Strategy and Sustainability Committee. The Supervisory Board and the Audit Committee are tasked with reviewing the Management Report, which comprises the Sustainability Statement prepared by the Management Board. The Supervisory Board was briefed on material IROs and informed and consulted in the process of setting, reviewing and adapting targets towards material IROs. The Audit Committee and the Strategy and Sustainability Committee were briefed eight times on climate related IROs by experts from CEO, CFO and CRO divisions in 2025.

#### ESG Governance

ESG is a shared responsibility that spans the entire organisation. ESG governance is led by the CEO, CFO and CRO, ensuring it is firmly embedded in daily operations. This structure fosters close collaboration with individual business units and facilitates ongoing dialogue with key stakeholders across the Group. Respective responsible B-1 ensure organisational and functional alignment on the topics regarding ESG. Experts across various departments contribute to the development of the sustainability strategy and ensure its consistent implementation throughout the organisation. The ESG organisational set-up and governance structures are subject to regular review to ensure ongoing compliance with applicable legal and regulatory requirements.

#### Local management boards

The management boards (of CSRD-reporting obligated entities) discuss environmental, social and governance IROs within their board meetings. They ensure the local adoption of sustainability-related strategies and develop a tailored catalogue of measures to implement these strategies, taking into account regional specifics. The management boards further support and implement activities to achieve the sustainability targets that have been set, including approving a dedicated local budget for sustainability matters when necessary. Discussions between the local and the Group management boards also occur on a regular basis, at least once a year.

### Composition of the bodies, skills and expertise

#### Management Board

The Management Board of Erste Group Bank AG consists of five members. For 2025, the average ratio of female to male Management Board members is 20.00% (2024: 18.33%).

Peter Bosek, the Chief Executive Officer (CEO) and Chief Retail Officer (CRetO), has led various departments focused on real estate, housing and retail business. He served on the Management Board of Erste Bank der oesterreichischen Sparkassen AG and Erste Group Bank AG until December 2020. Before his appointment as CEO and CRetO of Erste Group Bank AG, he was CEO of

Luminor Bank AS in Estonia, focusing on business development, profitability, brand building, governance and technology modernisation.

Stefan Dörfler, the Chief Financial Officer (CFO), has held various leadership positions, including the role as Head of Group Markets and Capital Markets. He served as CEO of Erste Bank der oesterreichischen Sparkassen AG from 2016 to June 2019 and was responsible for corporate business, commercial real estate, social banking and the public sector. He is also a member of the Expert Council at AfB, a charitable organisation dedicated to creating jobs for people with disabilities.

Alexandra Habeler-Drabek, the Chief Risk Officer (CRO), has held various leadership roles in credit risk, restructuring and workout at Creditanstalt (later UniCredit Bank Austria AG). At Erste Group, her positions included CRO of Erste Bank der oesterreichischen Sparkassen AG, Head of Group Enterprise-Wide Risk Management at Erste Group Bank AG and CRO at Slovenská sporiteľňa, a.s. She is also a member of the Presidium at UNICEF Austria.

Ingo Bleier, the Chief Corporates and Markets Officer (CCMO), has held various leadership roles in corporate banking, project finance and loan syndication at Creditanstalt and later at UniCredit Bank Austria AG. Since 2008, he has held management positions at Erste Group Bank AG, overseeing corporate and acquisition finance, investment banking and group corporates. He is responsible for the customer segments large corporate, commercial real estate (CRE), small and medium-sized enterprises (SME), financial institutions and the public sector.

Maurizio Poletto, the Chief Platform Officer (CPO) and Chief Operating Officer (COO), initially gained experience as a designer and art director before successfully founding and leading his own company as creative director. At Erste Group, Maurizio Poletto founded the in-house fintech George Labs GmbH and has been actively involved in the development and expansion of George for about 10 years. Through his roles, he contributes to the strategic direction and oversight of this institution, ensuring adherence to high standards of governance, while his efforts in promoting innovation and technology support social development by enhancing financial services and accessibility.

### Supervisory Board

The Supervisory Board of Erste Group Bank AG consists of 18 members. Six members are employee representatives delegated by the employees' council, ensuring active participation in the employer's supervisory bodies. For 2025, the average ratio of female to male Supervisory Board members is 55.34% (2024: 55.09%). In accordance with the definition of independence as stated in the Austrian Corporate Governance Code, the average ratio of independent members is 91.60% (2024: 91.72%).

The Supervisory Board members are carefully evaluated for their suitability before appointment, based on the requirements applicable to credit institutions. When appointing members to the Supervisory Board, care is taken to ensure that the Supervisory Board as a collective body possesses, in its entirety, the necessary knowledge, skills and professional experience required for the proper performance of its duties, including Erste Group's sustainability matters and their associated IROs.

### Sustainability-related expertise

The Management Board and the Supervisory Board have access to various sources of specialist expertise from all the bank's specialist areas, for example through ongoing external and internal training courses in which they participate. The boards also have access to the relevant expertise through their representation in the Risk Committee and Strategy and Sustainability Committee. In 2025, a mandatory web-based ESG training was rolled out across the Group to all employees, including board members, strengthening the overall sustainability competence within Erste Group. The individual members of the Management Board are briefed through direct reporting lines from senior management as well as through regular board meetings. In addition to the specialist expertise within Erste Group, external consultants may be engaged for specific topics to provide additional support and further enhance the governance and strategic oversight within Erste Group.

Due to the professional background and experience of the individual members, the Supervisory Board has in-depth knowledge of key sustainability issues such as sustainable investments, the legal framework and legal developments on sustainability issues, employee concerns, corporate governance and sustainability reporting. The Supervisory Board continually updates and expands its professional expertise in this area through ongoing further education and training as well as exchanges with experts. This includes the training course on 'Implementing the EBA Guidelines on the Management of ESG Risks'. The members of the Management and Supervisory Board also completed the 2025 FMA webinar on sustainable finance for management and supervisory bodies.

For further details on how specific IROs are overseen and managed within the Group, please refer to chapter '*GOV-2 – Information and sustainability aspects dealt with by the company's administrative, management and supervisory bodies*'. For more general information on the composition and working procedures of the corporate bodies and the expertise of the Supervisory Board members, please refer to the related chapters in the separate Corporate Governance Report of Erste Group.

### Gender diversity targets

Erste Group is committed to constantly progress towards a gender-balanced management on all levels. The Nomination Committee of Erste Group Bank AG has set a minimum target of 30% by 2028 for the underrepresented gender for the Management Board and Supervisory Board of Erste Group Bank AG as the holding entity (separately). While not falling below this minimum, the gender targets for local bank subsidiaries shall be adapted to local regulatory requirements and shall be approved by the respective Nomination Committee or Supervisory Board. Currently, all local banks in Erste Group's core markets approved a harmonised target of 30% for the underrepresented gender until 2028 for the local management boards and the local supervisory boards.

## GOV-2 – INFORMATION AND SUSTAINABILITY ASPECTS DEALT WITH BY THE COMPANY'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

To ensure continuous progress and transparency in sustainability, Erste Group has developed an ESG KPI Dashboard that enables regular monthly performance monitoring of key sustainability metrics. This includes sustainable financing volumes across various business lines, financing activities and GHG emissions and decarbonisation KPIs on a group level. The Management Board is informed at least quarterly about environmental IROs, through the ESG KPI Dashboard. For other IROs, such as those for Own Workforce, Consumers & End-users and Business Conduct, information is provided to the management on demand.

Key insights and findings are further reported through the Sustainable Financing Report, provided monthly via an online reporting platform to all bank internal ESG stakeholders including local board members. This reporting structure ensures alignment with decarbonisation targets and supports decision-making at all organisational levels. Additionally, quarterly reviews and signoffs of decarbonisation figures are conducted. Detailed reviews are also regularly performed in the Corporates & Markets board, where progress toward targets and the development of transactions that are still in progress are thoroughly assessed.

All IROs identified as material in the DMA were discussed with and acknowledged by the Management Board and presented to the Audit Committee. For a list of all material IROs, please refer to the list in chapter '[SBM-3 – Material impacts, risks and opportunities and their interaction with Erste Group's strategy and business model](#)'.

### Policy governance

The CEO is responsible for central functions, including sustainability matters related to the Own Workforce. The CFO oversees finance, while the COO handles IT and banking services. Risk management, including environmental risks, falls under the CRO's responsibility. The respective functions give rise to responsibilities for policies, which are described in the following chapters in connection with the key sustainability matters and their related IROs. Although the Group Management Board holds overall responsibility for a unified strategy and framework, each local management board is tasked with implementing these policies, taking into account their specific circumstances.

Erste Group has procedures in place to manage IROs and integrate them into the company's structure. The following examples show how IROs are managed within the group.

### Policy governance for the identified climate change mitigation IROs

As a leading financial institution in Central and Eastern Europe, Erste Group plays a pivotal role in accelerating the real economy's transition. Achieving a low-carbon future requires coordinated action across the financial system and industry, and Erste Group is committed to driving this transformation by steering capital toward climate-positive solutions and supporting clients in decarbonising their business models. Through this approach, we actively enable climate-change mitigation across the region. The reduction of financed CO<sub>2</sub>-emissions is a shared responsibility and lies with the CRO, CCMO and CRetO.

Erste Group's Group Responsible Financing Policy establishes industry-specific ESG exclusion and phase-out criteria that prioritise climate-change mitigation, setting clear thresholds and guidelines to determine transaction eligibility in carbon-intensive sectors. By directing financing away from high-emission activities and toward lower-carbon alternatives, the Policy reduces ESG-related credit and reputational risks while supporting the transition to a net-zero economy. It also defines non-financial risk profiles that trigger enhanced risk management support, and outlines sector-specific assessment procedures to ensure informed decision-making aligned with Erste Group's commitment to responsible, climate-aligned financing. Responsibility for this policy lies within Credit Portfolio Steering (CRP).

CRP, a division within the CRO area of Erste Group Bank AG, establishes the framework and provides guidance to all entities covered by the Group Responsible Financing Policy. The policy was most recently updated in 2025 and approved by the Management Board in October 2025.

Local boards are responsible for the implementation of the policy on subsidiary level. At Holding Level, the Policy Owner is represented by the ESG Function within Credit Risk Portfolio, which is also responsible for the Policy's content and alignment with

Erste Group’s financing principles. At Local Level, the Policy Owner is represented by the respective local ESG function. Regular communication between Group and Local Policy Owners ensures a mutual understanding and operationalisation of the Policy across Erste Group.

### Policy governance for the identified gender equality IRO

Group Diversity Management (GDM) supports the implementation of the overall strategy by developing a comprehensive communication strategy for Erste Group’s diversity impact and by serving as a source of expertise for both Erste Group’s management and local Diversity Management (LDM) teams. In addition, GDM provides support and guidance to diversity-related Employee Resource Groups (e.g., Erste Women’s Hub, Erste Colours, Erste Ability).

GDM is organised as a Group function within the CEO division of Erste Group Bank AG. GDM provides a framework and guidance to all entities within the scope of the Group Diversity & Inclusion Policy. Embedded in the Group People & Culture division, GDM collects group-wide diversity data, identifies key focus areas and develops a diversity strategy in close collaboration with relevant stakeholders (such as LDM and Group Communications & Corporate Affairs). GDM develops diversity targets and provides diversity data for reports, rating agencies and communication on Group level. The Management Board engages in active dialogue with GDM on Erste Group’s diversity impact and supports implementation of group-wide activities to promote diversity and inclusion.

LDM acts as a focal point for the diversity impact of each bank subsidiary. While GDM defines the diversity strategy, LDM adapts measures, trainings and the Group Diversity & Inclusion Policy to suit local circumstances. Regular communication between GDM and LDM ensures a mutual understanding of the diversity impact across Erste Group.

The Management Board discusses the progress of diversity targets with local management boards in Erste Group’s core markets on a regular basis - at least annually - and also monitors the Group’s overall diversity targets. The local management boards are responsible for the implementation of the policy on a subsidiary level.

## GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Erste Group is committed to a remuneration system that integrates sustainability matters. The Group Remuneration Policy for Erste Group Bank AG outlines the structure and criteria for compensating members of the Management Board and Supervisory Board. No variable remuneration is paid to members of the Supervisory Board.

For the Management Board, variable remuneration is capped relative to the amount of fixed remuneration with a maximum of 100% (bonus cap). This variable remuneration is granted and paid based on specific, measurable performance criteria that align with Erste Group’s business strategy and long-term development. These criteria are annually assessed by the Remuneration Committee of the Supervisory Board of Erste Group Bank AG.

Variable remuneration is structured to include both upfront and deferred payments. For amounts exceeding EUR 150,000, 60% of the variable remuneration is deferred, while for amounts below this threshold, 40% is deferred. At least half of both the upfront and deferred remuneration is delivered in the form of non-cash instruments, such as shares (Performance Share Units, PSUs), with the remaining portion paid in cash. The Group Remuneration Policy also includes malus and clawback provisions in accordance with EBA guidelines.

### Components of the remuneration of the members of the Management Board

Type/components	Elements	Method of payment	Features
<b>Fixed remuneration</b>			
Base salary		Cash	<ul style="list-style-type: none"> <li>– Consideration of the area of responsibility of the respective board member</li> <li>– Promoting cooperation within the board</li> </ul>
	Pension fund	Assumption of contributions by the company	<ul style="list-style-type: none"> <li>– Defined contribution pension plan via an external pension fund</li> <li>– Severance fund (Mitarbeitervorsorgekasse)</li> </ul>
Other remuneration	Insurances	Assumption of contributions by the company	<ul style="list-style-type: none"> <li>– Risk insurance against occupational disability and in case of death</li> <li>– Risk accident insurance</li> </ul>
	Other	Cash or benefits in kind	<ul style="list-style-type: none"> <li>– Any annual leave payments</li> <li>– Possible one-time sign-on bonus</li> <li>– Benefits in kind, e.g. company car incl. driver, employee shares</li> </ul>

Type/components	Elements	Method of payment	Features
<b>Variable remuneration</b>			
Upfront remuneration (40%)	Upfront cash payments (50% of the upfront portion)	Cash payment in the subsequent fiscal year	<ul style="list-style-type: none"> <li>– Alignment with the fulfillment of certain comprehensible performance criteria in line with business strategy and long-term development of Erste Group</li> <li>– Consideration of targets at group and/or individual institution level and</li> <li>– Consideration of individual targets</li> </ul>
	Upfront non-cash component (50% of the upfront portion)	Equity settlement with consideration of the retention period	
Deferrals (60%)	Deferred cash payments (50% of the deferrals)	Cash payment from the third following fiscal year in 3 annual tranches	
For variable remuneration amounts exceeding EUR 150,000		Deferred non-cash component (50% of the deferral)	

ESG related targets are in line with the main pillars of the sustainability strategy of Erste Group. Erste Group's primary impact on the environment and biodiversity lies in its lending activities and the resulting financed emissions. As a financial institution, it is therefore its role to contribute to the transition towards a low-carbon economy by engaging with its clients and supporting them along their decarbonisation pathway. Measurable ESG targets, aligned with Erste Group's objectives, are suggested by experts of the CEO, CFO and CRO division and approved by the Supervisory Board (in accordance with legal requirements, Supervisory Board's resolutions on remuneration are prepared by the Supervisory Board's independent Remuneration Committee). These targets are translated into individual Management Board member targets forming a significant part of the variable remuneration system of the Management Board.

In 2025, 15% (2024: 15%) of the relevant Management Board members' variable remuneration was based on ESG criteria (including 10% ESG targets out of which 1/3 to 2/3 with climate related considerations).

Performance on ESG related targets is assessed on a 5-point rating scale, which experts of CEO, CFO and CRO division then evaluate at the end of the performance period. The results of this evaluation are reviewed and approved by the Remuneration Committee, who subsequently informs the Supervisory Board.

ESG targets for Management Board members may include, but are not limited to, maintaining a strong ESG performance, supporting the sustainable transition i.e. Sustainable financing and Net Zero transition.

In 2025, the ESG targets (10%) for Management Board members included two overarching targets, which are not directly linked to any specific sustainability matter:

- \_ Maintaining a good ESG performance for Erste Group is shared by the CEO/CRetO, CFO, CRO and CCMO and is assessed by external ESG ratings (MSCI, ISS ESG, SUSTAINALYTICS, CDP). Except for CDP, which focuses on climate impact, the other three ESG rating agencies measure the environmental, social as well as governance related performance of companies as well as their ability to manage ESG risks.
- \_ Implementation of the ECB ESG Action Plan is assigned to the CRO.

Further, the following ESG targets, which will be explained in more detail in the relevant chapters were assigned to Management Board members:

- \_ Supporting the portfolio net zero transition (net zero target setting) is shared by CFO and CCMO (see chapter [E1-4](#)).
- \_ Strategic sustainability agenda, climate strategy and targets of Erste Group are assigned to the CEO.
- \_ CSRD sustainability reporting is assigned to the CFO.
- \_ Increasing sustainable retail mortgages (target volume of new sustainable retail mortgages) is assigned to the CRetO (see chapter [E1-4](#)).
- \_ Increasing sustainable corporate financing (target volume of new sustainable corporate financing) is assigned to the CCMO (see chapter [E1-4](#)).
- \_ Increasing zero-carbon electricity sourcing is assigned to the CFO (see chapter [E1-4](#)).

In addition, all Management Board members have a diversity target with 5% weight which is part of the leadership evaluation.

Note: Erste Group's target volume of Sustainable Financing and retail mortgages are determined according to the criteria described in [E1-4](#) and must not be confused with the Green Asset Ratio (GAR) KPI under the EU Taxonomy.

## GOV-4 – STATEMENT ON DUE DILIGENCE

Erste Group’s Code of Conduct illustrates how its policies and processes are aligned with international instruments that respect human rights, with reference to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises as a basis. Through the Code of Conduct, these international instruments are also incorporated into Erste Group’s policies and processes to ensure that all Erste Group operations are undertaken with the highest standards of ethical behaviour and respect for human rights.

Erste Group has firmly embedded the concept of sustainability into its business strategy, relying on sustainable, value-driven and responsible practices to generate stable long-term returns for all stakeholders. As a financial institution operating across diverse sectors, Erste Group recognises that its activities impact the environment or society. To address these impacts, Erste Group applied continuous due diligence processes throughout the Double Materiality Assessment to identify actual and potential negative impacts on the environment and society, as well as in the policies and processes to prevent, mitigate and manage them.

The table below provides a mapping that addresses the core elements of Erste Group’s due diligence process and explains how and where its application of the main aspects and steps of the due diligence process are reflected in the sustainability statement. Those core elements include embedding due diligence in governance, strategy and business model, engaging with affected stakeholders, identifying and assessing adverse impacts, taking actions to address those adverse impacts and tracking the effectiveness of those efforts and communicating. This allows the actual due diligence practices of the undertaking to be depicted.

### Core elements of due diligence

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 – Information and sustainability aspects dealt with by the company’s administrative, management and supervisory bodies
	ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with Erste Group’s strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 – Information and sustainability aspects dealt with by the company’s administrative, management and supervisory bodies
	ESRS 2 SBM-2 – Interests and views of stakeholders
	ESRS 2 IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities
	E1-2 – Policies and transition measures for climate change mitigation and adaptation
	S1-1 – Policies related to own workforce
	S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts
	S3-1 – Policies related to affected communities
	S3-2 – Processes for engaging with affected communities about impacts
	S4-1 – Policies related to consumers and end-users
	S4-2 – Processes for engaging with consumers and end-users about impacts
c) Identifying and assessing adverse impacts	G1-1 – Business conduct policies and corporate culture
	ESRS 2 IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities
d) Taking actions to address those adverse impacts	E1-3 – Actions and resources in relation to climate change mitigation and adaptation
	S1-4 – Taking action on material impacts on own workforce and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions
	S3-4 – Taking action on material impacts on affected communities and managing the effectiveness of those actions
	S4-4 – Taking action on material impacts on consumers and end-users and effectiveness of those actions
	E1-4 – Targets related to climate change mitigation and adaptation
e) Tracking the effectiveness of these efforts and communicating	S1-5 – Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities
	S3-5 – Targets related to advancing positive impacts
	S4-5 – Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

## GOV-5 – RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY STATEMENT

The three main risks in the sustainability reporting process are 1) including errors in reporting, such as inaccuracies in both quantitative and qualitative data, 2) reporting on irrelevant information, such as including non-material information that does not significantly impact stakeholders, as well as 3) omitting relevant information, such as failing to disclose material information that is important for stakeholders. These risks are also valid for value chain data.

To mitigate against these risks, Erste Group implements four main mitigation measures. The first measure involves internal controls for quantitative data. Many of the same internal controls and processes used for financial reporting are also applied to quantitative data in sustainability reporting. This includes the 4-eyes principle and data validation to minimise errors.

The second measure includes internal controls for qualitative data, including the 4-eyes principle which also applies to quantitative data. Further, the review steps outlined in the first measure ensure the accuracy and relevance of qualitative data. This includes multiple internal feedback loops, a management review and external consulting to continuously improve the assessment of qualitative data.

The third mitigation measure is the Double Materiality Assessment (DMA). This comprehensive assessment was carried out in collaboration with an external consultant to ensure that the information presented is relevant and material. This helps in avoiding the reporting of irrelevant information and ensures that all significant aspects are covered. Further information regarding the DMA can be found in chapter *'IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities'*.

The fourth mitigation measure is the relevance analysis. This analysis is based on the results of the DMA and identifies the mandatory and material disclosure requirements and data points following the ESRS that are subsequently disclosed in the sustainability statement.

In 2025, Erste Group implemented a new disclosure management tool to further improve the reporting process for the sustainability statement, as well as mitigating the aforementioned risks. These improvements in control measures result in increased efficiency and control of the reporting process that include:

- \_ granular user rights and permissions that can be granted per section/chapter,
- \_ clear documentation of changes,
- \_ approval of tracked changes being restricted to document owners.

Furthermore, there is improved data integration from various sources that are directly uploaded to the disclosure management tool as well as dynamic linking. This dynamic linking means that once the data has been uploaded, it refreshes across the entire document to ensure consistency and accuracy.

Future considerations will result from risk management and the internal control system and be used to continuously improve the sustainability reporting process. This means refining internal controls, enhancing data validation procedures and conducting regular assessments to ensure the relevance and accuracy of reported information. Furthermore, feedback from internal reviews, external consultants and auditors will be incorporated into future reporting cycles to address any identified gaps or areas for improvement.

The Management Board and Audit Committee are informed of the findings of the risk assessment for sustainability reporting on an annual basis. The sustainability statement is presented to the Supervisory Board for approval.

# Strategy

## SBM-1 – STRATEGY, BUSINESS MODEL AND VALUE CHAIN

### Erste Group's business model

Erste Group has an extensive market presence in Austria, Czechia, Slovakia, Romania, Hungary, Croatia and Serbia. Erste Group's business model centres around retail and corporate banking, encompassing a wide array of services from lending, deposits and investments to current accounts and credit cards. With a customer base exceeding 16 million across its markets, the bank caters to various customer groups, providing tailored services to meet the specific needs of its clients.

Erste Group's position in its markets makes it one of the major providers of finance to local businesses, including large companies, real estate companies and to the public sector. While Erste Group's roots are in the retail small & medium-sized enterprises (SME) business, Erste Group has taken account of its role and responsibility and has firmly embraced corporate and public sector lending as part of its business model.

For further information on the business segments of Erste Group refer to [Note 1](#) in the consolidated financial statement. For further information on the headcount of employees by geographical area of Erste Group refer to chapter '[S1-6 - Characteristics of the undertaking's employees](#)'.

### Erste Group's sustainability strategy

Since its foundation Erste Group has been pursuing the goal defined in the Statement of Purpose, namely, to promote and secure prosperity for all people throughout the region. This is why Erste Group has incorporated key ESG themes into the business strategy. Erste Group believes that this is the only way to be successful over the long term, working towards a fairer and more inclusive society.

Erste Group's sustainability strategy centres on two main pillars, supporting the green transition and promoting social inclusion:

#### Supporting the green transition

Erste Group's primary impact on the environment lies in its lending activities and more precisely, the resulting financed emissions. As a financial institution, it is therefore its role to contribute to the transition towards a low-carbon economy by engaging with its clients and supporting them along their decarbonisation pathway while facing evolving challenges, such as policy uncertainty, both on country and European level. Erste Group believes this to be the most important lever to help fostering a green transition.

As part of the environmental pillar of its sustainability strategy, Erste Group:

- \_ has the ambition to achieve a net-zero status of Erste Group's portfolio by 2050,
- \_ wants to achieve a net-zero status in banking operations by 2030 and
- \_ maintains a strong role in sustainable financing across CEE by funding climate action and adaptation.

#### Promoting social inclusion

Erste Group's social impact involves its interactions with employees, customers and the broader community while establishing and maintaining good ethical compliance for building trust with stakeholders and ensuring long-term organisational stability.

As part of the social pillar of its sustainability strategy, Erste Group:

- \_ boosts financial inclusion with social banking, bringing communities closer together and strengthening social cohesion,
- \_ helps customers gain financial health and literacy,
- \_ promotes diversity, including gender diversity and
- \_ fosters good ethical conduct and compliance, e.g. through extensive corruption and bribery prevention and detection trainings.

#### Significant markets and customer groups

Erste Group's sustainability strategy is focused on its significant markets and customer groups and has detailed approaches customised for each of them. More information on the set targets relating to the strategic priorities can be found in the respective chapters.

#### Retail

In the Retail segment, most of the environmental impact stems from the buildings sector, which includes energy used for constructing, heating, cooling and lighting homes and businesses, as well as the appliances and equipment installed in them. These factors account for over one third of global energy consumption and emissions. Within Erste Group and particularly in Austria, retail mortgages contribute a large share of total assets. Erste Group has adopted an ambition that supports the decarbonisation of

the housing sector while safeguarding affordability, inclusion and access to finance. As regulatory frameworks evolve and government incentives strengthen, the Group will reassess its ambition level to ensure continued alignment with the broader transition of the real estate sector.

For achieving the decarbonisation targets for the retail mortgage portfolio, Erste Group will adopt the following approach:

**Technological possibilities to decarbonise.** A significant part of the buildings stock in the Erste Group region is not yet 'climate-proof' due to old age of the buildings and poor insulation. An improvement can only be achieved through changes in customer behaviour, which can be influenced in the short-term by cost considerations and in the mid and long-term through regulations and availability of government subsidies across all countries Erste Group is active in, which will foster further investments and improvements.

**Product offering.** In the retail mortgages segment, sustainable mortgage loans have been developed and new products for renovation projects have been designed to improve the energy efficiency of buildings. Erste Group actively offers locally available subsidized loans for renovation purposes in all countries. To help customers meet the challenges involved in building renovation, Erste Group has developed various measures in Austria, Czechia and Croatia such as digital renovation and energy calculators, as well as an in-house team of experts to assist and advise customers on a wide variety of matters relevant to building renovation projects.

Insurance linked services, either bundled with financing products or standalone, will be part of Erste Group's overall ESG proposition. Cooperation with the Vienna Insurance Group contributes to closing the gap of insurance coverage for certain natural hazard risks, such as river floods.

### Corporates

Each of Erste Group's four business lines (SME, Large Corporates, Public Sector and Commercial Real Estate (CRE)) covers a distinct customer type with unique needs and preferences and hence specific sales and service models.

**Approach for decarbonisation.** The implemented approach for corporate business is designed to support the achievement of Erste Group's ambition to achieve a net zero status of its portfolio by 2050, as it consists of performing an initial client transition readiness assessment via an ESG Assessment Questionnaire and an in-depth client engagement process with identified clients while evaluating financing needs. Erste Group understands its diverse customer base and is determined to help customers find a tailored approach, fitting to their needs.

**Product offering.** Erste Group's ambition includes helping clients to realise the benefits of decarbonisation by supporting cost-effective action. Erste Group offers specific purpose financing and advisory services focused on climate solutions, including renewable energy projects, high-efficiency buildings in commercial real estate and sustainable transportation solutions.

Erste Group wants to be the bank that provides financing across CEE to enable the net zero transition. Therefore, Erste Group is constantly in touch with its customer base as the main stakeholder, to better understand their needs. For further information on the stakeholder engagement, please refer to chapter '[SBM-2 - Interests and views of stakeholders](#)'.

### Erste Group's value chain composition

As a bank, Erste Group's value chain encompasses the inflow and outflow of money, facilitating payments and transactions. The bank transforms clients' savings and investments by making the cash available as loans while simultaneously managing the associated risks. Key business actors include Erste Group's clients, both private individuals and corporations, who benefit from Erste Group's services offered through digital and direct distribution channels.

For the value chain assessment, Erste Group aims to reflect the interests and views of affected stakeholders, as well as users of sustainability statement which are further described in chapter '[SBM-2 - Interests and views of stakeholders](#)'. Moreover, for the identification and assessment of impacts, risks and opportunities (IROs), special consideration was given on the upstream and downstream value chain to ensure completeness of the relevant IROs. In this context, Erste Group analysed the flow of activities, processes and value creation within the organisation.

In the context of the double materiality assessment (DMA), Erste Group is currently limited in considering all aspects of the value chain due to data availability constraints. Therefore, the focus has been on the direct business relationships. With the implementation of EU legislation (e.g., CSRD reporting, CSDDD), Erste Group expects these limitations to be addressed, leading to more detailed value chain information in the future.

### Upstream

The upstream value chain includes the goods and services procured by Erste Group, such as IT services, office supplies, property and infrastructure, consultancy and other external services that support the bank's operations. Erste Group conducted an in-depth review of the costs related to purchased goods and services in the year prior to the DMA. The total expenditures were categorised by sourcing categories from Erste Group's procurement system, with main expenditures considered for detailed assessment. These categories included IT services, infrastructure software, marketing, property management, consulting and personnel management expenditures. For each expenditure category, Erste Group assessed the potential sustainability matters and IROs. For example, IT services were included in the assessment for Climate Change (E1) due to their high energy consumption, while consulting services were considered in the assessment of Workers in the Value Chain (S2). The insights from these assessments were included in the overall evaluation.

### Own operations

The assessment of Erste Group's own operational activities, including workforce management and office branches, was based on the full scope of consolidated entities under IFRS. Additionally, it was evaluated whether Erste Group has operational control over not fully consolidated entities. All aspects of own operations were considered in the assessment. While environmental impacts from own operations were few, material IROs were identified in the areas of Own workforce (S1), Consumers and end-users (S4) and Business conduct (G1). To ensure completeness and accuracy of these impacts, Erste Group closely aligned with the responsible departments to reflect these effects adequately in the reporting.

### Downstream (Portfolio)

Erste Group finances and invests in a diverse range of clients, including corporate and retail customers, institutional investors and stakeholders involved in its sustainability initiatives. The downstream value chain is subsequently referred to as the portfolio, as all of Erste Group's downstream material impacts are linked to it. These conclusions are derived from IROs assessed following the DMA process and an in-depth portfolio analysis. This analysis was based on the breakdown of credit exposure and the calculation of financed emissions. The IROs related to the financed sectors are directly reflected in the materiality assessment. For example, the highest individual sectoral exposure (real estate) is reflected in the identified material negative impact relating to financed CO<sub>2</sub> emissions of Erste Group.

## **SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS**

Erste Group has gathered relevant information to reflect the interests and perspectives of its stakeholders both in business processes and in the Double Materiality Assessment (DMA) for the sustainability statement.

As part of the DMA, Erste Group classified its stakeholders into two categories: affected stakeholders and users of the sustainability statement. These groups are defined as follows:

- \_ affected stakeholders: retail customers, corporate clients, employees, suppliers and nature,
- \_ users of the sustainability statement: investors, analysts, rating agencies, supervisory and regulatory authorities, NGOs, potential future employees and other readers.

For each stakeholder group, at least one internal contact person was identified. These individuals are in regular exchange with the respective stakeholders, are familiar with their concerns and viewpoints and are able to provide informed insights.

Through individual interviews, the topics relevant to each stakeholder group were identified and systematically documented. This approach ensured that both the potential and the actual impacts of Erste Group's business activities on stakeholders, as well as the risks and opportunities identified by stakeholders of Erste Group, were appropriately considered in the materiality assessment.

The involvement of internal experts who maintain ongoing contact with the respective stakeholder groups proved particularly valuable in defining the Impacts, Risks and Opportunities (IROs) within the DMA. For instance, the IROs for S1 (Own Workforce) were defined with employee representatives and the Group People & Culture department.

For further details on the type of engagement, its purpose, implementation and the topics discussed with stakeholder groups, please refer to the table '[Key stakeholder engagement](#)' below.

## Key stakeholder engagement

Key Stakeholders	Why Erste Group engages	How Erste Group engages	Interests and views of key stakeholders	Actions / results of engagement
Customers	Strong engagement with customers enables Erste Group to understand their needs, anticipate market trends and consequently adjust services.	<ul style="list-style-type: none"> <li>– advisory sessions</li> <li>– conferences and seminars</li> <li>– website</li> <li>– customer experience programme</li> </ul>	<ul style="list-style-type: none"> <li>– improve customer experience</li> <li>– enhance products and services</li> <li>– accelerate innovation and drive digitalisation</li> </ul>	Erste Group's engagement enables a regular assessment of how customer needs can be met through product and service offerings.
Employees	Erste Group engages with employees to foster an environment of open dialogue and provide them with continuously improving opportunities for growth and development.	<ul style="list-style-type: none"> <li>– employee surveys</li> <li>– Intranet</li> <li>– training, coaching and mentorship</li> <li>– Employee Resource Groups</li> <li>– annual feedback and professional development talks</li> <li>– engagement with works council</li> </ul>	<ul style="list-style-type: none"> <li>– invest in people development</li> <li>– foster diversity, equity and inclusion</li> <li>– promote employee health and work-life balance</li> <li>– increase employee involvement</li> </ul>	Erste Group's engagement enables the targeted adaptation of the people and culture strategy.
Suppliers	Erste Group engages with suppliers to ensure high standards of quality, integrity and compliance throughout the procurement process.	<ul style="list-style-type: none"> <li>– supplier feedback questionnaire</li> </ul>	<ul style="list-style-type: none"> <li>– smooth and efficient cooperation</li> <li>– simple and streamlined business processes</li> <li>– effective and trustworthy communication</li> </ul>	Erste Group's engagement enables a regular assessment of how supplier expectations are addressed in procurement processes and collaboration.
Nature, represented by academic institutions, environmental and social NGOs	Erste Group conducts content-driven debates with academic institutions as well as environmental and social NGOs (non-government organisations).	<ul style="list-style-type: none"> <li>– conferences and events</li> <li>– bilateral meetings</li> </ul>	<ul style="list-style-type: none"> <li>– accelerate climate action</li> <li>– mitigate global physical and transition risks</li> <li>– protect biodiversity</li> </ul>	Erste Group's engagement enables identification of current and future priorities from the academic society and reflect them early in the strategic planning.
Investors, analysts and rating agencies	Through engaging with investors and analysts Erste Group aims to foster a clear understanding of company performance and strategy.	<ul style="list-style-type: none"> <li>– investor presentations and webcasts</li> <li>– bilateral talks</li> <li>– roadshows</li> <li>– conferences</li> </ul>	<ul style="list-style-type: none"> <li>– drive performance and execute strategy for sustainable growth</li> <li>– accelerate climate action</li> <li>– foster diversity, equity and inclusion</li> <li>– enhance risk management to ensure resilience</li> <li>– increase transparency</li> </ul>	Erste Group's engagement increases the level of transparency in external reporting to ensure a clear understanding of the company's performance and strategy.
Supervisory and regulatory authorities	Erste Group conducts a permanent, pro-active dialogue with national and European supervisory and regulatory authorities to understand supervisory expectations.	<ul style="list-style-type: none"> <li>– supervisory dialogues</li> </ul>	<ul style="list-style-type: none"> <li>– drive performance and execute strategy for sustainable growth</li> <li>– accelerate climate action</li> <li>– foster diversity, equity and inclusion</li> <li>– enhance risk management to ensure resilience</li> <li>– increase transparency</li> </ul>	Erste Group's engagement enables it to adapt processes and increase the level of transparency to fulfil supervisory expectations.

The key interests of Erste Group's stakeholders, identified through ongoing engagement, inform and shape the business model. It is however, often impossible to attribute amendments to the strategy exclusively to stakeholder views without considering other factors, such as business needs.

A key consideration for Erste Group's stakeholder engagement is the respect and promotion of human rights. Erste Group does not tolerate any form of discrimination, such as discrimination on the basis of gender, age, marital status, family obligations, religion, political conviction, sexual orientation, race, nationality, social or ethnic background, disability, physical appearance or any other aspects unrelated to the business.

The Management Board is responsible for managing the organisation to the benefit of the company, considering the interests of the shareholders and the employees as well as the public. Information on the outcomes of engagement with all stakeholder groups is provided to the Management Board both informally through meetings with internal stakeholder representatives as well as formally in board meetings. The Supervisory Board is similarly informed about engagement with key stakeholder groups in dedicated agenda items in Supervisory Board meetings with internal stakeholder representatives.

## SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH ERSTE GROUP’S STRATEGY AND BUSINESS MODEL

This chapter gives an overview of Erste Group’s material IROs, resulting from the DMA (see *IRO-1*). In the table below, all material IROs are listed, based on the sustainability matter they relate to, the type of IRO, the position in the value chain and the time horizon the materiality has been detected in. Additional information regarding the material IROs and their interaction with Erste Group’s strategy and business model can be found in the respective topical chapters.

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
E1-Climate change adaptation	Risk	Erste Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.	Portfolio	Medium- to long-term
	Opportunity	For Erste Group, additional financial opportunities arise from the financing of and investments into companies that offer solutions for adapting to climate change and the funding of adaptation solutions in the real estate market (residential and commercial real estate).	Portfolio	All time horizons
E1-Climate change mitigation	Risk	Erste Group faces a higher credit risk as climate-related transition events (e.g. carbon pricing and regulatory interventions) can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.	Portfolio	All time horizons
E1-Energy	Actual positive impact	By financing renewable energy and energy grid infrastructure, Erste Group promotes CO <sub>2</sub> e-neutral power and supports energy security as well as the transition to a sustainable economy.	Portfolio	All time horizons
	Risk	Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for Erste Group, impacting P&L as well as own funds.	Portfolio	All time horizons
E1-Climate change mitigation and energy	Actual negative impact	Erste Group’s Scope 1, 2 and 3 CO <sub>2</sub> e emissions (from upstream value chain, own operations and financed emissions) contribute to climate change and thus to global warming.	Upstream, Own operations, Portfolio	All time horizons
	Opportunity	Erste Group can gain financial opportunities by investing in and financing clients that support decarbonization, transition to sustainability and renewable energy projects (e.g., pumped storage plants, green hydrogen) that support CO <sub>2</sub> e-neutral energy production.	Portfolio	All time horizons
E4-Soil sealing	Actual negative impact	Financing real estate and public infrastructure projects can have a negative impact on biodiversity as soil is sealed and land is degraded, thus causing increased flooding risks, climate change exacerbation and possible health issues caused by decreased air and water quality.	Portfolio	All time horizons
S1-Gender equality and equal pay for work of equal value	Actual negative impact	The current gender pay gap which is mainly caused by gender disparity at different job levels at Erste Group disadvantages female employees.	Own operations	All time horizons
S1-Training and skills development	Opportunity	Tailored trainings and further education with regards to technology and AI improve employee’s professional skills and qualifications and increases productivity and innovation.	Own operations	All time horizons
S1-Diversity	Actual positive impact	Diversity initiatives, such as employee networks that target demographics that would otherwise experience potential exclusion, have a positive impact on Erste Group employees by fostering an inclusive corporate culture. These efforts create an open environment where support is prioritized, allowing employees to feel valued and empowered.	Own operations	Short- to medium-term
	Potential negative impact	Workplace discrimination can profoundly impact vulnerable groups of employees by fostering a hostile and unsafe work environment. These issues can lead to heightened stress and anxiety, making these employees feel unsupported and excluded and might affect their mental and physical health.	Own operations	All time horizons
S3-Social Banking (entity specific)	Actual positive impact	By ensuring that financial education programmes, as well as all banking products and services are accessible to marginalized individuals as well as underserved starting enterprises and social organisations/projects, Erste Group promotes their autonomy, social and professional integration and active participation in community life.	Downstream	All time horizons

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
S4-Privacy	Potential negative impact	Data breaches or cyberattacks could lead to compromised sense of security and privacy for individuals, leaking private and financial data of affected customers.	Portfolio	All time horizons
S4-Financial Health (entity specific)	Actual positive impact	Through educational programs, financial advice and tools Erste Group has a positive impact on the financial health of customers contributing to customers overall economic stability, leading to a better quality of life.	Portfolio	All time horizons
G1-Protection of whistleblowers	Potential negative impact	The potential lack of protection for whistle-blowers interferes with freedom of expression, potentially leading to retaliation and reprisal, social exclusion and psychological stress for whistle-blowers.	Own operations	All time horizons
G1-Corruption and Bribery - Prevention and detection including training	Potential negative impact	A lack of awareness and internal measures could potentially lead to corruption or bribery incidents with legal consequences including labour law sanctions as well as civil and criminal proceedings for employees. (also material for Incidents of corruption or bribery)	Own operations	All time horizons

For entity-specific topics, Erste Group follows the same disclosure requirements as prescribed by the respective ESRS for sustainability matters. Therefore, disclosures for entity-specific topics include information regarding policies, actions and targets, if available. The following disclosures in this sustainability statement are not covered by the ESRS and are entity-specific:

- \_ Adjusted Gender Pay Gap (for more information see [S1-16](#))
- \_ Social Banking Performance Indicators (for more information see [S3-5](#) and [S4-5](#))

Information regarding the methodology of considering ESG risks in the existing risk appetite statement can be found in note 32. Financial risk management, Risk appetite. As described in IRO-1, the process for evaluating the IROs was adjusted compared to last year. Accordingly, several refinements and modifications were made during the course of the assessment, resulting from increased guidance and benchmarking in 2025. These changes are outlined below.

#### **E1 - Climate change adaptation**

For 'E1 - Climate Change Adaptation', the positive impact of climate change adaptation financing was reassessed as not material.

#### **E1 - Climate change mitigation**

For 'E1 - Climate Change Mitigation', the two negative impacts that were considered in last year's assessment - the CO<sub>2</sub> emissions from Erste Group's own operations and upstream value chain contributing to climate change and global warming and the financed CO<sub>2</sub> emissions contributing to climate change and global warming - were consolidated into one material negative impact in this year's evaluation.

#### **E1 - Energy**

For 'E1 - Energy', the two negative impacts that were assessed as material last year - the CO<sub>2</sub> emissions resulting from Erste Group's own energy mix (electricity, fuel and heating) and the investments in and financing of energy-intensive companies still relying on fossil fuels - were consolidated and are now reflected under the material negative impact of Climate Change Mitigation. This means that the material negative impact identified under Climate Change Mitigation equally applies to Energy.

The same approach applies to the opportunity: the previously material opportunity under Energy has been integrated into the material opportunity under Climate Change Mitigation and therefore applies to both topics. No separate material opportunity is assessed for Energy this year.

#### **S1 - Own workforce**

For 'S1 - Own Workforce', the positive impact identified under Work-life balance last year has not exceeded the materiality threshold in the reassessment. The same applies to the positive impact under Health and Safety. Regarding the topic of Diversity an additional potential negative impact was identified.

#### **S3 - Social Banking (entity specific)**

For 'S3 - Affected Communities' the entity specific positive impact related to Social Banking has been identified as material in this year's evaluation (2024 in S4).

#### **S4 - Consumers and end-users**

For 'S4 - Consumers and End Users', last year both a positive impact and an opportunity related to Financial Health were assessed as material. While the opportunity was not considered as material in this year's assessment, the positive impact remains the same. Regarding the topic of Privacy the associated risk is no longer considered material. The topic Access to Products and Services is no longer assessed as material for S4 this year. However, as noted earlier, a new positive impact under 'S3 - Social Banking' has been identified.

**G1 - Business Conduct**

For 'G1 - Business Conduct', last year a material positive impact was identified under Protection of Whistleblowers and a potential positive impact under Corruption and bribery – Prevention and Detection, including Training. In this year's assessment, both topics are instead assessed as having a material potential negative impact.

After conducting the materiality assessment, the material IROs were evaluated to understand their potential impact on, or the need to adjust, Erste Group's business model, value chain and strategy. Currently, no changes to Erste Group's business model based on the material IROs have been made, however due to the important role that these IROs play for Erste Group, any potential impacts on strategy and business are currently being reviewed and will be adjusted as appropriate.

# Impact, risk and opportunity management

## IRO-1 – DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

For the compilation of this year's sustainability statement Erste Group has performed the annual double materiality assessment (DMA) in accordance with the requirements of ESRS 1 and 2. Consequently, the performed assessment covered the identification and assessment of impacts, risks and opportunities (IROs) under the IFRS consolidation scope. Furthermore, other participations, which are not fully consolidated, were analysed regarding potential IROs and operational control. The outcomes of the assessment are the basis for the scope of topics reported and data points included in this statement.

In 2025, the DMA process was conducted for the second time according to the ESRS. It deviates from the materiality assessment from last year by introducing a Portfolio Analysis to identify impacts from the credit risk portfolio, adjusting the scoring process and stakeholder engagement by building cross-functional scoring teams, who scored each time horizon separately.

### Identification of impacts, risks and opportunities

The DMA was performed under the lead of Group Accounting and Group Corporate Affairs & Stakeholder Management, considering inputs from Group Investor Relations, Group People & Culture, Group Procurement, Risk Management and Corporates & Markets.

### Double materiality assessment process

The process to identify the material impacts, risks and opportunities (IROs) was conducted in four steps. As a first step a relevance analysis of all sustainability matters listed in ESRS 1 Appendix A AR 16 was conducted. Additionally, this list was enriched with the entity specific topics such as financial health and social banking. A topic may be relevant if it is connected to the Group's core business, strategic priorities or value chain. Relevance can also arise from the extent to which stakeholders are affected. If a sustainability matter was assessed as relevant, the respective IROs assigned to the topic were subsequently subject to an impact and financial materiality assessment. The final step was to validate and approve the outcome of the DMA, where the final scoring per IRO was quality assured by a central expert jury. Subsequent to these steps the results were visualised in a matrix, summarised in an executive presentation and acknowledged by Erste Group's Management Board.

To gain a deep understanding of the circumstances Erste Group is operating in, various data was collected for the identification of IROs. Inputs for the DMA included:

- \_ guidance documents and peer benchmarking,
- \_ analysis of the group strategy and related business activities,
- \_ engagement with internal experts and use of studies,
- \_ integration of Erste Group Risk Materiality Assessment results,
- \_ mapping of sectoral credit exposures and financed emissions (Portfolio Analysis),
- \_ spend for purchased goods and services (Upstream),
- \_ consultation with internal expert jury.

### Portfolio Analysis

The results of the portfolio analysis also inform the identification of impacts in the downstream value chain and their materiality status. Using an Excel-based tool considering input data by UNEP FI and ENCORE, Erste Group assessed ESG impacts across its portfolio and linked them to ESRS requirements for the DMA. To run the analysis, Erste Group provided portfolio data, including loan details, exposure values, associated industries using NACE codes and countries of operation. Each loan is then assigned ESG impact scores based on its sector and country, which are weighted by exposure to create a portfolio-wide ESG impact profile and aggregated by sector to show which industries contribute most to ESG impacts. UNEP FI impact categories are mapped to ESRS sub-topics and topics are flagged as relevant if their impact score exceeded the 90<sup>th</sup> percentile threshold. These flagged topics were then reviewed and validated by internal experts to determine whether they represent material impacts for Erste Group. The portfolio analysis replaces the previous manual assessment approach by establishing materiality through a structured, data-driven process.

Throughout the DMA, a Top-Down approach was used to identify the material IROs. This was done by assessing the IROs centrally for the group with a continuous validation against the DMA results from the subsidiaries consolidated under IFRS. Consequently,

in order to assure the completeness and accuracy of the DMA within Erste Group, constant communication with the subsidiaries was necessary. This was to identify and assess potentially relevant IROs at both the group and entity levels. This was achieved by:

- \_ weekly AT/CEE calls,
- \_ ad hoc meetings on a 1:1 basis (Erste Group and subsidiaries),
- \_ workshops.

The outcome of the DMA is the list of material IROs that is shown in SBM-3 and lays the foundation for this report.

### Stakeholder Engagement

The DMA was informed by internal experts from various business units, e.g People & Culture, Carbon Calculation & Targeting, Data Protection Legal etc. and the Employees Council. Erste Group had no other direct consultations with other affected stakeholders in the DMA. Results were validated by the Expert Jury. The Expert Jury are individuals representing Group Accounting and Group Corporate Affairs & Stakeholder Management.

### Value Chain Assessment

For the DMA, Erste Group aimed to reflect the interests and views of affected stakeholders the sustainability statement as described in '*SBM-2 - Interests and views of stakeholders*'. Moreover, for the identification and assessment of IROs, special consideration was given to the upstream and downstream value chain to ensure completeness of the relevant IROs. In this context, Erste Group analysed the flow of activities, processes and value creation within the organisation.

Further information on Erste Group's value chain composition and the respective implications on the DMA can be found in chapter '*SBM-1 - Strategy, business model and value chain*'.

### Impact Materiality Assessment

The assessment was based on the following central assumptions:

- \_ The value chain relevance and the time horizon of their assumed occurrence were identified per impact.
- \_ Impacts were defined as either positive or negative. If multiple but deviating impacts (i.e. positive and negative) were identified towards a sustainability matter, each impact was evaluated separately.
- \_ For a sustainability matter to be deemed as material, only one material impact is sufficient, regardless of the count of additional immaterial impacts, its state as actual or potential, its allocated time horizon or value chain relevance.
- \_ The severity and the likelihood were evaluated for each impact. An impact is classified as actual if it has already occurred and is therefore observable or verifiable in the present. Conversely, an impact is classified as potential if its occurrence is only possible in the future and thus based solely on a plausible expectation or projected development. Whether an impact is to be classified as actual or potential is determined by the responsible internal experts. For actual impacts the likelihood was consistently set to 100%. For potential impacts the likelihood was assessed on a scale from 0-5 with each scale having a corresponding probability weight.
- \_ The scoring of severity included the three parameters of scale, scope and - only for negative impacts - irremediability. Each evaluation parameter was assessed individually on a scale from 0-5. Their values were averaged, and the resulting score was then multiplied by the likelihood.
- \_ Subsequent impacts and human rights impacts were considered. For human rights impacts severity took precedence over likelihood with a weight of 100%.
- \_ Impacts with a total score above 2.5 on a scale from 0 to 5 were considered material. Using this as the threshold ensures that only impacts with at least an upper-medium level of severity are classified as material. This approach prevents low-severity impacts from being considered material, maintaining focus on the most significant topics.
- \_ Impact evaluations were conducted per time horizon by cross-functional scoring teams holding group functions setting scores based on evidence and/or expert opinion.
- \_ The material impacts were aligned with the outcome of the financial materiality assessment for sustainability matters whereby financial materiality would be triggered by impact materiality.
- \_ The final scoring per impact was quality assured by a central expert jury.

The executed assessment process did not comprise an explicit step of engaging with external stakeholders. Information concerning affected stakeholders was considered implicitly via the above-mentioned in-house experts and their regular exchanges with externals (i.e. customers, NGOs, rating agencies, investors). For more information on stakeholder groups and engagement, please refer to chapter '*SBM-2 - Interests and views of stakeholders*'.

### Impacts relating to E1 Climate change

The whole value chain was considered and assessed in the context of climate change. As described in section 'SBM-1 - Strategy, business model and value chain', some sectors with high emissions, such as IT-services, are part of Erste Group's upstream value chain. These were assessed alongside emissions from Erste Group's own operations. The assessment was carried out in alignment with the process outlined above, incorporating both the Portfolio Analysis and expert evaluations. Together, the impact was considered material, especially due to the high score considering the scope of CO<sub>2</sub> emissions, which were considered to have a global impact, as well as the irremediability, as CO<sub>2</sub> emissions are very difficult to be reversed.

However, a major part of Erste Group's overall emissions stem from the financed emissions in the portfolio, which are part of its downstream value chain. As such, these are closely monitored. During Erste Group's DMA, the current total carbon footprint based on end of year 2024 values was used as input. Erste Group is calculating and reporting GHG emissions for both its banking operations (scope 1, 2 and 3) as well as its financed portfolio (financed scope 3 emissions). The used methodologies are in line with the GHG Protocol Corporate Accounting and Reporting Standard and the PCAF methodology. Details regarding the computations and calculation scope can be found in chapter E1-6 of this statement.

For the subtopic of climate change mitigation a negative impact was identified, which, due to its actual and global nature, received the highest notch evaluation and hence was deemed material. This negative impact is equally applicable to the subtopic of energy, but is only listed as a single negative impact applicable to both subtopics.

Erste Group already finances renewable energy projects supporting the transition to an economic system within the planetary boundaries. It does so based on its Responsible Financing Policy, which sets out financing exclusions for high emitting sectors, as well as its Sustainable Finance Methodology which pursues targets in sustainable financing. Based on the actual and global nature this positive portfolio related impact was assessed as material.

### Impacts relating to E4 Biodiversity and ecosystems

In the upstream value chain, no material impacts in connection to biodiversity and ecosystems were identified. Nevertheless, Erste Group is aware that biodiversity and ecosystems is a topic of increasing importance and is closely monitoring all parts of its value chain to ensure that potential impacts are adequately managed.

Erste Group has no sites (own premises) located in or near biodiversity-sensitive areas and no material impacts were identified related to Erste Group's own operations affecting any biodiversity-sensitive areas.

Concerning downstream impacts, Erste Group's focus on financing real estate and public infrastructure projects was assessed to have an actual negative impact on biodiversity, as soil is sealed and land is degraded, causing increased flooding risks, climate change exacerbation and possible health issues due to decreased air and water quality. Potential other impact drivers, such as dependencies on ecosystems for certain financed sectors (such as tourism), have been considered, but were not considered material due to the comparatively low exposure share. The evaluation was based on expert judgement and supported by portfolio analysis data using ENCORE and UNEP FI data. Information with regards to affected communities are covered through the aforementioned data bases and portfolio analysis. The material actual impact of biodiversity and ecosystem matters are restricted to the financed portfolio.

### Impacts relating to S1 Own Workforce

Erste Group places great importance on the development and support of its own employees, as they are a key factor in the company's success. Topics such as gender equality and equal pay for equal work, as well as diversity were identified as material for Erste Group. A comprehensive analysis was conducted, taking into account existing People & Culture strategies and internal policies. The assessment was based on the evaluations of internal experts and the results of existing employee surveys as well as external studies.

### Impacts relating to S3 Affected Communities

Erste Group interacts in many ways with surrounding communities, which is why a positive impact was identified and the topic of Social Banking was classified as material. The assessment was aligned with the Social Banking strategy, expert evaluations and stakeholder feedback. Key impacts include ensuring access to products and services for financially vulnerable people and promoting financial inclusion.

### Impacts relating to S4 Consumers and End Users

As a financial services provider, Erste Group places great importance on its responsibility towards customers and end users. The assessment of potential impacts related to the topics in this chapter - consumers and end users - was therefore carried out with particular care. Topics such as financial health and privacy were identified as material to Erste. The assessment focused on the direct impact on customers and end users, with a strong emphasis on the overall customer experience and the protection of their interests. A detailed assessment was conducted, taking into account existing customer policies and data protection measures. This

assessment was based on evaluations of internal experts and feedback from customer satisfaction surveys. For example, financial well-being was given high priority.

### Impacts relating to G1 Business conduct

All G1 subtopics were deemed in general as relevant for Erste Group's own operations. An analysis was performed taking Erste Group's existing governance setup and compliance status as well as its role as a tightly supervised and regulated financial institution and financial services provider into account. This influenced the evaluation of the impacts. For example, the impact connected to the prevention and detection including training regarding corruption and bribery was deemed to have the lowest likelihood, as Erste Group already has rigorous practices and trainings in place. The evaluation of the impacts was performed based on Erste Group's internal expert judgment, leading to two material potential negative impacts in connection to the protection of whistleblowers and the prevention of corruption and bribery (see table in [SBM-3](#)).

## Financial Materiality Assessment

The financial materiality assessment was based on the following central assumptions:

- For the assessment of financial materiality, risks and opportunities arising from future legislation, reputational considerations and related uncertainties are taken into account. The process is linked to existing internal risk assessments and Erste Group's strategic positioning to capture emerging business opportunities. As part of this process, internal experts were briefed on the methodological requirements of the DMA, including the interdependences between impact and financial materiality, with particular emphasis on recognising financial materiality that results from impacts and dependencies.
- The identification and evaluation of risks for this year's DMA result considers information stemming out of Erste Group's annual risk materiality assessment, in which ESG risks and risk drivers were already included and evaluated. For more information on the RMA, see the section below '[Risk Materiality Assessment \(RMA\)](#)'.
- The value chain relevance and the time horizon of their assumed occurrence were identified per risk and opportunity.
- For a sustainability matter to be deemed as material, only one material risk or opportunity is sufficient, regardless of the count of additional immaterial risks or opportunities, its allocated time horizon or value chain relevance.
- Identified risks and opportunities were evaluated in terms of the magnitude of their financial effect on a scale from 0-3 and subsequently multiplied by the probability of occurrence on a scale from 0-5, with each scale having a corresponding probability weight.
- Risks and opportunities with a total score above 1.5 on a scale from 0 to 3 were considered material. Using this as the threshold ensures that only risks and opportunities with at least medium scale of magnitude of financial effect are classified as material. This approach prevents low-scaled risks and opportunities from being considered material, maintaining focus on the most significant topics.
- Risks and opportunities were defined and evaluated per time horizon separately by cross-functional scoring teams holding group functions setting scores based on evidence and/or expert opinion.
- The final scoring per risk and opportunity was quality assured by a central expert jury.

### Risk Materiality Assessment (RMA)

The Business Environment Scan (BES) identifies climate and environmental risks and opportunities, serving as input for the RMA to narrow down relevant topics. While the RMA provides the foundation for identifying material environmental risks, opportunities subject to the environment are derived directly from the BES. Identified risks are then analysed by internal experts to determine physical and transition risks, which are assessed across risk types (credit, market, operational, strategic, reputational, liquidity) and time horizons (short-, medium-, long-term) for materiality and are mapped to the ESRS longlist topics, linked to prior DMA risks or added as new ones. If any of those risks is material, the entire associated risk or topic is deemed material. The RMA replaces manual expert assessments by defining materiality systematically.

## RISKS AND OPPORTUNITIES RELATING TO E1 CLIMATE CHANGE

### Physical risks

For the means of the DMA physical risks are identified and assessed under the subtopic of climate change adaptation. Physical risks can arise at various locations throughout the value chain, such as:

- Erste Group's own fixed assets,
- fixed assets of suppliers (e.g. data centres),
- fixed assets of customers and as a specific category thereof
- those customer fixed assets that serve as collateral.

Due to its essential importance for Erste Group as a credit institution, the assessment focused on the financed portfolio and the transmission channels leading to credit risk. A transmission channel is the mechanism through which a physical risk (e.g., a flood) translates into a financial risk for the bank (e.g., credit risk). While physical risks also affect the upstream value chain and Erste Group's own assets, their impact was assessed as minor compared to the downstream value chain. Acute physical risks can damage

collateral, and together with chronic physical risks, can impair the viability of business models. These dynamics act as transmission channels that ultimately materialises as credit risk for Erste Group.

The assessment of the portfolio was guided by multiple inputs. The results of Erste Group's risk materiality assessment, taking into account the results of the comprehensive stress-testing exercise, including a flood risk scenario, as well as the results of a portfolio screening based on MunichRe Location Risk Intelligence data were used as the basis for the materiality assessment. More information can be found in chapter [E1 SBM-3](#).

Erste Group applies the RCP4.5 scenario, assuming moderate emission reductions with a peak around 2040 followed by a gradual decline. The assessment uses 2050 as the central reference year, corresponding to the typical remaining economic life of financed real estate assets (20–40 years). Physical risks are expected to affect collateral values mainly from mid-century onward through reduced marketability and higher operational and adaptation costs.

Physical risks across the portfolio and own assets are assessed at geocoordinate level, enabling precise location-based scoring beyond the regional aggregation required for CSRD (NUTS-3). This approach captures local differences in exposure across core markets more accurately.

For collateral assessment, Erste Group applies a bottom-up methodology, evaluating climate-related hazards for each financed property or real estate collateral. This includes quantifying potential market value impacts associated with risks such as flooding or extreme weather. Properties located in very high-risk areas typically undergo on-site inspections to document mitigations, which may influence valuations. These property-level findings are then aggregated to determine overall physical risk exposure for the real estate portfolio.

#### Physical risk – own assets

Out of Erste Group's own assets across countries, EUR 876.9 million, or approximately 0.24% of total assets (2024: EUR 927.8 million, or approximately 0.26% of total assets) are exposed to material physical risks considering short, medium and long-term horizon. Hence, Erste Group's own assets do not show material physical risk. Geographically, Austria represents the largest part of own assets exposed to material physical risks, followed by Romania and Hungary. Most exposures subject to material physical risk are classified as facing acute physical risks.

#### Physical risk – real estate taken as collateral

The carrying amounts of the Group's real estate taken as collateral include a portion of assets identified as being exposed to material physical risks. An asset is considered materially exposed when MunichRe assigns a high or very high location-specific risk score.

The analysis of Erste Group's financed asset portfolio indicates a single-digit percentage exposure to material physical climate risks (7.55% (2024: 7.40%) of total assets as stated in the IFRS balance sheet).

Geographically, Austria stands out as the area with the highest share of exposure exposed to material physical risk, which is attributed to the operational focus of Erste Group's operations in this region, followed by Romania and Slovakia. From a risk categorisation perspective, 97.00% (2024: 94.44%) of assets exposed across countries exposed to material physical risk are impacted by acute physical risks (fire weather, river flooding, earthquakes, drought). The above exposure is primarily concentrated in long-term maturities, which account for 76.83% or EUR 21.38 billion (2024: 74,54% or EUR 19.50 billion) of the total assets (EUR 27.82 billion) exposed to material physical risk.

#### Transition risks and opportunities

Due to its essential importance to Erste Group as a credit institution, the focus of the identification and assessment of transition risks and opportunities was centred on the financed portfolio and the impact on credit risk, as transition events such as policy changes can impact the viability and profitability of customers' business models. While risks and opportunities can arise in the upstream value chain and Erste Group's own operations, they have been assessed to be minor compared with the financed portfolio.

#### Transition Risk

In line with the EBA Guidelines on the management of environmental, social and governance risks (EBA/GL/2025/01), Erste Group defined a central scenario reflecting its latest expectations on the development of its environment. Against the backdrop of the current political and economic state of the world, the baseline is a combination of the NGFS scenarios Below 2°C and Fragmented World. This hybrid scenario reflects a world where the European Union (EU) pursues a coordinated climate policy path by implementing gradual but increasingly stringent climate policies (Below 2°C), while the rest of the world follows a more fragmented trajectory, marked by delayed, uncoordinated and uneven climate actions across regions (Fragmented World).

### Assets at material transition risk

Based on the described baseline scenario and its impact expressed in terms of additional expected credit loss Erste Group conducted an additional assessment to gain valuable information about the portion of the credit portfolio currently exposed to material transition risk. For this purpose, the gross impact (i.e. without consideration of any mitigating actions like decarbonization) was calculated on client level and subsequently compared to a dedicated materiality threshold. This allows for a (im)materiality-classification of all clients with emission calculation in Erste Group's portfolio.

The following table provides information on the share of assets at material transition risk as percentage of total assets in scope of the conducted transition risk scenario analysis. The scenario analysis allows for a materiality classification of assets worth EUR 227,101 million (2024: EUR 179,826 million) as of year end 2025. Based on each client's individual deal maturity, the data is further broken down by maturity buckets in line with the pre-defined time horizons. The figures published last year are also displayed, although those are based on an adverse scenario (delayed transition) and therefore do not allow for a direct comparison.

### Assets at material transition risk in baseline scenario

Date	Item	Gross carrying amount (in EUR million)	of which assets at material transition risks				
			Breakdown by maturity bucket				
				Short-term	Medium-term	Long-term	
31.12.2025	Assets covered by scenario analysis	227,101	absolute	51,225	10,213	15,342	25,670
			%	22.6%	4.5%	6.8%	11.3%
30.06.2024	Assets covered by scenario analysis	179,826	absolute	58,543	20,578	21,378	16,588
			%	32.6%	11.4%	11.9%	9.2%

While 22.6% (2024: 32.6%) of the assets are considered subject to material transition risk, it is important to emphasize that this figure does not represent an expected loss. Assets identified as being at material transition risk are rather a potential source of additional credit losses with any such losses being quantified in accordance with the existing methodology for determining credit loss allowances (CLA).

With the implementation of a dedicated decarbonisation strategy for focus sectors, Erste Group can cover more than 43% (2024: 41%) of assets materially exposed to transition risk, thereby effectively reducing the associated credit risk and strengthening Erste Group's resilience towards transition risk. Erste Group is well aware that the necessary economic adjustments will continue to have indirect macroeconomic effects on its business model. Nonetheless, mitigation measures can substantially reduce the impact and allow management to contain the risk in line with the ambition level of the defined targets.

The gross carrying amount of financial assets at fair value through other comprehensive income, financial assets at amortised cost, trade and other receivables, non-trading financial assets at fair value through profit or loss and finance lease receivables with credit institutions, other financial corporations, non-financial corporations and households respectively amount to EUR 238,095 million (2024: EUR 226,521 million) according to the notes [16](#), [17](#), [19](#), [23](#) and [50](#) amount of the consolidated financial statements. The assets covered by the scenario analysis amount to EUR 227,101 million (2024: EUR 179,826 million). The difference results primarily from unsecured positions towards private households (consumer loans).

### Real estate-related assets by their energy efficiency levels

Beyond counterparty-level transition risk, collaterals may also be exposed, as buildings could prove to be energy-inefficient and therefore face potential market value declines. Hence, the evaluation of transition risks is taking into account the current distribution of the portfolio based on its carbon-intensity and the Energy Performance Certificate (EPC) across the commercial and residential real estate portfolio. Energy-inefficient buildings may trigger higher energy or renovation-related costs, increasing the financial strain on owners or occupants, ultimately leading to a potential deterioration in clients' credit quality.

One of the key metrics are Energy Performance Certificate (EPC) Labels, which classify assets based on their energy efficiency rating from A (highest efficiency) to G (lowest efficiency). Energy efficiency data coverage is increasing across the Group, with EPC labels availability representing 34% of total assets (2024: 29%) excluding estimated labels. Among these collected EPC Labels, a significant share of exposure falls within high energy efficiency buckets (A-C), representing 82% of total assets (2024: 82%). Overall, the increasing share of energy-efficient collateral - especially in EU area - is expected to support the mitigation of transition risk impacts, thereby contributing to Erste Group's strategic resilience.

### Transition opportunities

The evaluation of transition opportunities is taking into account the current distribution of the portfolio and the potential financial benefits of identified opportunities. This includes opportunities from financing companies investing into the decarbonisation of their own business models and clients offering climate change adaptation solutions, for example in the real estate sector.

## Non-material sustainability matters

Erste Group examined various topics, including pollution, water and marine resources, resource use and circular economy. In all these areas, no material IROs were identified. The assessment considered Erste Group's business model as a financial institution and its up- and downstream value chain. The assessments indicated that the potential IROs were considered minor and non-material due to Erste Group's non-manufacturing business model and the structure of its portfolio.

### E2 Pollution

The upstream value chain, such as IT-providers, as well as Erste Group's own operations and downstream value chain were considered in the assessment of pollution matters. A portfolio analysis was performed to identify impacts linked to the typical risk profiles of the industries (see chapter *IRO-1 – Impact Materiality Assessment* for further details). The industries with the highest impacts were identified as agriculture, mining, manufacturing, construction and transportation. Due to the high standards and strict regulations on pollution matters that are in place to limit impacts on the environment within these industries, no material impact was determined. Risks and opportunities relating to pollution were analysed based on the current business strategy and portfolio structure in combination with the results of Erste Group's risk materiality assessment and underlying ESG sector risk heatmap. No material risks or opportunities were identified, primarily because the industries evaluated as high-risk within the scope of pollution matters had a low exposure share.

### E3 Water and marine resources

Potential impacts relating to water and marine resources in the upstream value chain, such as water cooling connected to IT services were assessed. A portfolio analysis was used to identify impact drivers in the downstream value chain. The impacts, when weighted by exposure to the relevant industries, did not indicate materiality. The assessment of risks and opportunities was conducted based on the current business strategy and portfolio structure, supplemented by insights from Erste Group's risk materiality assessment and its ESG sector risk heatmap. No material risks or opportunities were identified, primarily because the industries evaluated as high-risk within the scope of water and marine resource matters had a low exposure share.

### E5 Resource use and circular economy

Erste Group's own operations and upstream value chain were assessed, along with impacts related to the financed portfolio, using a portfolio analysis. The highest impacts were identified in industries such as agriculture, mining, manufacturing, construction and real estate. Following high standards and strict regulations on resource use and circular economy matters that are in place to limit impacts on the environment within these industries, no material impact was determined. The assessment of risks and opportunities associated with resource use and the circular economy was carried out based on the current business strategy and portfolio structure, complemented by insights from Erste Group's risk materiality assessment and its ESG sector risk heatmap. No material risks or opportunities were identified, primarily because the exposure share of industries affected by the main risk driver of a potential ban of environmentally damaging materials or chemicals is not significant.

## IRO-2 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

### List of disclosure requirements

After the completion of the DMA the respective material sustainability matters were allocated to the relevant disclosure requirements and data points by using the EFRAG Guidance. Additionally, Erste Group discloses entity specific information following the policy, action and target structure for the sustainability matters of social banking and financial health. Metrics were disclosed where required.

The list of disclosure requirements and their location in the statement can be found below.

<b>List of disclosure requirements</b>		<b>Page #</b>
<b>General information</b>		
BP-1	General basis for preparation of sustainability statement	23
BP-2	Disclosures in relation to specific circumstances, time horizons and data methodology for reporting	23
GOV-1	The role of the administrative, management and supervisory bodies	25
GOV-2	Information and sustainability aspects dealt with by the company's administrative, management and supervisory bodies	27
GOV-3	Integration of sustainability-related performance in incentive schemes	28
GOV-4	Statement on due diligence	30
GOV-5	Risk management and internal controls over sustainability statement	31
SBM-1	Strategy, business model and value chain	32
SBM-2	Interests and views of stakeholders	34
SBM-3	Material impacts, risks and opportunities and their interaction with Erste Group's strategy and business model	36
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	39
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	45
<b>Climate change</b>		
E1 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	80
E1-1	Transition plan	84
E1-2	Policies and transition measures for climate change mitigation and adaptation	85
E1-3	Actions and resources in relation to climate change mitigation and adaptation	90
E1-4	Targets related to climate change mitigation and adaptation	93
E1-5	Energy consumption and mix	103
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	105
<b>Biodiversity and ecosystems</b>		
E4 SBM-3	Material impact related to biodiversity and ecosystems	115
E4-1	Resilience of Erste Group's strategy and business model in relation to soil sealing	115
E4-2	Policies related to soil sealing	116
E4-3	Actions and resources related to soil sealing	117
E4-4	Targets related to soil sealing	117
E4-5	Impact metrics related to soil sealing	117
<b>Own workforce</b>		
S1 SBM-3	Material impacts, risks and opportunities related to own workforce and their interaction with strategy and business model	118
S1-1	Policies related to own workforce	120
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	123
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	125
S1-4	Taking action on material impacts on own workforce and pursuing material opportunities related to own workforce and effectiveness of those actions	126
S1-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	131
S1-6	Characteristics of the undertaking's employees	132
S1-7	Characteristics of non-employees in the undertaking's own workforce	133
S1-9	Diversity metrics	134
S1-12	Persons with disabilities	134
S1-13	Training and skills development metrics	135
S1-16	Remuneration metrics (pay gap and total remuneration)	135
S1-17	Incidents, complaints and severe human rights impacts	137
<b>Affected communities</b>		
S3 SBM-3	Material impact and its interaction with strategy and business model	138
S3-1	Policies related to affected communities	138
S3-2	Process for engaging with affected communities about impacts	139
S3-4	Taking action on material impacts on affected communities and managing the effectiveness of those actions	140
S3-5	Targets related to advancing positive impacts	142
<b>Consumers and end-users</b>		
S4 SBM-3	Material impacts and their interaction with strategy and business model	144
S4-1	Policies related to consumers and end-users	144
S4-2	Processes for engaging with consumers and end-users about impacts	146
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	147
S4-4	Taking action on material impacts on consumers and end-users and effectiveness of those actions	147
S4-5	Targets related to managing material negative impacts, advancing positive impacts	149
<b>Business conduct</b>		
G1-1	Business conduct policies and corporate culture	152
G1-3	Prevention and detection of corruption and bribery	153
G1-4	Incidents of corruption or bribery	155
G1-5	Political influence and lobbying activities	155

## List of data points in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 ( 27 ), Annex II		Material	<u>25</u>
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	<u>25</u>
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	<u>30</u>
		Article 449a Regulation (EU) No 575/2013;				
		Commission Implementing Regulation (EU) 2022/2453 ( 28 ) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk				
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 ( 29 ), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	<u>84</u>
		Article 449a				
		Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g) and Article 12.2		Material	<u>84</u>
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a				
		Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	<u>93</u>
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1				Material	<u>93</u>
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	<u>103</u>

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	103
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material	
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	105
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	105
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Material	Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Material	Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Material	Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material	Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water consumption in m <sup>3</sup> per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Material	<u>115</u>
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Material	<u>115</u>
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Material	<u>115</u>
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material	
ESRS S1-1 Human rights Policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	<u>120</u>
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	<u>120</u>
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Material	<u>120</u>
ESRS S1-1 Workplace Accident Prevention Policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Material	<u>120</u>
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	<u>125</u>
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Not material	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	<u>135</u>
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material	<u>135</u>

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Material	<a href="#">137</a>
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	<a href="#">137</a>
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material	
ESRS S2-1 Human rights Policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material	
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S3-1 Human rights Policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Material	<a href="#">144</a>
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	<a href="#">144</a>
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Material	<a href="#">147</a>
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Material	<a href="#">152</a>
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material	<a href="#">152</a>
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Material	<a href="#">155</a>
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	<a href="#">155</a>

# Environmental information

## EU Taxonomy Disclosures

### Legal framework at EU level

The EU Commission's Delegated Regulation (EU) 2026/73 (further referred to as 'revised EU Taxonomy DDA') amending the EU Commission's Delegated Regulation (EU) 2021/2178 (further referred to as 'unrevised EU Taxonomy DDA') as regards the simplification of the content and presentation of information to be disclosed concerning environmentally sustainable activities addresses the requirement of the EU Taxonomy's Article 8 by specifying the accordingly revised content and presentation of information to be disclosed concerning environmentally sustainable economic activities and specifying the accordingly revised methodology to comply with that disclosure obligation.

The revised EU Taxonomy DDA has been published in EU's Official Journal on 8th of January 2026, with applicability from 1st of January 2026 for the financial year 2025. The necessity of such a revision stem from the experience with the first year of reporting by financial undertakings and the two consecutive years of reporting by non-financial undertakings, which was found to provide a sufficient basis for the EU Commission (EC) to introduce certain targeted simplification measures to streamline reporting obligations and thereby reduce administrative burden on reporting undertakings, while not losing relevant and material data from the Taxonomy reporting framework. These measures, in a draft form open for comments, were issued in February 2025, as part of the so-called 'Sustainability Omnibus Proposal' (hereafter referred to as 'Omnibus'), then further refined and issued on the 4th of July 2025 in the form of an EC Delegated Regulation. In parallel, Omnibus' 'stop the clock' proposal - that is, applying year-end 2024's scope of undertakings subject to CSRD (hence: to EU Taxonomy disclosures as well) until further re-assessment of scope's previously enacted gradual widening across the years 2025-2028 - was fast-tracked for immediate enacting at EU level.

As mandated by its Article 4, Erste Group initially applies the revised EU Taxonomy DDA for the reporting year ending on 31 December 2025. Therefore, Group's EU Taxonomy disclosures as of 31 December 2025 hereafter included, as well as the number, the content and the structure of the related templates have been adapted to fully reflect the requirements of the revised EU Taxonomy DDA, notably the amendments to the Annex VI to the unrevised EU Taxonomy DDA (providing the updated layouts of the currently required templates 0-5) and the deletion of the Annex XII to the unrevised EU Taxonomy DDA (previously integrating the requirements of the Delegated Regulation 2022/1214 and the related previously applicable templates dedicated to direct and indirect applicable exposures towards the nuclear & fossil gas energy sectors).

### Erste Group's application of revised EU Taxonomy DDA's provisions prompting reporting credit institutions to make own reporting choices

#### 10% de minimis threshold applicable to UoP (Use of proceeds) assets with respect to sustainability assessment

In accordance with the revised EU Taxonomy DDA, up to 10% of credit institution's on-balance 'use of proceeds known' assets or off-balance items considered into the denominator of the related Taxonomy KPI of the credit institution can be omitted from such an assessment and reported instead as non-assessed exposures in a newly available dedicated section of the related EU Taxonomy templates. For the year ending on 31 December 2025, being also the first year of application of the revised EU Taxonomy DDA by Erste Group (and, inherently, by any other CSRD obligated undertaking), the Group opted for not making use of the above described 10% de minimis threshold. Consequently, the newly introduced columnar section 'Non-assessed exposures' is reported empty across all rows in all related EU Taxonomy simplified templates of the Group as of 31 December 2025.

#### 10% net turnover de minimis threshold applicable to reporting credit institutions' EU Taxonomy KPIs to be disclosed

Another key change brought by the revised EU Taxonomy DDA relates to the possibility for reporting credit institutions to not report a given EU Taxonomy KPI provided that the related assets or off-balance items contribute by 10% or less to institution's net turnover, as defined by the applicable regulatory requirements. On this basis, Erste Group has proceeded with determining the relative contribution of Group's asset management fees, as reported in Group's consolidated statement of comprehensive income for the financial year ending on 31 December 2024 and concluded that this contribution did not reach the mentioned de minimis threshold of 10%. Consequently, Erste Group does not disclose its AuM KPI as of 31 December 2025 in any of the applicable views.

Consequently, the related rows of the Templates 1 and 5 for 31 December 2025, as presented below, (all applicable views) are not populated.

### Option to include selected assets towards CSRD non-obligated undertakings into the GAR calculation

In accordance with the revised EU Taxonomy DDA as well, the applicable taxonomy KPIs can be either mandatorily or voluntarily disclosed by the related undertakings. However, in the latter case and provided that the reporting credit institution opts for considering exposures to such undertakings into its Green Asset Ratio (GAR), the applicable general-purpose exposures and the calculated amounts arising from the above mentioned weighing shall be distinctly disclosed into a newly available dedicated section of the related EU Taxonomy templates, along any specific-purpose applicable exposures towards CSRD non-obligated undertakings that the credit institution may voluntarily include into the assets covered by the GAR calculation (hence: assess the specifically financed activities accordingly). For year-end 2025 EU Taxonomy reporting purposes, Erste Group opted for including into its assets covered by the GAR calculation neither applicable general-purpose exposures to undertakings having voluntarily disclosed their taxonomy KPIs nor applicable specific-purpose exposure towards CSRD non-obligated undertakings (whether they voluntarily disclosed any taxonomy KPIs or not). Therefore, the newly included linear section 'Exposures included on a voluntary basis' is reported empty across all columns in all related EU Taxonomy simplified templates of the Group as of 31 December 2025.

### Revised EU Taxonomy DDA's approach to GAR calculation and its implementation in Erste Group

The GAR is the proportion of taxonomy aligned assets or economic activities financed by Erste Group compared to the total 'GAR assets'. The revised EU Taxonomy DDA has introduced a key change in the composition of GAR's denominator, aimed at achieving GAR's 'symmetry' in the sense of ensuring a full overlap with respect to the categories of assets and counterparts falling in the respective scopes of GAR's numerator and denominator. This means that:

- \_ Non-trading non-derivative financial assets towards CSRD non-obligated undertakings, previously included in GAR's denominator's only, have been fully excluded from the assets covered by the GAR calculation, unless the reporting credit institution would opt to include them on a voluntary basis, which, as mentioned above, is not the case of Erste Group for 31 December 2025;
- \_ Other categories of financial assets previously included in GAR's denominator only, such as hedging derivatives, on demand inter-bank loans, cash and cash related assets, have been fully excluded from the assets covered by the GAR calculation;
- \_ Other categories of assets, such as goodwill and other non-financial assets, previously included in GAR's denominator only, have been fully excluded from the assets covered by the GAR calculation.

As a direct result of the newly adopted 'symmetrical' approach to the GAR calculation, Erste Group further proceeded with the following two reallocations out of the 'GAR assets' into the category of assets not covered for the GAR calculation:

- \_ Loans to Households other than those identified as EU taxonomy eligible (that means: other than those collateralized by residential real estate or building renovation loans or motor vehicle loans granted starting with 2022), previously considered as a category of assets covered in both the numerator and the denominator of the GAR (although inherently not eligible for contributing to GAR's numerator), have been fully excluded from the assets covered by the GAR calculation and considered instead within the GAR-excluded category 'Undertakings and entities not subject to CSRD' within the related Taxonomy templates as per the revised EU Taxonomy DDA;
- \_ similarly, general or sundry financings of Local Governments, previously considered as a category of assets covered in both the numerator and the denominator of the GAR (although inherently not eligible for contributing to GAR's numerator), have been fully excluded from the assets covered by the GAR calculation and considered instead within the GAR-excluded category 'Undertakings and entities not subject to CSRD' within the related Taxonomy templates as per the revised EU Taxonomy DDA.

Non-trading non-derivative financial assets having CSRD-obligated undertakings as counterparts are mandatorily included in the GAR calculation. Considering the 'stop the clock' decision of the EU Commission in respect to the CSRD scope of obligated undertakings (as also referred to above), the criteria applied at year-end 2024 for identification of the CSRD-obligated undertakings continue to apply in full at year-end 2025 as well. Thus, all undertakings considered to be of public interest and employing more than 500 employees either as individual entities or at the related group level are deemed required to comply with Article 8, Paragraph 1 of Regulation (EU) 2020/852 and hence identified as CSRD-obligated, even when such an obligation does not apply at related undertaking's individual level, provided that the related undertaking is identified as subsidiary of a parent undertaking CSRD-obligated at consolidated level only.

The assets covered in the GAR calculation due to having financial or non-financial undertakings identified as CSRD-obligated as counterparts are further considered in the GAR numerator as follows:

- \_ in full, if the purpose of the financing is known (use of proceeds known) and the financed economic activities demonstrably meet all technical screening criteria of the classification system (e.g. project financing) and are MS compliant, or
- \_ weighed by the counterpart's (or, if unavailable, by the counterpart's group) most recently published taxonomy alignment KPI, if the purpose of the financing is unknown ('general purpose financing', e.g. working capital loans).

'Use of proceeds known' non-trading non-derivative financial assets that have households or local governments as counterparts (namely, public authority bodies or agencies other than those directly run by related country's central government, e.g. municipalities or local councils) are also covered in the GAR calculation, if the financed economic activities demonstrably meet all the applicable technical screening criteria.

Financial assets previously already fully excluded from the GAR calculation, namely those towards central governments, supranational issuers and central banks, as well as all trading assets, have continued to remain so.

### Ensuing implications on the Eligibility KPI

Another significant KPI is the taxonomy eligibility KPI. This KPI puts the assets covered in the GAR calculation that are classified as taxonomy eligible in relation to the total assets covered in the GAR calculation. Similarly to the GAR, covered financial assets towards financial or non-financial undertakings are considered in both the numerator and the denominator of the eligibility KPI provided that the related counterparts are themselves CSRD-obligated at either individual or consolidated level or belong to a group headed by an CSRD-obligated undertaking or are included by the reporting credit institution on a voluntary basis (not the case for Erste Group for year-end 2025, as mentioned above). Such financial assets (if they are neither held for trading nor derivative assets) are further considered in the numerator of the taxonomy eligibility KPI as follows:

- \_ in full, if the purpose of the financing is known and the economic activities financed are found as taxonomy eligible by corresponding to the activities described in the classification system, regardless of whether all technical criteria are met (e.g. project financings), or
- \_ weighed by counterpart's (or, if unavailable, by counterpart's group) most recently published taxonomy eligibility KPI, if the purpose of the financing is unknown ('general purpose financing' e.g. working capital loans).

Additionally, 'use of proceeds known' non-trading non-derivative financial assets that have households or local governments as counterparts are also included in the numerator of the taxonomy eligibility KPI, if the financed economic activities demonstrably are found as taxonomy eligible by corresponding to the activities described in the classification system, regardless of whether all technical criteria are met.

### Derived KPIs ('proportions') additionally introduced by the revised EU Taxonomy DDA

Aside the GAR and the Eligibility KPI, the revised EU Taxonomy DDA has introduced within the GAR KPI stock and flow templates a new columnar section named 'Proportion of Taxonomy aligned in Taxonomy eligible', where the ratio of taxonomy-aligned assets into the taxonomy-eligible assets, as already referred to by the Annex V of the unrevised EU Taxonomy DDA as 'second step' KPIs, has to be distinctly disclosed.

## Overview of Erste Group's Taxonomy disclosures and KPIs

### SCOPE OF THE PUBLISHED EU TAXONOMY REPORTING TEMPLATES

Erste Group has prepared the EU Taxonomy disclosures on a consolidated basis, in accordance with the CRR consolidation scope, which is insignificantly different from Group's IFRS scope of consolidation (as disclosed in the related Annex to this Annual Report), notably in terms of impact in the consolidated taxonomy disclosures based on Group's total consolidated assets. Therefore, whilst Erste Group's total consolidated assets as at 31 December 2025 in accordance with the IFRS consolidation scope amount to EUR 368.57 billion (31 December 2024: EUR 353.74 billion), they amount to EUR 368.28 billion (31 December 2024: EUR 353.71 billion) according to the CRR consolidation scope, net of related credit loss allowances in amount of EUR 4.02 billion (31 December 2024: EUR 4.14 billion), which are grossed-up for EU Taxonomy reporting purposes along adjustments to other balance-sheet items as further detailed in the sub-chapter '*Reporting methodology and underlying assumptions and interpretations*' below). This slight difference is due to a few entities qualifying as subsidiaries under the IFRS scope of consolidation only.

For year-end 2025, unlike for year-end 2024, Erste Group, as a credit institution, applies Annex V and VI of the EU Taxonomy Disclosures Regulation, as modified by the revised EU Taxonomy DDA. Inherently, this legislative update impacts therefore the year-on-year comparability of some of Erste Group's Taxonomy KPIs. Had the methodological changes brought by the revised EU Taxonomy DDA been applied for year-end 2024 as well, the related Taxonomy KPIs of the Group had been different as further detailed in the sub-chapter '*Summary of the revised EU Taxonomy DDA's effects on the comparative information as of year-end 2024*' below.

Based on CSRD, all Erste Group's sub-groups in scope of sustainability reporting as of 31 December 2025 are publishing separate (consolidated) sustainability statements. Erste Group did not identify any material differences between the KPIs for the group as a whole and any of its subsidiaries that would justify or require a separate presentation of their KPIs, which is in line with expectations driven by the limitations of the prudential scope of consolidation, only comprising institutions, financial institutions and, if consolidated supervision is required, ancillary service undertakings.

## SUMMARY OF THE PUBLISHED EU TAXONOMY REPORTING TEMPLATES ACCOMPANIED BY CONSIDERATIONS ON SELECTED YEAR-ON-YEAR DEVELOPMENTS

This paragraph provides a concise description of the EU Taxonomy reporting templates published by Erste Group as of 31 December 2025, simultaneously addressing the requirements of Annex XI to the EU Taxonomy Disclosures regulation with regards to qualitative explanations addressing significant developments in the main taxonomy KPIs, starting with the second year of implementation.

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

Template 0 provides a summary of key amounts and most significant taxonomy KPIs, as further disclosed in the Templates 1, 3 or 5 (see below). According to Annex VI to the EU Taxonomy Disclosures Regulation as modified by the revised EU Taxonomy DDA, Template 0 does not feature a comparative (‘T-1’) section. Therefore, Erste Group does not create a comparative Template 0 for 31 December 2024. However, the significant year-on-year developments in the quantitative information featured in Template 0 are further outlined below.

### Total environmentally sustainable assets / activities (turnover view)

As of 31 December 2025, Erste Group discloses in Template 0 total taxonomy aligned assets (‘stock’) in amount of EUR 2.92 billion (31 December 2024: EUR 1.59 billion) in ‘turnover’ view and respectively EUR 3.41 billion (31 December 2024: EUR 2.60 billion) in ‘CapEx’ view. Out of them, those having been initially recognised during the current year (‘flow’) amount to EUR 0.70 billion (2024: EUR 0.68 billion) in ‘turnover’ view and respectively EUR 0.80 billion (2024: 1.00 billion) in ‘CapEx’ view. The ‘turnover’ view indicates that – as far as general-purpose financings to CSRD-obligated clients or issuers having published Taxonomy KPIs are concerned – the related exposures have been weighted by their respective taxonomy KPIs in connection to their revenue-generating activities (non-financial undertakings) or financings thereof (financial undertakings). The ‘Capex’ view indicates that – as far as general-purpose financings to CSRD-obligated clients or issuers having published Taxonomy KPIs are concerned – the related exposures have been weighted by their respective taxonomy KPIs in connection to their capital expenditure activities (non-financial undertakings) or financings thereof (financial undertakings).

The significant year-on-year increase in the taxonomy aligned financings is mainly attributable to mortgage loans to Households that could be assessed as taxonomy-aligned for the first time at year-end 2025, thanks to improvements in the completeness and quality of the underlying data with respect to both the energy performance of the financed real estate collaterals and the applicable physical risks scorings in the geo-locations of those collaterals, as modelled across the required time horizons and RCP scenarios. Thus, taxonomy-aligned loans to Households increased from EUR 0.0 billion at 31 December 2024 to EUR 1.20 billion at 31 December 2025. Further methodological details are provided in the sub-chapter ‘*Retail lending*’ within the chapter ‘*Removal of GAR structural constraints and developments in data availability*’ below.

On the other hand, taxonomy aligned financings to financial undertakings and respectively CSRD-obligated non-financial have remained relatively stable on a year-on-year basis:

in EUR billion	Turnover view (stock)		CapEx view (stock)	
	Dec 24	Dec 25	Dec 24	Dec 25
Financial undertakings	0.39	0.34	0.62	0.43
Non-financial undertakings	1.20	1.38	1.97	1.78

Total environmentally sustainable assets are further detailed, notably per categories of assets and related counterparts, but also per eligibility and alignment towards each of the 6 environmental objectives within **Template 1 ‘Assets for the calculation of GAR’**, disclosed in both the turnover view and the CapEx view and, as newly required by the revised EU Taxonomy DDA, as both stock and flow as well. Template 1 does no longer feature a ‘T-1’ comparative section.

### Total GAR Stock and Flow (turnover view and CapEx view)

The below considerations addressing the year-on-year development (31 December 2025 vs 31 December 2024) in Group’s GAR Stock and Flow (turnover and CapEx views) are based on year-end 31 December 2024’s related GAR ratios having been recalculated by retrospectively applying the changes in GAR’s calculation approach induced by the revised EU Taxonomy DDA, as outlined in the preceding sub-chapter above and further summarized (in terms of quantitative impact) in the sub-chapter ‘*Summary of the revised EU Taxonomy DDA’s effects on the comparative information as of year-end 2024*’ effects on the comparative information as of year-end 2024 below. Such retrospective recalculation has the purpose of ensuring ‘like with like’ comparability of the GAR ratios as at 31 December 2025 vs 31 December 2024, thus ensuring the adequacy of the below considerations by reference to Annex XI’s related requirements.

Erste Group’s total GAR (turnover view) acknowledges a development from 1.48% as at 31 December 2024 to 2.52% as at 31 December 2025 (stock) and respectively from 3.59% as at 31 December 2024 to 3.10% as of 31 December 2025 (flow). GAR’s

significantly favourable change for stock results essentially from the above described year-on-year positive development in total taxonomy aligned mortgage and building renovation loans to Households, most of them originated in prior years (and therefore having an insignificant impact on 'flow').

In the CapEx view, the corresponding development is as follows: from 2.42% as of 31 December 2024 to 2.94% as of 31 December 2025 (stock) and respectively from 5.27% as of 31 December 2024 to 3.55% as of 31 December 2025 (flow).

Erste Group's GAR Stock as of 31 December 2025 remains nevertheless significantly limited by the inherent difficulties in fully assessing, beyond any reasonable doubt, the taxonomy alignment of Group's mortgage loans to Households, in particular with regards to the DNSH criterion and notably when the identification of high or very high particular physical risk(s) in financed collateral's geolocation would have prompted an asset level vulnerability assessment by reference to any related asset-level adaptation measures for mitigating those material physical risks, others than those that can be deemed factored into the applied scoring methodology for the related particular physical risk (further details in the sub-chapter '*Developments in data availability*' below). None of such mortgage loans could therefore be reported as taxonomy aligned, although for some of them the SC criterion would have been found as satisfied. In addition, the consistent application of relative performance benchmarks, such as the Top 15% criterion, is constrained by the availability of locally accepted, comparable and standardised building stock data in certain markets. Therefore, as of 31 December 2025, out of Erste Group's consolidated mortgage and building renovation loans to Households amounting to EUR 79.63 billion, only a relatively small fraction of 1.20 billion could be reported as taxonomy aligned, despite most of this volume (EUR 75.80 billion) being assessed and reported as taxonomy eligible.

GAR Stock and GAR Flow are further detailed, notably per categories of assets and related counterparts, but also per combined eligibility (across all six environmental objectives) and alignment towards each environmental objective within **Template 3 'GAR KPI Stock'** and **Template 4 'GAR KPI Flow'** respectively. These templates are disclosed in both the turnover view and the CapEx view, with no 'T-1' comparative sections, in accordance with the Annex VI as modified by the revised EU Taxonomy DDA. In accordance with the revised EU Taxonomy DDA, both these templates newly include columnar sections respectively dedicated to disclosing the proportion of aligned assets into the related eligible assets, as well as the proportion of non-assessed assets into the related total assets covered by the GAR calculation.

#### [FinGuar KPI Stock \(turnover view and CapEx view\)](#)

Whilst the GAR refers to credit institution's on-balance assets, the FinGuar KPI focuses on credit institution's off-balance exposures. Unlike the GAR, Erste Group's FinGuar Stock KPI has acknowledged a relative stability on a year-on-year basis: from 14.20% as of 31 December 2024 to 13.33% as of 31 December 2025 (turnover view) and respectively from 16.94% as of 31 December 2024 to 15.66% as of 31 December 2025 (CapEx view). This development can be plausibly explained by the limited year-on-year change in the specific population of underlying CSRD-obligated counterparts and the related taxonomy KPIs applied, but it has been also slightly adversely influenced by local governments becoming a relevant counterpart sub-category for this KPI in accordance with the revised EU Taxonomy DDA, along CSRD-obligated undertakings, taking into account that the aforementioned year-end 2024 comparatives were not recalculated in this respect.

FinGuar KPI Stock and FinGuar KPI Flow are further detailed, notably per categories of assets and related counterparts, but also per combined eligibility across all 6 environmental objectives and alignment towards each environmental objective within **Template 5 'KPI Off balance-sheet exposures'**. These templates are disclosed in both the turnover view and the CapEx view, as well as in both stock and flow views, with no comparative section included. The template also discloses the proportion of any non-assessed exposures into the total amount of related off-balance sheet exposures covered by Taxonomy.

#### [Template 2 GAR sector information](#)

This template provides, in both stock turnover view and stock CapEx view, a breakdown per the applicable NACE codes of all the eligible and aligned amounts featured in Template 1 as assets covered in the GAR calculation, limited to the first 10 NACE codes in terms of materiality of the related gross carrying amounts. Template 2 features two additional rows dedicated to the on-balance banking book exposures covered by the EU Taxonomy and fully (specific-purpose) or partly (general-purpose) attributable to the Nuclear and respectively Fossil Gas energy sectors, either directly (CSRD-obligated non-financial undertakings primarily active in the mentioned energy sectors) or indirectly (CSRD-obligated financial undertakings exposed in their turn to CSRD-obligated non-financial undertakings primarily active in the mentioned energy sectors).

The taxonomy-eligible and respectively taxonomy-aligned amounts disclosed in the above mentioned nuclear and respectively fossil gas related additional two rows of Template 2, when expressed as respective proportions into Group's total assets covered by the GAR calculation, are as follows:

### GAR Stock (turnover view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.13%	0.14%	0.21%	0.40%
Alignment proportion	0.13%	0.14%	0.00%	0.00%

### GAR Stock (CapEx view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.18%	0.09%	0.26%	0.30%
Alignment proportion	0.18%	0.09%	0.00%	0.04%

### GAR Flow (turnover view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.14%	0.48%	0.48%	0.81%
Alignment proportion	0.14%	0.48%	0.01%	0.01%

### GAR Flow (CapEx view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.20%	0.33%	0.59%	0.79%
Alignment proportion	0.20%	0.32%	0.01%	0.18%

\*) retrospectively calculated for comparability purposes only, using as numerators the relevant amounts reported at 31 December 2024 in the formerly required Nuclear & Fossil Gas related templates 2 and 4 in relation to GAR and as denominators the total assets covered by the GAR calculation as at 31 December 2024, recalculated consistently to 31 December 2025, i.e. based on the 'symmetrical' approach to the GAR calculation as required by the revised EU Taxonomy DDA.

Group's similar proportions in respect of financial guarantee off-balance sheet exposures covered by the EU Taxonomy are additionally summarized below:

### FinGuar Stock (turnover view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.13%	0.12%	0.80%	0.97%
Alignment proportion	0.11%	0.10%	0.03%	0.00%

### FinGuar Stock (CapEx view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.22%	0.13%	0.59%	0.73%
Alignment proportion	0.21%	0.11%	0.02%	0.04%

### FinGuar Flow (turnover view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.05%	0.06%	0.33%	0.71%
Alignment proportion	0.05%	0.04%	0.00%	0.00%

### FinGuar Flow (CapEx view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.00%	0.05%	0.27%	0.36%
Alignment proportion	0.00%	0.04%	0.00%	0.00%

\*) retrospectively calculated for comparability purposes only, using as numerators the relevant amounts reported at 31 December 2024 in the formerly required Nuclear & Fossil Gas related templates 2 and 4 in relation to FinGuar KPI and as denominators the total financial guarantee off-balance sheet exposures covered by the EU Taxonomy as at 31 December 2024.

As mentioned above, Erste Group does not disclose its AuM KPI as of 31 December 2025 in any of the applicable views, due to applying the ‘de minimis’ provision of the revised EU Taxonomy DDA with respect to the credit institution’s main Taxonomy KPIs covering assets or off-balance sheet items contributing by less than 10% to institution’s net annual turnover. Therefore, the related proportions in respect of the taxonomy-eligible and respectively taxonomy-aligned amounts attributable to the nuclear energy and respectively fossil gas activities, as presented above with regards to GAR (all views) and respectively FinGuar (all views) have not been determined and are therefore not available and not disclosed with regards to AuM KPI.

According to the revised EU Taxonomy DDA, Template 2 does not feature a ‘T-1’ comparative section and is provided as both stock and flow, in both turnover and CapEx view.

### Revised EU Taxonomy DDA's brought forward disclosures on financings of Nuclear and Fossil Gas related economic activities

According to the revised EU Taxonomy DDA, such disclosures are limited to those already captured in Template 2, as described above. Following the deletion of Annex XII to the EU Taxonomy Disclosures Regulation, the Nuclear and Fossil Gas additional templates formerly required and consequently published by Erste Group for the year-ends 2024 and 2023 are no longer featured in Erste Group’s EU Taxonomy disclosures as at 31 December 2025.

### SELECTED KPIS' OVERVIEW

As of 31 December 2025, Erste Group’s total eligibility KPI and total GAR can be summarized as follows:

#### Turnover view

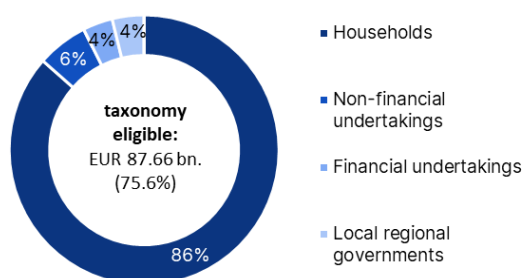
- Group’s consolidated taxonomy eligible assets amount to EUR 87.66 billion (2024: EUR 82.66 billion), representing 75.6% (2024 as formerly reported 32.4% and as recalculated 76.9%) of the total covered assets.
- Group’s consolidated taxonomy aligned assets amount to EUR 2.92 billion (2024: EUR 1.59 billion), representing 2.52% (2024 as formerly reported: 0.62% and as recalculated 1.48%) of the total covered assets.

#### Capex view

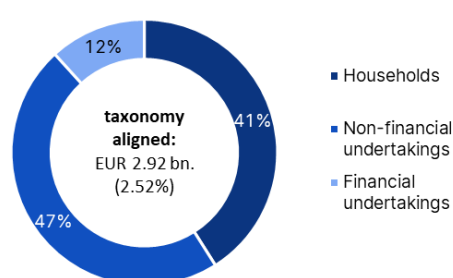
- The Group’s taxonomy eligible assets amount to EUR 89.16 billion (2024: EUR 83.89 billion), representing 76.9% (2024 as formerly reported 32.9% and as recalculated 78.06%) of the total covered assets.
- The Group’s taxonomy aligned assets amount to EUR 3.41 billion (2024: EUR 2.60 billion), representing 2.94% (2024 as formerly reported 1.02% and as recalculated 2.42%) of the total covered assets.

In the turnover view, the total eligibility KPI and total GAR as of 31 December 2025 are further comparatively analysed and presented in the charts below:

Eligible on-balance exposure per economic sector of the counterparty



Aligned on-balance exposure per economic sector of the counterparty



Therefore, as of 31 December 2025, Erste Group’s total taxonomy eligibility KPI consists of the following main components:

- Financing to private households to the amount of EUR 75.8 billion (2024: EUR 70.5 billion), the purpose of which corresponds to taxonomy eligible activities in the real estate and the automotive sector.
- Use of proceeds known and unknown financing to non-financial undertakings to the amount of EUR 5.4 billion (2024: EUR 4.9 billion) and to financial undertakings to the amount of EUR 3.1 billion (2024: EUR 3.8 billion), the use of proceeds unknown financing having been classified proportionately as taxonomy eligible based on the eligibility KPIs published by the respective counterparties.
- Financing to local and regional governments to the amount of EUR 3.3 billion (2024: EUR 3.4 billion), the purpose of which corresponds to taxonomy eligible activities.

The first two categories of taxonomy-eligible assets mentioned above further contribute to Group's GAR as at 31 December 2025, as follows:

- Use of proceeds known mortgage and building renovation loans to private households to the amount of EUR 1.20 billion (2024: EUR 0.00 billion).
- Use of proceeds known and unknown financing to financial and respectively non-financial undertakings to the amount of EUR 0.34 billion (2024: EUR 0.39 billion) and respectively EUR 1.38 billion (2024: EUR 1.20 billion), with 89.9% (2024: 89.0%) of the combined aligned amount resulting from use of proceeds unknown financing that were classified proportionately as taxonomy aligned, based on the alignment KPIs published by the respective counterparties.

## Removal of GAR structural constraints and developments in data availability

Up to 31 December 2024, the taxonomy disclosures and KPIs of Erste Group as of 31 December 2025, as well as their year-on-year development as outlined above, have been inherently influenced by both structural constraints arising from both the legal design of the GAR and the restricted scope of the CSRD, as well as by various other data availability limitations. Such constraints and limitations have considerably reduced in terms of their adverse GAR impact, as further described below.

### Removal of GAR structural constraints

Due to the extensive information required to evaluate the applicable taxonomy alignment technical criteria (SC, DNSH), as well as the MS compliance, the scope of application of the EU Taxonomy Disclosures Regulation is limited by legislation (at EU level: CSRD), as far as qualifying exposures to undertakings are concerned, to those that are CSRD-obligated as at the current reporting year-end, as well as to any subsidiaries thereof. For Erste Group as a universal bank, this meant, for both year-ends 2024 and 2023, namely before the issuance of the revised EU Taxonomy DDA and their first time application by Erste Group as at 31 December 2025, that a significant part of the portfolio (small and medium-sized enterprises not CSRD-obligated or part of such a group) could be considered in the numerators of the taxonomy eligibility KPI and the GAR, with most of them were qualifying for the respective denominators only ('GAR structural asymmetry').

As outlined above in the introductory part of this chapter, the revised EU Taxonomy DDA removed GAR's structural asymmetry by ensuring the scopes of assets covered in the numerator and respectively the denominator of the GAR are the same, with the direct consequence of assets previously falling in the scope of the GAR denominator only, notably the non-trading exposures towards CSRD non-obligated undertakings, being removed in full from the GAR calculation. Another consequence for Erste Group was that taxonomy inherently non-eligible exposures towards Households and respectively Local Governments, notably general or sundry purpose consumer loans to retail customers and general or sundry financings of Local Governments, previously deemed relevant for both GAR's numerator and denominator although inherently unable to make any contribution to the former, have been removed in full from the GAR calculation as well.

Whilst, on the one hand, the revised EU Taxonomy DDA have thus removed GAR's structural asymmetry, GAR's coverage, hence arguably GAR's representativeness of reporting credit institution's total assets has on the other hand contracted accordingly. Thus, as at 31.12.2024, the proportion of total covered assets into total assets, as previously reported by Erste Group, amounted to 71,27% for stock and 58,61% for flow. When, for comparability purposes only, they are retrospectively recalculated based on the revised EU Taxonomy DDA, they decrease to 30.04% and respectively 18.14%. At 31 December 2025, as featured in the Template 0 presented below, Group's GAR coverage amounts to 31.13% (stock) and respectively 19.42% (flow).

### Developments in data availability

**Retail lending - Climate Change Adaptation related DNSH assessment of taxonomy-eligible mortgage and building renovation loans to Households substantially contributing to the Climate Change Mitigation environmental objective.** Related to real estate and vehicle financing towards private households, as well as financing of housing or other taxonomy eligible specific purpose projects by local governments, for collateral which meets substantial contribution criteria of climate change mitigation (e.g. energy efficiency), an assessment of climate-related physical risks and vulnerabilities is performed to ensure compliance with the DNSH criterion on climate change adaptation. This assessment is based on recognized scientific sources, best-practice methodologies and available climate risk data, including external datasets and modelling where appropriate.

These efforts resulted in an enhanced methodology and more comprehensive underlying internal processes for assessing the DNSH criterion for Climate Change Adaptation with regards to the mortgage loans to Households financing building acquisition/ ownership or building renovation identified as substantially contributing to the Climate Change Mitigation based on the related financed real estate collateral being substantiated as highly energy efficient, by reference to the related building's Energy Performance Certificate as issued by the relevant local authority either bearing the Label A or - in the case of Czechia and Hungary - providing Primary Energy Demand (PED) among the top 15% most energy-efficient residential building stock, based on relevant PED thresholds, as determined from external regional technical studies to ensure national benchmarking.

In essence, for each such CCM substantially contributing loan to Households, the DNSH criterion had been deemed met for CCA provided that all 21 physical risks identified as relevant for the real estate sector and the countries where Erste Group activates as retail lender (out of the full list of 35 as per Annex 1 to the EU Taxonomy Regulation) have been determined as scoring lower than 'high' or, in the case of the risks of subsidence, drought and precipitations, 'very high' severity in the specific geolocation of the related real estate collateral, across all applicable statistically modelled RCP (representative concentration pathway) scenarios with regards to greenhouse gas concentration expectations and all available time horizons by reference to the generally accepted span of a residential building's economic life, hence irrespective of the expected remaining maturity of the related loans. The setting of the scoring threshold to 'very high' for the DNSH criterion to be deemed failed in the particular case of the above mentioned three physical risks reflects Erste Group's reasonable expectation that all due adaptation measures are by default embedded into the advanced design and construction of high-energy efficient buildings. Also, as far as the risk of floods is concerned, by factoring in the related 'defended risk' indices into the above described DNSH assessment approach, Erste Group has ensured that the due adaptation measures were considered in the retrieved scoring, hence in the applied 'high' scoring threshold below which the DNSH criterion was deemed met with respect to this particular physical risk.

All such CCM substantially contributing loans for which, based on the aforementioned approach, the DNSH criterion for CCA has been deemed met have been further classified as taxonomy-aligned, additionally based on the MS non-applicability as stemming from EU Taxonomy DDA's Annex V's definition of the numerator of the Retail lending's alignment KPI, further corroborated to Erste Group's interpretation that the FAQ 37 from EC's Third Commission Notice (indicating that the MS compliance assessment for retail lending should address the corporate manufacturers upstream retail client's supply chain with regards to the financed object) does not apply to buildings as far as the financed eligible activity is acquisition or ownership, rather than construction.

### Environmental objectives 3-6

Erste Group's EU Taxonomy disclosures as of year-end 2024 have covered already the entire set of environmental objectives for the alignment figures for general purpose loans. As at 31 December 2025, the applied client alignment KPIs for the environmental objectives 3-6 continue to have, in general, relatively low values.

Furthermore, regarding both new and existing business with CSRD-obligated undertakings and local governments – despite considerable efforts to further advance the examination of individual transactions – in some cases there is still insufficient information and data basis on the customer side to determine whether these transactions can be classified as taxonomy-eligible with regards to the environmental objectives 3-6, which resulted in relatively infrequent 'use of proceeds known' financings having been classified as of 31 December 2025 as eligible by reference to these environmental objectives, none of them being further assessed as taxonomy-aligned for the related objective. In the same time, the Taxonomy templates as per the Annex VI as modified by the revised EU Taxonomy DDA do no longer require the breakdown of eligible exposures covered by Taxonomy per the six environmental objectives.

## Reporting methodology and underlying assumptions and interpretations

### (Gross) carrying amounts of assets

Regarding the (gross) carrying amounts of assets represented in Template 1, the following approach was taken:

- \_ For all relevant financial assets at amortised cost and debt securities at FVOCI (Fair Value Through Other Comprehensive Income), the cost carried forward before adjustment of value adjustments was used - regardless of the counterparty type.
- \_ For all other assets falling into lines 1-40 of Template 1, the gross carrying amount, i.e., the amount actually accounted for and used in the CRR-consolidated IFRS FINREP balance sheet, was used. This means:
  - \_ For performing debt instruments at FVPL (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 the accumulation of any accumulated negative changes in fair value due to credit risk.
  - \_ For all investments in associated and joint ventures, the carrying value in accordance with IAS28/IFRS11 is used.
  - \_ For all equity instruments at FVPL, the fair value is used.
  - \_ For all non-financial assets ('collateral obtained by taking possession' or 'Other categories of assets'), the carrying amounts disclosed according to IFRS are used.

### CSRD-obligated financial and non-financial undertakings and use of their KPIs

All companies considered to be public interest entities and employing more than 500 people at either individual or consolidated level have been obligated to report EU Taxonomy disclosures as of 31 December 2024 and continue to be so as of 31 December 2025 under the CSRD, taking into account EC's 'stop the clock' decision referred to in the opening part of this chapter. Financial and non-financial undertakings, that are parents of obligated groups, must publish their KPIs on a consolidated basis. These KPIs are used for the purpose of determining Erste Group's KPIs for qualifying exposures towards all subsidiaries of this group ('closest reporting parent'), unless KPIs are available for the specific single counterparty.

## Flow

For the purpose of preparing the 'flow' views of the Templates 1, 2, 4 and 5, 'flow' has been defined as a sub-set of 'stock', limited to related asset deals' having been initially recognised during the current reporting date, with the exception of non-financial assets and financial assets not having the nature of loans and advances, debt securities or equity instruments, for which 'flow' has been deemed zero.

## Significant notes for the consideration of assets in Template 1

Accepted for the numerator and the denominator of the GAR and therefore relevant for the taxonomy eligibility or alignment review are non-trading loans and advances, debt securities, equity instruments having CSRD-obligated financial or non-financial undertakings as counterparties (or subsidiaries thereof), as well as real estate and car financing to private households, use of proceeds known financing with local governments and real estate collateral obtained through taking possession. As outlined above, Erste Group chose to not consider any 'exposures included on a voluntary basis' into Group's GAR calculation as at 31 December 2025.

## Financial and non-financial undertakings

- \_ Qualifying assets in relation to financial and non-financial undertakings are included in the numerator of the GAR if the direct counterparty is CSRD-obligated or a subsidiary of a CSRD-obligated group.
- \_ Financing to not CSRD-obligated financial and non-financial undertakings, which are not part of a CSRD-obligated group, were fully excluded from the GAR calculation, irrespective of their domicile (EU or Non-EU)
- \_ Financing to Multilateral Development Banks listed in the paragraphs in Article 117(1), or Article 117(2) Regulation (EU) 575/2013 (CRR) are considered credit institutions according to the clarifications of the 'Environmental Act' and are allowed for the GAR numerator and denominator provided they are based in the EU.

## Private households

- \_ Financing to private households and subject to further assessment for taxonomy eligibility or alignment comprises only real estate-related financing or car loans (the latter from 1.1.2022). The remaining exposures to households (essentially: general-purpose financing) have been fully excluded from the GAR calculation, the related gross carrying amounts being therefore included in column a of Template's 1 row 25 'Undertakings and entities not subject to CSRD'.
- \_ Financing of building renovation and collateralised by residential immovable property are solely included in the row 'of which building renovation loans' in order to avoid double counting.

## Local & regional governments

Financing to local or regional governments and subject to further assessment for taxonomy eligibility or alignment comprises only financing where the respective use of proceeds is known. Financing without a known use of proceeds has been fully excluded from the GAR calculation, the related gross carrying amounts being therefore included in column a of Template's 1 row 25 'Undertakings and entities not subject to CSRD'.

## Nuclear & fossil gas activities related new section of Template 2 'GAR sector information' (all views)

In the portfolio of Erste Group, there are no material 'use of proceeds known' financings related to the activities in the area of nuclear energy and fossil gas listed in the Commission Delegated Regulation (EU) 2022/1214. Consequently, populating the respective two additional rows newly required by the revised EU Taxonomy DDA within the Template 2 (all views) as at 31 December 2025 is essentially based on the KPIs published by the related counterparties (namely: CSRD-obligated energy companies or CSRD-obligated banks or insurances directly exposed to such energy companies) in their Nuclear & Fossil gas related templates 2 and 4 (related views), as reported at 31 December 2024 based on the requirements of the former Annex XII to the EU Taxonomy DDA, meanwhile deleted by the revised EU Taxonomy DDA.

## Summary of the revised EU Taxonomy DDA's effects on the comparative information as of year-end 2024

In accordance with the Taxonomy templates's layouts as per the Annex VI to the EU Taxonomy DDA as modified by the revised EU Taxonomy DDA, no prior-year comparatives are featured in any of them. However, for comparability purposes only in the context of addressing Annex XI's requirement of providing qualitative disclosures around the year-on-year development in reporting institution's main Taxonomy KPIs, Erste Group is summarizing below prior year's Taxonomy KPIs and other related quantitative information as at 31 December 2024, both as previously published and as recalculated.

	As previously published	As recalculated
<b>Template 0</b>		
GAR% Stock – turnover	0.62%	1.48%
GAR% Stock – CapEx	1.02%	2.42%
% coverage over total assets - stock	71.27%	30.04%
GAR% Flow – turnover	1.11%	3.59%
GAR% Flow – CapEx	1.63%	5.27%
% coverage over total assets - flow	58.61%	18.14%
<b>Template 3 turnover view, additional changes</b>		
Eligibility KPI – Households	67.81%	94.72%
Eligibility KPI – Local Governments	51.03%	96.81%
Eligibility KPI – total	32.41%	76.91%
<b>Template 3 CapEx view, additional changes</b>		
Eligibility KPI – Households	67.81%	94.72%
Eligibility KPI – Local Governments	51.03%	96.81%
Eligibility KPI – total	32.90%	78.06%

The comparative figures that would have been impacted as detailed above are not presented once again accordingly in the respective views of the related templates, given that, according to the revised EU Taxonomy DDA, the related templates no longer feature a comparative ‘T-1’ section.

## Consideration of EU Taxonomy in Erste Group’s business strategies, product design processes and engagement with clients and counterparties

Erste Group informs its customers about possible cost advantages that can arise from taxonomy-aligned disclosure. The GAR is currently not integrated into the strategic board internal remuneration framework and should not be considered as performance-linked KPI for management incentives.

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

		Total exposure to Taxonomy-aligned activities (EUR million)		KPI	KPI	% coverage (over total assets)	non assessed exposures	non assessed exposures
		Turnover-based	CapEx-based				Turnover-based	CapEx-based
				Turnover-based	CapEx-based	Turnover-based		
Main KPI	Green asset ratio (GAR) stock	2,924	3,409	2.52%	2.94%	31.13%	0.00%	0.00%
<hr/>								
Additional KPI		Total exposure to Taxonomy-aligned activities (EUR million)		KPI	KPI	% coverage (over total assets)	non assessed exposures	non assessed exposures
		Turnover-based	CapEx-based				Turnover-based	CapEx-based
				Turnover-based	CapEx-based	Turnover-based		
	GAR (flow)	698	798	3.10%	3.55%	19.42%	0.00%	0.00%
	Trading book	0	0	0.00%	0.00%	0.00%	0.00%	0.00%
	Financial guarantees	510	599	13.33%	15.66%	48.93%	0.00%	0.00%
	Assets under management	0	0	0.00%	0.00%	0.00%	0.00%	0.00%
	Fees and commissions income	0	0	0.00%	0.00%	0.00%	0.00%	0.00%

## 1.1. Assets for the calculation of GAR, stock turnover-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities or counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
<b>31 December 2025</b> in EUR million																
<b>1 GAR - Covered assets in both numerator and denominator</b>																
<b>2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</b>	115,879	87,650	2,924	2,900	12	2	9	3	0	1,374	215	731	0	0	0	0
<b>3 Financial undertakings</b>	15,543	3,143	343	330	8	0	6	0	0	0	37	112	0	0	0	0
4 Loans and advances	7,990	1,294	148	141	7	0	1	0	0	0	23	61	0	0	0	0
5 Debt securities, including UoP	7,310	1,803	188	183	0	0	5	0	0	0	14	51	0	0	0	0
6 Equity instruments	243	46	7	7	0	0	0	0	0	—	0	0	0	0	0	0
<b>7 Non-financial undertakings</b>	17,135	5,356	1,381	1,369	4	2	3	3	0	174	178	619	0	0	0	0
8 Loans and advances	15,435	4,789	1,227	1,217	4	1	2	3	0	174	158	557	0	0	0	0
9 Debt securities, including UoP	1,396	480	146	146	0	0	0	0	0	0	20	60	0	0	0	0
10 Equity instruments	304	87	7	7	0	0	0	0	0	—	0	3	0	0	0	0
<b>11 Households</b>	79,865	75,815	1,200	1,200	0	—	0	—	—	1,200	0	0	0	0	0	0
12 of which loans collateralised by residential immovable property	76,094	72,261	1,196	1,196	0	—	0	—	—	1,196	0	0	0	0	0	0
13 of which building renovation loans	3,539	3,539	4	4	0	—	0	—	—	4	0	0	0	0	0	0
14 of which motor vehicle loans	233	15	0	0	—	—	—	—	—	0	0	0	0	0	0	0
<b>15 Local governments financing</b>	3,336	3,336	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Housing financing	113	113	0	0	0	—	0	—	—	0	0	0	0	0	0	0
17 Other local government financing	3,224	3,224	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>18 Collateral obtained by taking possession: residential and commercial immovable properties</b>	9	6	0	0	0	—	0	—	—	0	0	0	0	0	0	0
<b>19 Exposures included on a voluntary basis</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>20 Total GAR assets</b>	115,888	87,657	2,924	2,900	12	2	9	3	0	1,374	215	731	0	0	0	0
<b>21 Assets not covered for GAR calculation</b>	256,387	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>22 Central governments and Supranational issuers</b>	59,621	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

23	<b>Central banks exposure</b>	36,330	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	<b>Trading book</b>	9,377	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	<b>Undertakings and entities not subject to CSRD</b>	138,098	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	92,516	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	Loans and advances	89,195	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	of which loans collateralised by commercial immovable property	33,675	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	of which building renovation loans	1,288	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Debt securities	1,350	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Equity instruments	1,971	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Non-EU country counterparties not subject to CSRD disclosure obligations	9,618	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	Loans and advances	8,358	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
34	Debt securities	1,247	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
35	Equity instruments	14	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
36	<b>Derivatives</b>	231	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
37	<b>On demand interbank loans</b>	1,526	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
38	<b>Cash and cash-related assets</b>	3,376	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
39	<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	7,828	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	<b>Total assets</b>	372,275															
<b>Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments</b>																	
41	Financial guarantees	3,823	1,471	510	480	0	0	28	1	0	0	3	421	0	0	0	0
42	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

## 1.2 Assets for the calculation of GAR, flow turnover-based view

Financial year 2025 in EUR million	a	b	c	d						e	f	g	h	i	j	k	l	m	n	o	p
	Total [gross] carrying amount	Of which Taxonomy- eligible	Of which Taxonomy- aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transi- tional	Of which enabling	Non- assessed expo- sures	Of which financing non- material activities or counter- parties	Of which expo- sures financing counter- parties reporting in accor- dance with Article 7(9)	Of which not as- sessed consid- ered non- material by the credit institution					
				Climate Change Mitigation (CCM)	Climate Change Adapta- tion (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiver- sity and Eco- systems (BIO)												
<b>1 GAR - Covered assets in both numerator and denominator</b>																					
<b>2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</b>	22,477	13,040	698	687	1	0	8	2	0	140	124	229	0	0	0	0					
<b>3 Financial undertakings</b>	5,972	1,173	138	132	0	0	5	0	0	0	8	60	0	0	0	0					
4 Loans and advances	4,013	561	67	66	0	0	0	0	0	0	5	32	0	0	0	0					
5 Debt securities, including UoP	1,951	611	71	66	0	0	5	0	0	0	3	28	0	0	0	0					
6 Equity instruments	8	1	0	0	0	0	0	0	0	—	0	0	0	0	0	0					
<b>7 Non-financial undertakings</b>	5,180	1,219	419	414	1	0	2	2	0	0	116	168	0	0	0	0					
8 Loans and advances	4,852	1,126	402	396	1	0	2	2	0	0	108	165	0	0	0	0					
9 Debt securities, including UoP	198	67	17	17	0	0	0	0	0	0	8	3	0	0	0	0					
10 Equity instruments	130	26	1	1	0	0	0	0	0	—	0	0	0	0	0	0					
<b>11 Households</b>	10,944	10,267	140	140	0	—	0	—	—	140	0	0	0	0	0	0					
12 of which loans collateralised by residential immovable property	10,352	9,774	140	140	0	—	0	—	—	140	0	0	0	0	0	0					
13 of which building renovation loans	482	482	0	0	0	—	0	—	—	0	0	0	0	0	0	0					
14 of which motor vehicle loans	110	11	0	0	—	—	—	—	—	0	0	0	0	0	0	0					
<b>15 Local governments financing</b>	381	381	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
16 Housing financing	0	0	0	0	0	—	0	—	—	0	0	0	0	0	0	0					
17 Other local government financing	381	381	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
<b>18 Collateral obtained by taking possession: residential and commercial immovable properties</b>	0	0	0	0	0	—	0	—	—	0	0	0	0	0	0	0					
<b>19 Exposures included on a voluntary basis</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
<b>20 Total GAR assets</b>	22,477	13,040	698	687	1	0	8	2	0	140	124	229	0	0	0	0					

21	<b>Assets not covered for GAR calculation</b>	93,288	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	<b>Central governments and Supranational issuers</b>	11,709	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	<b>Central banks exposure</b>	27,831	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	<b>Trading book</b>	8,201	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	<b>Undertakings and entities not subject to CSRD</b>	42,249	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	24,229	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	Loans and advances	23,627	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	of which loans collateralised by commercial immovable property	6,379	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	of which building renovation loans	155	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Debt securities	427	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Equity instruments	175	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Non-EU country counterparties not subject to CSRD disclosure obligations	5,626	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	Loans and advances	5,382	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
34	Debt securities	240	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
35	Equity instruments	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
36	<b>Derivatives</b>	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
37	<b>On demand interbank loans</b>	833	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
38	<b>Cash and cash-related assets</b>	2,465	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
39	<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	<b>Total assets</b>	115,765															
<b>Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments</b>																	
41	Financial guarantees	1,206	421	145	127	0	0	18	0	0	0	1	121	0	0	0	0
42	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

### 1.3 Assets for the calculation of GAR, CapEx-based view, stock

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total [gross] carrying amount	Of which Taxonomy- eligible	Of which Taxonomy- aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed expo- sures	Of which financing non- material activities or counter- parties	Of which expo- sures financing counter- parties reporting in accor- dance with Article 7(9)	Of which not as- sessed consid- ered non- material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adapta- tion (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiver- sity and Eco- systems (BIO)							
<b>31 December 2025 in EUR million</b>																
<b>1 GAR - Covered assets in both numerator and denominator</b>																
<b>2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</b>	115,879	89,150	3,409	3,382	9	0	15	3	0	1,374	191	1,068	0	0	0	0
<b>3 Financial undertakings</b>	15,543	3,439	427	421	3	0	3	0	0	0	35	165	0	0	0	0
4 Loans and advances	7,990	1,589	193	190	3	0	0	0	0	0	21	94	0	0	0	0
5 Debt securities, including UoP	7,310	1,804	227	224	0	0	2	0	0	0	13	71	0	0	0	0
6 Equity instruments	243	47	7	7	0	0	0	0	0	—	0	0	0	0	0	0
<b>7 Non-financial undertakings</b>	17,135	6,560	1,781	1,760	6	0	12	3	0	174	156	902	0	0	0	0
8 Loans and advances	15,435	5,807	1,573	1,555	5	0	10	3	0	174	126	773	0	0	0	0
9 Debt securities, including UoP	1,396	663	191	188	1	0	2	0	0	—	29	117	0	0	0	0
10 Equity instruments	304	90	17	17	0	0	0	0	0	—	1	12	0	0	0	0
<b>11 Households</b>	79,865	75,815	1,200	1,200	0	—	0	—	—	1,200	0	0	0	0	0	0
12 of which loans collateralised by residential immovable property	76,094	72,261	1,196	1,196	0	—	0	—	—	1,196	0	0	0	0	0	0
13 of which building renovation loans	3,539	3,539	4	4	0	—	0	—	—	4	0	0	0	0	0	0
14 of which motor vehicle loans	233	15	0	0	—	—	0	—	—	0	0	0	0	0	0	0
<b>15 Local governments financing</b>	3,336	3,336	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Housing financing	113	113	0	0	0	—	0	—	—	0	0	0	0	0	0	0
17 Other local government financing	3,224	3,224	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>18 Collateral obtained by taking possession: residential and commercial immovable properties</b>	9	6	0	0	0	—	0	—	—	0	0	0	0	0	0	0
<b>19 Exposures included on a voluntary basis</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>20 Total GAR assets</b>	115,888	89,157	3,409	3,382	9	0	15	3	0	1,374	191	1,068	0	0	0	0
<b>21 Assets not covered for GAR calculation</b>	256,387	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>22 Central governments and Supranational issuers</b>	59,621	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>23 Central banks exposure</b>	36,330	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

24	<b>Trading book</b>	9,377	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	<b>Undertakings and entities not subject to CSRD</b>	138,098	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	92,516	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	Loans and advances	89,195	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	of which loans collateralised by commercial immovable property	33,675	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	of which building renovation loans	1,288	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Debt securities	1,350	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Equity instruments	1,971	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Non-EU country counterparties not subject to CSRD disclosure obligations	9,618	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	Loans and advances	8,358	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
34	Debt securities	1,247	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
35	Equity instruments	14	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
36	<b>Derivatives</b>	231	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
37	<b>On demand interbank loans</b>	1,526	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
38	<b>Cash and cash-related assets</b>	3,376	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
39	<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	7,828	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	<b>Total assets</b>	372,275															
<b>Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments</b>																	
41	Financial guarantees	3,823	1,637	599	585	1	0	13	0	0	0	20	398	0	0	0	0
42	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

## 1.4 Assets for the calculation of GAR, CapEx-based view, flow

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Financial year 2025 in EUR million	Total [gross] carrying amount	Of which Taxon- omy- eligible	Of which Taxon- omy- aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transi- tional	Of which enabling	Non- assessed expo- sures	Of which financing non- material activities or counter- parties	Of which expo- sures financing counter- parties reporting in accor- dance with Article 7(9)	Of which not as- sessed consider- ed non- material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adapta- tion (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiver- sity and Eco- systems (BIO)							
<b>1 GAR - Covered assets in both numerator and denominator</b>																
<b>2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</b>	22,477	13,732	798	788	3	0	5	2	0	140	77	307	0	0	0	0
<b>3 Financial undertakings</b>	5,972	1,441	187	185	0	0	2	0	0	0	8	89	0	0	0	0
4 Loans and advances	4,013	812	97	97	0	0	0	0	0	0	5	53	0	0	0	0
5 Debt securities, including UoP	1,951	628	90	88	0	0	2	0	0	0	3	35	0	0	0	0
6 Equity instruments	8	1	0	0	0	0	0	0	0	—	0	0	0	0	0	0
<b>7 Non-financial undertakings</b>	5,180	1,644	470	463	3	0	3	2	0	0	69	218	0	0	0	0
8 Loans and advances	4,852	1,519	447	440	3	0	3	2	0	0	65	203	0	0	0	0
9 Debt securities, including UoP	198	98	22	22	0	0	0	0	0	0	4	14	0	0	0	0
10 Equity instruments	130	27	1	1	0	0	0	0	0	—	0	0	0	0	0	0
<b>11 Households</b>	10,944	10,267	140	140	0	—	0	—	—	140	0	0	0	0	0	0
12 of which loans collateralised by residential immovable property	10,352	9,774	140	140	0	—	0	—	—	140	0	0	0	0	0	0
13 of which building renovation loans	482	482	0	0	0	—	0	—	—	0	0	0	0	0	0	0
14 of which motor vehicle loans	110	11	0	0	0	—	0	—	—	0	0	0	0	0	0	0
<b>15 Local governments financing</b>	381	381	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Housing financing	0	0	0	0	0	—	0	—	—	0	0	0	0	0	0	0
17 Other local government financing	381	381	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>18 Collateral obtained by taking possession: residential and commercial immovable properties</b>	0	0	0	0	0	—	0	—	—	0	0	0	0	0	0	0
<b>19 Exposures included on a voluntary basis</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>20 Total GAR assets</b>	22,477	13,732	798	788	3	0	5	2	0	140	77	307	0	0	0	0
<b>21 Assets not covered for GAR calculation</b>	93,288	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>22 Central governments and Supranational issuers</b>	11,709	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

23	<b>Central banks exposure</b>	27,831	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	<b>Trading book</b>	8,201	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	<b>Undertakings and entities not subject to CSRD</b>	42,249	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	24,229	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	Loans and advances	23,627	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	of which loans collateralised by commercial immovable property	6,379	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	of which building renovation loans	155	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Debt securities	427	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Equity instruments	175	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Non-EU country counterparties not subject to CSRD disclosure obligations	5,626	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	Loans and advances	5,382	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
34	Debt securities	240	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
35	Equity instruments	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
36	<b>Derivatives</b>	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
37	<b>On demand interbank loans</b>	833	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
38	<b>Cash and cash-related assets</b>	2,465	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
39	<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	<b>Total assets</b>	115,765															
<b>Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments</b>																	
41	Financial guarantees	1,206	460	155	147	0	0	8	0	0	0	5	81	0	0	0	0
42	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

## 2.1 GAR sector information, stock, turnover-based view

a	b	c	d	e	f	g	h	i	j
Breakdown by sector - NACE 4 digits level (code and label) 31 December 2025 in EUR million	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco- systems (BIO)
1 K64.19 Other monetary intermediation	12,834	2,310	190	189	1	0	0	0	0
2 O84.11 General public administration activities	7,373	3,367	0	0	0	0	0	0	0
3 L68.20 Renting and operating of own or leased real estate	4,727	2,312	116	109	7	0	0	0	0
4 D35.11 Production of electricity from non-renewable sources	1,112	566	453	451	0	1	0	0	0
T98.20 Undifferentiated service-producing activities of private households for own use	987	194	0	0	0	0	0	0	0
6 I55.10 Hotels and similar accommodation	817	270	0	0	0	0	0	0	0
7 Q86.22 Specialist medical practice activities	763	357	9	9	0	0	0	0	0
8 N77.11 Renting and leasing of motor vehicles	736	244	25	25	0	0	0	0	0
9 A01.50 Growing of tobacco	728	53	0	0	0	0	0	0	0
C29.32 Manufacture of other parts and accessories for motor vehicles	591	126	41	40	0	0	1	0	0
11 Nuclear activities	29,463	167	165	0	0	0	0	0	0
12 Fossil gas activities	29,463	462	4	0	0	0	0	0	0
13 Of which non-assessed exposures	0	0	0	0	0	0	0	0	0

## 2.2 GAR sector information, flow, turnover-based view

a	b	c	d	e	f	g	h	i	j
Breakdown by sector - NACE 4 digits level (code and label) Financial year 2025 in EUR million	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco- systems (BIO)
1 K64.19 Other monetary intermediation	4,926	862	75	75	0	0	0	0	0
2 O84.11 General public administration activities	1,514	401	0	0	0	0	0	0	0
3 L68.20 Renting and operating of own or leased real estate	534	242	9	9	0	0	0	0	0
4 D35.11 Production of electricity	445	191	167	166	0	0	0	0	0
5 N77.11 Renting and leasing of cars and light motor vehicles	433	128	14	14	0	0	0	0	0
6 M70.10 Activities of head offices	278	30	3	3	0	0	0	0	0
7 G47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	242	2	0	0	0	0	0	0	0
8 J61.10 Wired telecommunications activities	239	4	0	0	0	0	0	0	0
9 C29.10 Manufacture of motor vehicles	228	175	17	17	0	0	0	0	0
10 Q86.22 Specialist medical practice activities	206	46	3	3	0	0	0	0	0
11 Nuclear activities	10,924	108	108	0	0	0	0	0	0
12 Fossil gas activities	10,924	182	3	0	0	0	0	0	0
13 Of which non-assessed exposures	0	0	0	0	0	0	0	0	0

## 2.3 GAR sector information, CapEx-based view, stock

a	b	c	d	e	f	g	h	i	j
Breakdown by sector - NACE 4 digits level (code and label) 31 December 2025 in EUR million	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco- systems (BIO)
1 K64.19 Other monetary intermediation	12,834	2,253	224	223	1	0	0	0	0
2 O84.11 General public administration activities	7,373	3,370	0	0	0	0	0	0	0
3 L68.20 Renting and operating of own or leased real estate	4,727	2,340	83	81	3	0	0	0	0
4 D35.11 Production of electricity from non-renewable sources	1,112	537	435	434	0	0	0	0	0
T98.20 Undifferentiated service-producing activities of private households for own use	987	194	0	0	0	0	0	0	0
6 I55.10 Hotels and similar accommodation	817	231	0	0	0	0	0	0	0
7 Q86.22 Specialist medical practice activities	763	357	9	9	0	0	0	0	0
8 N77.11 Renting and leasing of motor vehicles	736	483	56	56	0	0	0	0	0
9 A01.50 Growing of tobacco	728	55	0	0	0	0	0	0	0
C29.32 Manufacture of other parts and accessories for motor vehicles	591	222	71	71	0	0	0	0	0
10 Nuclear activities	29,463	108	107	0	0	0	0	0	0
12 Fossil gas activities	29,463	345	51	0	0	0	0	0	0
13 Of which non-assessed exposures	0	0	0	0	0	0	0	0	0

## 2.4 GAR sector information, CapEx-based view, flow

a	b	c	d	e	f	g	h	i	j
Breakdown by sector - NACE 4 digits level (code and label) Financial year 2025 in EUR million	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco- systems (BIO)
1 K64.19 Other monetary intermediation	4,926	829	83	82	0	0	0	0	0
2 O84.11 General public administration activities	1,514	403	0	0	0	0	0	0	0
3 L68.20 Renting and operating of own or leased real estate	534	248	1	1	0	0	0	0	0
4 D35.11 Production of electricity	445	142	117	117	0	0	0	0	0
5 N77.11 Renting and leasing of cars and light motor vehicles	433	350	33	33	0	0	0	0	0
6 M70.10 Activities of head offices	278	53	3	3	0	0	0	0	0
G47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	242	79	6	5	0	0	1	0	0
8 J61.10 Wired telecommunications activities	239	56	0	0	0	0	0	0	0
9 C29.10 Manufacture of motor vehicles	228	199	45	45	0	0	0	0	0
10 Q86.22 Specialist medical practice activities	206	46	3	3	0	0	0	0	0
11 Nuclear activities	10,924	73	73	0	0	0	0	0	0
12 Fossil gas activities	10,924	177	40	0	0	0	0	0	0
13 Of which non-assessed exposures	0	0	0	0	0	0	0	0	0

### 3.1 GAR KPI stock, turnover-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m
	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
% (compared to corresponding total covered assets in the denominator) 31 December 2025													
<b>1 GAR - Covered assets in both numerator and denominator</b>													
<b>2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</b>	75.64%	2.52%	2.50%	0.01%	0.00%	0.01%	0.00%	0.00%	1.19%	0.19%	0.63%	3.34%	0.00%
<b>3 Financial undertakings</b>	20.22%	2.21%	2.12%	0.05%	0.00%	0.04%	0.00%	0.00%	0.00%	0.24%	0.72%	10.93%	0.00%
4 Loans and advances	16.20%	1.86%	1.76%	0.09%	0.00%	0.01%	0.00%	0.00%	0.00%	0.28%	0.77%	11.47%	0.00%
5 Debt securities, including UoP	24.67%	2.58%	2.50%	0.00%	0.00%	0.07%	0.00%	0.00%	0.00%	0.20%	0.69%	10.45%	0.00%
6 Equity instruments	18.74%	2.70%	2.70%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.09%	0.03%	14.39%	0.00%
<b>7 Non-financial undertakings</b>	31.26%	8.06%	7.99%	0.03%	0.01%	0.02%	0.02%	0.00%	1.01%	1.04%	3.61%	25.78%	0.00%
8 Loans and advances	31.03%	7.95%	7.88%	0.03%	0.01%	0.02%	0.02%	0.00%	1.13%	1.03%	3.61%	25.63%	0.00%
9 Debt securities, including UoP	34.36%	10.49%	10.43%	0.00%	0.01%	0.03%	0.01%	0.00%	0.00%	1.41%	4.27%	30.52%	0.00%
10 Equity instruments	28.72%	2.34%	2.30%	0.00%	0.01%	0.01%	0.02%	0.00%	—	0.00%	0.89%	8.15%	0.00%
<b>11 Households</b>	94.93%	1.50%	1.50%	0.00%	—	0.00%	—	—	1.50%	0.00%	0.00%	1.58%	0.00%
of which loans collateralised by residential immovable property	94.96%	1.57%	1.57%	0.00%	—	0.00%	—	—	1.57%	0.00%	0.00%	1.66%	0.00%
of which building renovation loans	100.00%	0.11%	0.11%	0.00%	—	0.00%	—	—	0.11%	0.00%	0.00%	0.11%	0.00%
of which motor vehicle loans	6.38%	0.00%	0.00%	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
<b>15 Local governments financing</b>	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 Housing financing	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
17 Other local government financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>18 Collateral obtained by taking possession: residential and commercial immovable properties</b>	71.35%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
<b>19 Exposures included on a voluntary basis</b>	0.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	—
<b>20 GAR - Total GAR assets</b>	75.64%	2.52%	2.50%	0.01%	0.00%	0.01%	0.00%	0.00%	1.19%	0.19%	0.63%	3.34%	0.00%

### 3.2 GAR KPI stock, CapEx-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to corresponding total covered assets in the denominator) 31 December 2025	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
<b>1 GAR - Covered assets in both numerator and denominator</b>													
<b>2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</b>	76.93%	2.94%	2.92%	0.01%	0.00%	0.01%	0.00%	0.00%	1.19%	0.16%	0.92%	3.82%	0.00%
<b>3 Financial undertakings</b>	22.13%	2.75%	2.71%	0.02%	0.00%	0.02%	0.00%	0.00%	0.00%	0.22%	1.06%	12.42%	0.00%
4 Loans and advances	19.89%	2.42%	2.38%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.27%	1.18%	12.14%	0.00%
5 Debt securities, including UoP	24.67%	3.10%	3.06%	0.01%	0.00%	0.03%	0.00%	0.00%	0.00%	0.18%	0.97%	12.58%	0.00%
6 Equity instruments	19.29%	3.08%	3.08%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.09%	0.08%	15.97%	0.00%
<b>7 Non-financial undertakings</b>	38.28%	10.40%	10.27%	0.03%	0.00%	0.07%	0.02%	0.00%	1.01%	0.91%	5.27%	27.15%	0.00%
8 Loans and advances	37.62%	10.19%	10.08%	0.03%	0.00%	0.07%	0.02%	0.00%	1.13%	0.82%	5.01%	27.09%	0.00%
9 Debt securities, including UoP	47.48%	13.66%	13.45%	0.08%	0.00%	0.12%	0.01%	0.00%	0.00%	2.11%	8.37%	28.77%	0.00%
10 Equity instruments	29.63%	5.74%	5.72%	0.00%	0.00%	0.01%	0.01%	0.00%	—	0.22%	4.09%	19.37%	0.00%
<b>11 Households</b>	94.93%	1.50%	1.50%	0.00%	—	0.00%	—	—	1.50%	0.00%	0.00%	1.58%	0.00%
of which loans collateralised by residential immovable property	94.96%	1.57%	1.57%	0.00%	—	0.00%	—	—	1.57%	0.00%	0.00%	1.66%	0.00%
13 of which building renovation loans	100.00%	0.11%	0.11%	0.00%	—	0.00%	—	—	0.11%	0.00%	0.00%	0.11%	0.00%
14 of which motor vehicle loans	6.38%	0.00%	0.00%	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
<b>15 Local governments financing</b>	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 Housing financing	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
17 Other local government financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>18 Collateral obtained by taking possession: residential and commercial immovable properties</b>	71.35%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
<b>19 Exposures included on a voluntary basis</b>	0.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	—
<b>20 GAR - Total GAR assets</b>	76.93%	2.94%	2.92%	0.01%	0.00%	0.01%	0.00%	0.00%	1.19%	0.16%	0.92%	3.82%	0.00%

## 4.1 GAR KPI flow, turnover-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to corresponding total covered assets in the denominator) Financial year 2025	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
<b>1 GAR - Covered assets in both numerator and denominator</b>													
<b>2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</b>	58.01%	3.10%	3.05%	0.00%	0.00%	0.03%	0.01%	0.00%	0.62%	0.55%	1.02%	5.35%	0.00%
<b>3 Financial undertakings</b>	19.64%	2.31%	2.22%	0.01%	0.00%	0.09%	0.00%	0.00%	0.00%	0.13%	1.01%	11.77%	0.00%
4 Loans and advances	13.97%	1.66%	1.65%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.11%	0.80%	11.87%	0.00%
5 Debt securities, including UoP	31.33%	3.66%	3.39%	0.01%	0.00%	0.26%	0.00%	0.00%	0.00%	0.16%	1.45%	11.68%	0.00%
6 Equity instruments	14.27%	1.10%	1.10%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.01%	0.00%	7.72%	0.00%
<b>7 Non-financial undertakings</b>	23.54%	8.10%	7.99%	0.01%	0.01%	0.04%	0.04%	0.00%	0.00%	2.24%	3.25%	34.39%	0.00%
8 Loans and advances	23.21%	8.28%	8.17%	0.01%	0.01%	0.04%	0.04%	0.00%	0.00%	2.23%	3.39%	35.66%	0.00%
9 Debt securities, including UoP	34.02%	8.70%	8.56%	0.00%	0.01%	0.07%	0.05%	0.00%	0.00%	3.95%	1.73%	25.56%	0.00%
10 Equity instruments	19.86%	0.44%	0.44%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.00%	0.03%	2.22%	0.00%
<b>11 Households</b>	93.81%	1.28%	1.28%	0.00%	—	0.00%	—	—	1.28%	0.00%	0.00%	1.37%	0.00%
of which loans collateralised by residential immovable property	94.41%	1.36%	1.36%	0.00%	—	0.00%	—	—	1.36%	0.00%	0.00%	1.44%	0.00%
of which building renovation loans	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
of which motor vehicle loans	9.83%	0.00%	0.00%	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
<b>15 Local governments financing</b>	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 Housing financing	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
17 Other local government financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>18 Collateral obtained by taking possession: residential and commercial immovable properties</b>	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
<b>19 Exposures included on a voluntary basis</b>	0.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	—
<b>20 GAR - Total GAR assets</b>	58.01%	3.10%	3.05%	0.00%	0.00%	0.03%	0.01%	0.00%	0.62%	0.55%	1.02%	5.35%	0.00%

## 4.2 GAR KPI flow, CapEx-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to corresponding total covered assets in the denominator) Financial year 2025	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
			<b>1 GAR - Covered assets in both numerator and denominator</b>										
<b>2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</b>	61.09%	3.55%	3.50%	0.01%	0.00%	0.02%	0.01%	0.00%	0.62%	0.34%	1.36%	5.81%	0.00%
<b>3 Financial undertakings</b>	24.13%	3.14%	3.09%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.14%	1.48%	13.01%	0.00%
4 Loans and advances	20.23%	2.42%	2.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	1.33%	11.94%	0.00%
5 Debt securities, including UoP	32.18%	4.63%	4.51%	0.01%	0.00%	0.12%	0.00%	0.00%	0.00%	0.15%	1.81%	14.40%	0.00%
6 Equity instruments	14.41%	1.23%	1.23%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.00%	0.01%	8.55%	0.00%
<b>7 Non-financial undertakings</b>	31.74%	9.07%	8.93%	0.06%	0.00%	0.05%	0.04%	0.00%	0.00%	1.34%	4.21%	28.60%	0.00%
8 Loans and advances	31.30%	9.21%	9.06%	0.06%	0.00%	0.05%	0.04%	0.00%	0.00%	1.35%	4.19%	29.44%	0.00%
9 Debt securities, including UoP	49.72%	11.16%	11.06%	0.00%	0.02%	0.05%	0.03%	0.00%	0.00%	1.96%	7.27%	22.44%	0.00%
10 Equity instruments	20.63%	0.75%	0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.00%	0.08%	3.61%	0.00%
<b>11 Households</b>	93.81%	1.28%	1.28%	0.00%	—	0.00%	—	—	1.28%	0.00%	0.00%	1.37%	0.00%
of which loans collateralised by residential immovable property	94.41%	1.36%	1.36%	0.00%	—	0.00%	—	—	1.36%	0.00%	0.00%	1.44%	0.00%
of which building renovation loans	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
of which motor vehicle loans	9.83%	0.00%	0.00%	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
<b>15 Local governments financing</b>	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 Housing financing	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
17 Other local government financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>18 Collateral obtained by taking possession: residential and commercial immovable properties</b>	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
<b>19 Exposures included on a voluntary basis</b>	0.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	—
<b>20 GAR - Total GAR assets</b>	61.09%	3.55%	3.50%	0.01%	0.00%	0.02%	0.01%	0.00%	0.62%	0.34%	1.36%	5.81%	0.00%

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

		a	b	c						d	e	f	g	h	i	j	k	l
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures					
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)									
% (compared to corresponding total off-balance sheet assets) 31 December 2025																		
1	Financial guarantees (FinGuar KPI)	38.49%	13.33%	12.55%	0.01%	0.01%	0.73%	0.03%	0.00%	0.00%	0.08%	11.01%	0.00%					
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					

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

		a	b	c						d	e	f	g	h	i	j	k	l	
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures						
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)										
% (compared to corresponding total off-balance sheet assets) Financial year 2025																			
1	Financial guarantees (FinGuar KPI)	34.91%	12.05%	10.50%	0.01%	0.01%	1.48%	0.04%	0.00%	0.00%	0.05%	10.02%	0.00%						
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%						

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

		a	b	c						d	e	f	g	h	i	j	k	l	
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures						
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)										
% (compared to corresponding total off-balance sheet assets) 31 December 2025																			
1	Financial guarantees (FinGuar KPI)	42.83%	15.66%	15.30%	0.02%	0.00%	0.34%	0.00%	0.00%	0.00%	0.52%	10.40%	0.00%						
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%						

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

		a	b	c					d	e	f	g	h	i	j	k	l
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective					Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures					
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)					Biodiversity and Ecosystems (BIO)				
% (compared to corresponding total off-balance sheet assets) Financial year 2025																	
1	Financial guarantees (FinGuar KPI)	38.15%	12.86%	12.16%	0.02%	0.00%	0.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.39%	6.75%	0.00%		
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		

# Climate change

Erste Group addresses climate change within its sustainability strategy, recognizing that transitioning to net zero is crucial for long-term wellbeing, financial stability and overall prosperity. Achieving the transition to a low-carbon economy requires coordinated efforts across the financial system and the broader economy. The Group has the ambition to achieve a net zero status of its portfolio by 2050.

Erste Group's double materiality analysis (DMA) identifies climate change as a key issue affecting its business and stakeholders. As a leading provider of financial services, Erste Group aims to address the impact of its own operations and its financing and investment activities on climate change.

## E1 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

### Material impacts, risks and opportunities (IROs)

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
E1-Climate change adaptation	Risk	Erste Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.	Portfolio	Medium- to long-term
	Opportunity	For Erste Group, additional financial opportunities arise from the financing of and investments into companies that offer solutions for adapting to climate change and the funding of adaptation solutions in the real estate market (residential and commercial real estate).	Portfolio	All time horizons
E1-Climate change mitigation	Risk	Erste Group faces a higher credit risk as climate-related transition events (e.g. carbon pricing and regulatory interventions) can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.	Portfolio	All time horizons
E1-Energy	Positive impact	By financing renewable energy and energy grid infrastructure, Erste Group promotes CO <sub>2</sub> e-neutral power and supports energy security as well as the transition to a sustainable economy.	Portfolio	All time horizons
	Risk	Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for Erste Group, impacting P&L as well as own funds.	Portfolio	All time horizons
E1-Climate change mitigation and energy	Negative impact	Erste Group's Scope 1, 2 and 3 CO <sub>2</sub> e emissions (from upstream value chain, own operations and financed emissions) contribute to climate change and thus to global warming.	Upstream, Own operations, Portfolio	All time horizons
	Opportunity	Erste Group can gain financial opportunities by investing in and financing clients that support decarbonization, transition to sustainability and renewable energy projects (e.g., pumped storage plants, green hydrogen) that support CO <sub>2</sub> e-neutral energy production.	Portfolio	All time horizons

### Climate Change Adaptation

Erste Group is confronted with an elevated credit risk due to climate-related physical risks, which can lead to a devaluation of collateral and subsequently affect the business model and financial stability of debtors. According to Erste Group's physical climate risk analysis, these risks are a material driver for credit risk (short-, medium- and long-term), operational risk (medium- and long-term) as well as strategic risk (long-term). The pronounced credit risk exposure is largely driven by climate-related hazards, particularly flood risk, which is identified as key physical risk driver for Erste Group having material impact. Established scientific expectations estimate physical risks - particularly climate-related hazards - to substantially intensify from the mid-century onwards, impacting the portfolio, strategic position as well as Erste Group's own operations. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.

Additional financial opportunities arise from both the financing of and investments in companies that develop and provide solutions for climate change adaptation, as well as the funding of adaptation measures in the real estate sector, including both residential and commercial properties. For companies, this can include technologies and services such as climate-resilient infrastructure, advanced water management systems, heat-resistant materials, flood protection technologies and early warning or risk assessment tools. In the real estate sector, adaptation solutions may involve retrofitting buildings for improved energy efficiency and thermal resilience, installing green roofs and walls, implementing flood-proof construction methods, enhancing

natural ventilation systems and integrating on-site water retention and drainage systems to mitigate the effects of extreme weather events.

### Climate Change Mitigation

Erste Group faces elevated credit risk from climate-related transition risks, such as regulatory interventions, which can adversely affect the profitability and financial stability of debtors. As a result, Erste Group may be required to increase risk provisions, leading to negative impacts on its profit and loss statement as well as its own funds. The climate risk analysis indicates that, in a disorderly transition to a low-carbon economy, transition risks could significantly affect credit risk exposure across in the short- and medium-term. This is mainly driven by environmental taxation, regulatory changes and shifts in market behaviour of investors, consumers, suppliers and employees. In the long term, the impact is immaterial for credit risk as the initially recorded shocks - marked by steep carbon price hikes, rapid technology changes and stranded assets - have already mostly been absorbed. Over time, markets and firms adapt to the new policy environment, reducing transition-related volatility. The delayed transition scenario illustrates that delaying action amplifies disruption in the short- and medium-term but eventually stabilizes in the long run.

### Energy

By financing renewable energy and energy grid infrastructure, Erste Group promotes CO<sub>2</sub>e-neutral power and supports both energy security and the transition to a sustainable economy. This includes investments in wind and solar, hydroelectric and geothermal power plants, green hydrogen production facilities, as well as the expansion and modernisation of electricity grids, smart grid technologies, battery storage systems and cross-border interconnectors to enhance grid stability and flexibility.

Volatility in energy markets, exacerbated by climate change and related physical or transition events, can negatively affect the profitability of companies, particularly those operating in energy-intensive sectors, by increasing operational costs and reducing margins. At the same time, rising and unstable energy prices may lead to liquidity constraints for retail clients, impairing their repayment capacity. These developments contribute to a higher probability of default across portfolios, requiring increased risk provisions from Erste Group and potentially resulting in adverse impacts on both the profit and loss statement and own funds.

### Climate Change Mitigation and Energy

Some of the identified impacts, risks and opportunities pertain to both the Climate Change Mitigation and Energy subtopics. Accordingly, the combined subcategory ‘Climate Change Mitigation and Energy’ comprises IROs that apply to both areas.

The CO<sub>2</sub>e emissions from Erste Group’s own operations, its upstream value chain and through the financed portfolio contribute to climate change and, consequently, to global warming. In its own operations, key emission hotspots include energy consumption in office buildings, heating and cooling systems, employee commuting and business travel. In the upstream value chain, significant sources involve emissions from purchased goods and services, such as IT infrastructure, data centres and external service providers.

Erste Group can unlock financial opportunities by investing in and financing of clients that drive decarbonization, advance the transition to a sustainable economy and develop renewable energy projects. This may include financing solutions such as the electrification of industrial processes, the implementation of energy efficiency measures, the shift to low-emission machinery, development of circular economy business models and the integration of on-site renewable energy systems like solar or wind power, pumped storage plants and hydrogen.

## RESILIENCE OF THE BUSINESS MODEL

Erste Group has implemented a comprehensive scenario-based approach to assess and quantify transition and physical risks in the short-, medium and long-term on own operations, client relationships and the asset portfolio. The systematic analysis of potential future scenarios enables the identification of opportunities for enhanced resilience and adaptation.

### Scenario Analysis Framework

Erste Group’s analytical framework incorporates scenarios informed by the Network for Greening the Financial System (NGFS) to explore the impact of transition and physical risks. The results enable Erste Group to assess its short- to medium-term financial resilience, while also evaluating the adaptability and long-term robustness of its business model amid increasing uncertainties in the business environment. The selected scenarios encompass three distinct pathways:

Typ	Name	Description
Baseline	Central Scenario	reflects Erste Group’s baseline view on the expected development of its environment by combining NGFS’ Below 2°C and Fragmented world
	Delayed Transition	assumes that the implementation of strong climate policies is stalled until 2030 ultimately leading to high transition risk implications
Adverse	Current Policies	assumes that existing climate policies remain in place but there is no ambition to further strengthen them leading to increasing physical risks (Hot House World)

The evaluation of transition and physical risks is based on the results from the two respective adverse scenarios, Delayed Transition scenario for transition risk and the Current Policies scenario for physical risk. The delayed transition scenario examines the implications of a rapid, disorderly transition to a low-carbon economy, characterised by sudden policy changes in 2030 triggering market disruptions as countries rush to meet the Paris Agreement target of limiting global warming to well below 2°C. For Erste Group's usage it is considered 'accelerated', implying that the disorderly transition starts already in the next year rather than in the 2030s allowing for a consistent assessment of the short- (2026) and medium-term (2030) respectively. Meanwhile, the Hot House World scenario reflects a future with minimal climate change mitigation, resulting in severe physical impacts such as extreme weather events (e.g. floods, fires). By choosing these scenarios, Erste Group ensures it is testing its portfolio under adverse conditions, thereby strengthening its resilience and enhancing risk awareness for a robust climate risk management.

It should be noted, that the resilience analysis is subject to uncertainties as it uses long-term (up to 30 years) climate and macro-economic projections that depend on assumptions about future policies, technologies and how quickly the transition will progress. Uncertainty also comes from the limited historical data for extreme climate events and from the sensitivity of the risk models, which means actual impacts may differ from the estimates.

### Scope of the resilience analysis

The analysis of transition risks covers clients including sovereigns, financial institutions, large corporates, SMEs and real estate (commercial real estate including income producing residential real estate and retail mortgages) and Erste Group's own operations.

The analysis of physical risks covers loans collateralised by real estate (commercial real estate including income producing residential real estate and retail mortgages) and Erste Group's own and outsourced operations (i.e. headquarters and branches incl. critical facilities like data centres).

The assessment of both risks is conducted over the short-, medium- and long-term horizons. The time horizons used for the physical and transition risk assessments are as follows:

- \_ short-term: up to 1 year,
- \_ medium-term: 1 to 5 years and
- \_ long-term: more than 5 years (for transition risk up to 2050, for physical risks up to 2100).

### Description of the resilience analysis

The methodology for the **transition risk** assessment focuses on the impact of increasing (shadow) carbon prices on the financial position of counterparties. This (shadow) carbon price encompasses a multitude of risk drivers related to transition risk and is therefore a prudent way to quantify the risk impact. The modelling reflects the direct impact of a higher carbon price on counterparties as well as the indirect effects of macroeconomic developments. The macroeconomic parameters were derived from the regulatory scenarios as well as the economic research department of Erste Group and cover each critical sector individually in a projection of the gross value added. The developments are based on each scenario's narrative tailored to the current economic starting points of key markets. Critical assumptions on developments are therefore aligned to regulatory as well as scientific scenarios.

The **physical risk** assessment combines quantitative analyses which simulate extreme weather events like floods or fires to evaluate portfolio resilience under adverse conditions:

- \_ Comprehensive scenario analysis: As with the transition risk scenario analysis, the basis was represented by a NGFS scenario, namely Current Policies. Additionally, two dedicated physical risk models were designed to simulate the direct effects of two key climate-related hazards, namely riverflood and fire weather. The impact unfolds on the credit portfolio collateralized by real estate (i.e. RRE, CRE) via LGD shifts.
- \_ Munich RE hazard data: The Location Risk Intelligence data on physical risks from Munich RE provides an extensive list of hazards and climate-related variables like various time horizons as well as scenarios. Erste Group bases its risk materiality assessment of future time frames on the RCP 8.5 and SSP 5 scenario respectively, capturing physical risk exposures under adverse conditions reflected by high-emission and fossil-fueled trajectories. Applying this severe downside scenario guarantees a highly conservative approach in evaluating Erste Group's resilience to climate-related risks.

### Results of the resilience analysis

The outcomes of the assessment performed in the third quarter of 2025 to evaluate anticipated risk exposure under adverse scenarios are as follows.

#### Transition Risk

**Credit Risk:** The analysis conducted by Erste Group indicates notable exposure to transition-induced credit risk across short- and medium-term in case the transition to low-carbon economy occurs in adverse fashion (delayed transition). This adverse scenario and its impact do not reflect Erste Group's current baseline expectations on the development of its environment but serve as exploratory analysis to assess the exposure to transition risk in the adverse stress scenario. Under the baseline or orderly transition

scenario, the direct impact of the transition risk drivers on Erste Group is significantly smaller and limited. This elevated credit risk exposure is mainly driven by climate-related factors and drivers such as environmental taxation and subsidies, regulatory requirements, energy and transport policies, behavioural changes of investors, consumers, suppliers and employees as well as technological developments. In the long-term, capital position is expected to improve and the risk becomes immaterial as markets and firms adapt to the new policy environment, reducing transition-related volatility.

From an operational risk perspective, two of the most relevant transition risk drivers have been identified in the medium- and long-term horizon. First, there is an increased risk of regulatory non-compliance due to rapidly evolving requirements and heightened regulatory oversight. Second, shifting behaviours and expectations of stakeholders regarding environmental performance create additional operational challenges that require careful management.

Market, Liquidity, Strategic and Reputational Risk: The evaluation concluded that no material transition risks were identified across all time horizons – short-, medium- and long-term.

To evaluate the business model resilience, it is essential to assess the effectiveness of Erste Group's strategic responses and mitigation actions to determine the net impact. This process involves comparing the financial impact of the transition risk scenario with and without mitigating actions, especially considering the implemented decarbonization strategy. The 2025 Climate & Environmental Scenario Analysis, showed that under the short- and medium-term adverse scenarios, the largest impact stems from a disorderly transition but it resulted in no breach of regulatory thresholds showing that the bank is well positioned to withstand such adverse shocks. While long-term projections indicate a higher concentration of losses within carbon-intensive sectors (such as Natural Resources and Commodities), Erste Group's capital position remains resilient throughout the assessment horizon.

Erste Group has the ambition to achieve a net zero status of its portfolio by 2050. By following the strategy towards established targets for key sectors, Erste Group's exposure to climate-related transition risks is expected to decline. The decarbonization effect becomes particularly evident in the medium term, as it significantly reduces the gross impact of the adverse scenario to an immaterial level (especially in segments related to real estate), thereby underlining its strong contribution to Erste Group's resilience towards transition risks. Further information on the established decarbonization pathways can be found in chapter [E1-4](#).

Against the backdrop of having a resilient capital position and a comprehensive ESG Risk Management Framework, Erste Group maintains the ability to adapt its strategy and business model to climate-related developments across all time horizons if deemed necessary. In the short term, the Group's robust capital position and stable funding structure fundamentally support ongoing access to finance at an affordable cost of capital. In the medium and long-term, the Group can redeploy its credit portfolio by supporting clients to more sustainable business models and operations. This is supported by an established decarbonization strategy as well as a dedicated client-engagement framework consisting of several tools like ESG Assessment Questionnaire, Responsible Financing Policy and Sustainable Finance Methodology. Besides that, the Group supports also internal workforce adaptability through continuous reskilling initiatives and comprehensive ESG-related training programmes. These strategic adjustment levers ensure that the Group can realign its business model as climate-related risks and opportunities continue to evolve arising from the ongoing transition of the real economy.

Other components of the risk management framework that allow to effectively manage and reduce exposure to transition risks include various mitigation tools, such as enhancing the existing limit framework, strengthening underwriting standards, improving monitoring processes and expanding ESG-related data collection.

Besides the conducted materiality assessment of transition risk, the **forward-looking best-estimate Weighted Average Carbon Intensity (WACI)** offers insights into Erste Group's exposure to transition risks across different climate scenarios. Scenario pathways range from steep decline under 'Net Zero 2050' to minimal reductions under 'Current Policies', emphasising the potential financial impact of delayed action. For business loans, project finance and corporate bonds (EUR 77 billion as of December 2025), the scope 1 and 2 WACI amounts to 220 tCO<sub>2</sub>e per EUR million turnover in 2025, down from 252 tCO<sub>2</sub>e per EUR million turnover in 2024. Scope 3 emissions are excluded due to inherent forecast uncertainties. As noted in '[Scope 3 Category 13 and 15 Financed emissions](#)', the actual 2024 WACI was recalculated due to a significant portfolio shift between business loans and real estate exposures, as well as methodological improvements in the allocation of WACI between scope 1,2 and scope 3 emissions. The recalculated forward-looking best-estimate 2025 WACI amounts to 252 tCO<sub>2</sub>e per EUR million turnover, placing the actual 2025 value below this estimate and consistent with declining Scope 1 and 2 financed emissions and intensity.

The following table expresses yearly scope 1 and 2 emissions of debtors in the business loan, project finance and corporate bond portfolios, expressed as a ratio of turnover generated by Erste Group with these clients. These amounts vary in the short-, medium- and long-term in accordance with the climate scenarios and adaptation efforts.

## Forward-looking best-estimate WACI (scope 1 and 2)

WACI scope 1 & 2 in tCO <sub>2</sub> e per EUR million turnover	2026 (short-term)	2030 (medium-term)	2050 (long-term)
Net Zero 2050	204	141	19
Below 2°C	211	175	37
Delayed transition	218	213	26
Current policies	217	209	203

### Physical Risk

**Credit Risk:** According to Erste Group's assessment, physical risks are a material driver for credit risk across all time horizons. This elevated credit risk exposure is mainly driven by climate-related physical risk hazards. In line with scientific projections those are expected to intensify in severity and frequency from the mid-century onwards with a higher impact expected on the real estate sector. Given the severity of the applied stress scenario (Current Policies), it is noteworthy that Erste Group's capital position remains at highly robust levels even over the long-term horizon. This demonstrates that the business model is well positioned to absorb and adapt to adverse environmental developments.

**Operational Risk:** For internal operations, Erste Group identifies physical risks as a material driver in the medium- and long-term time horizons, primarily due to potential river floods and related changing rainfall patterns affecting facilities in certain areas. Looking ahead to 2100, heat waves are expected to reach material level across all geographies, both for own operation and third-party service providers.

**Strategic Risk:** Erste Group assesses the impact of physical risk drivers as material on the strategic risk in the long-term (2100) coming mainly from the elevated climate-related physical risk hazards on its credit portfolio.

**Market, Liquidity and Reputational Risk:** The evaluation concluded that no material physical risks were identified across all time horizons – short-, medium- and long-term.

## E1-1 – TRANSITION PLAN

Erste Group has the ambition to achieve a net zero status of its portfolio by 2050. Erste Group's net zero 2050 ambition is closely interlinked with regulatory developments at both EU and national levels and will be accompanied by actions that reflect these evolving frameworks, methodologies and targets. As the EU further defines its commitments, the Group will progressively align its approach to support and follow these developments.

In 2024, Erste Group has developed elements of a transition plan guided by GFANZ. Building on these elements, Erste Group has been developing its prudential transition plan in 2025 in line with the requirements under the Capital Requirements Directive (CRD VI). Due to different legal requirements and timing there is currently no intention to develop an overall transition plan fully aligned with a 1.5-degree pathway. Erste Group's transition plan under the Capital Requirements Directive focuses on assessing and managing financial risks arising from nature and climate risks, providing strategic direction, including decarbonisation targets and implementation measures to support proper risk decisions. Work on this integration began in 2025 and Erste Group continues to strengthen the alignment between its sustainability strategy and prudential risk management, ensuring consistency across regulatory frameworks and internal planning processes.

As part of its ambition to support the transition to a sustainable economy, Erste Group aims to support clients and sectors towards decarbonisation, while also reducing emissions from its own operations. This is fully integrated into Erste Group's overall business strategy and financial planning, ensuring that decarbonisation efforts are part of decision-making processes. Erste Group emphasises continuous engagement with clients across various industries to support their transition and manage climate-related risks. Erste Group integrates emission reduction targets into its business strategy to support both the clients' transition and the bank's sustainability goals. Furthermore, Erste Group monitors portfolio developments and client progress quarterly. This process includes assessing the impact of client engagements, adjusting strategies and implementing necessary measures. Progress is reported regularly to the Management Board and Supervisory Board.

More information on the respective policies, actions and targets can be found in the corresponding chapter [E1-2](#), [E1-3](#) and [E1-4](#).

## E1-2 – POLICIES AND TRANSITION MEASURES FOR CLIMATE CHANGE MITIGATION AND ADAPTATION

Erste Group's policies to transition to a sustainable economy focus on targets for investment and financing activities, which are endorsed and supported by the management of all subsidiaries.

### AT A GLANCE: ADDRESSING IMPACTS, RISKS AND OPPORTUNITIES

Impacts, risks and opportunities	Strategy / Policy	Key decarbonization lever and actions	Targets
By financing renewable energy and energy grid infrastructure, Erste Group promotes CO <sub>2</sub> e-neutral power and supports energy security as well as the transition to a sustainable economy. (Positive Impact Energy)	Sustainable Finance Methodology	Lever: Promoting a sustainable real estate sector	15% sustainable retail mortgages by 2027
Erste Group can gain financial opportunities by investing in and financing clients that support decarbonization, transition to sustainability and renewable energy projects (e.g., pumped storage plants, green hydrogen) that support CO <sub>2</sub> e-neutral energy production. (Opportunity Climate Mitigation and Energy)		Lever: Emission reduction in the energy sector Lever: Client engagement	25% sustainable corporate financing by 2026
Erste Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds. (Risk Climate Change Adaptation)	Group Real Estate Financing (REF) Policy	Lever: Promoting a sustainable real estate sector	Portfolio decarbonisation target
For Erste Group, additional financial opportunities arise from the financing of and investments into companies that offer solutions for adapting to climate change and the funding of adaptation solutions in the real estate market (residential and commercial real estate). (Opportunity Climate Change Adaptation)		Lever: Emission reduction in the energy sector	
Erste Group's Scope 1, 2 and 3 CO <sub>2</sub> e emissions (from upstream value chain, own operations and financed emissions) contribute to climate change and thus to global warming. (Negative Impact Climate Change Mitigation & Energy)	Group Real Estate Financing Policy (REF)	REF: Promoting a sustainable real estate sector	Portfolio decarbonisation target
	Group Responsible Financing Policy (RFP)	RFP: Emission reduction in the energy sector	
	Group Corporate Lending Principles (CLP)	CLP: Client engagement Lever: Emission reduction in own operations	Net Zero operations targets
Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for Erste Group, impacting P&L as well as own funds. (Risk Energy)	Group Retail Credit Risk Management Policy	Lever: Promoting a sustainable real estate sector	Portfolio decarbonisation target
	Group Corporate Lending Principles	Lever: Emission reduction in the energy sector	
	Group Real Estate Financing (REF) Policy	Lever: Client engagement	
Erste Group faces a higher credit risk as climate-related transition events (e.g. carbon pricing and regulatory interventions) can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds. (Risk Climate Change Mitigation)	Group Retail Credit Risk Management Policy	Lever: Promoting a sustainable real estate sector	Portfolio decarbonisation target
	Group Corporate Lending Principles	Lever: Emission reduction in the energy sector	

Concerning all policies, an ongoing dialogue is conducted with relevant stakeholders such as supervisory and regulatory authorities, investors, analysts and rating agencies as well as academic and environmental institutions and NGOs. Inputs from these stakeholders were received through bilateral talks, conferences and supervisory dialogues regarding climate change and are consequently used in Erste Group's policy setting process. For more details on consideration of interests and views of stakeholders please refer to chapter [SBM-2](#).

The below mentioned policies need to be implemented by the management body of relevant Erste Group's subsidiaries.

## SUSTAINABLE FINANCE METHODOLOGY (SFM)

### Policy objectives to address impacts, risks and opportunities

Erste Group's primary environmental impact stems from its lending activities, specifically the emissions generated by the projects it finances. As a financial institution, Erste Group plays an important role in facilitating the transition to a low-carbon economy by actively engaging with its clients and supporting them on their decarbonisation journey. Considering the climate crisis, this means to mobilise funds to create a fairer and more prosperous world for all, thereby contributing to a sustainable future. The SFM outlines methodology for classifying sustainable financings, focusing on renewable energy and energy-efficient buildings, as well as other sustainable activities (for more details see chapter [SBM-1](#)). No external third-party standards or initiatives were identified as directly relevant to the policy.

The Sustainable Finance Methodology and thus Erste Group's sustainable financings, is a classification that primarily addresses its opportunities and positive impacts and, under certain conditions, may contribute to its decarbonisation targets:

- \_ Additional financial opportunities arise from Erste Group's financing of customers supporting their decarbonisation and transition to a sustainable state.
- \_ Erste Group's financing of renewable energy projects enables CO<sub>2</sub>e-neutral energy production, which is necessary for the transition to an economic system within the planetary boundaries.
- \_ Erste Group's financing of and investments in renewable energy projects (e.g. energy from renewable energy sources such as solar energy or wind power) enable CO<sub>2</sub>e-neutral energy production and offers new opportunities for the portfolio.
- \_ Through the financing of climate-change adaptation solutions, Erste Group has a positive impact on reducing vulnerabilities to climate change impacts.

Sustainable Financings have demonstrable impact on decarbonization in real estate and renewable energy sectors:

- \_ In real estate, financing energy-efficient properties significantly reduces emissions intensity compared to traditional financing, reinforcing the alignment between sustainable finance and climate objectives.
- \_ In the energy sector, renewable energy financing inherently supports climate mitigation by replacing fossil-based generation and delivering measurable environmental benefits. These projects are systematically prioritized and tracked within Erste Group's portfolio, reflecting the Group's commitment to energy transformation and the expansion of clean energy solutions. In case of project finance, Erste Group assumes that renewable energy projects (wind, solar, geothermal and hydropower) have an emission factor for scope 1 and 2 of zero (see chapter [E1-6 Methodology Business Loan, Corporate Bonds and Project Finance](#)).

Actions, metrics and targets related to Sustainable Financings are partially linked with Material impacts, risks and opportunities (IROs) outlined in chapter [E1 SBM-3](#).

### Methodology

'Sustainable financing' is a term used by Erste Group to determine financings that address the interplay of Erste Group's identified environmental impacts and opportunities. This involves screening and evaluating Erste Group's financed portfolio in accordance with a bespoke approach and set of criteria, grounded in the principles of established standards and frameworks. With the decarbonisation levers of 'promoting a sustainable real estate sector', 'reduction of financed emissions in the energy sector', 'emission reduction in own operations' as well as 'client engagement framework', Erste Group's sustainable financings have a primary focus on:

Real estate financings:

- \_ Energy efficient buildings with energy efficient indicators in the Energy Performance Certificate (e.g. EPC label A),
- \_ Buildings meeting the requirements for a 'nearly zero energy building' (NZEB) according to EU Directive 31/2010,
- \_ Buildings that account to the top 15% (based on an estimate) of the national or regional building stock expressed as operational Primary Energy Demand (PED). This methodology is explained in chapter [E1-4](#).

Renewable energy projects financings:

- \_ supporting the realisation of decarbonisation via financing innovative technologies or the shift from non-renewable to renewable energy sources.

Further details on the screening approach and the criteria can be found in chapter [E1-4](#). In addition, the above-mentioned decarbonisation levers contributing to the achievement of the target are explained in chapter [E1-3](#).

The Sustainable Finance Methodology provides the framework for classifying sustainable financings that support climate transition of Erste Group's clients and the achievement of 15% sustainable mortgages by 2027 and to the goal of reaching 25% sustainable corporate financing by 2026. Through this, Erste Group continues to maintain its strong role in sustainable financings (see [SBM-1](#) for more details on strategic priorities).

## Methodology outlook for 2026

Erste Group is refining its Sustainable Financing Methodology to better support decarbonization targets. The focus of Sustainable Financing will be broadened to include a wider range of impactful activities and sectors, making it more relevant and connected to market developments. Beyond energy-efficient buildings and renewable energy the refined approach will for example include, among others, low-carbon manufacturing, water and efficiency improvements across all sectors. The updated methodology remains anchored in established standards and robust governance, with ongoing stakeholder engagement ensuring alignment with market expectations. The new approach will be implemented in 2026.

## Scope

The methodology set out in the SFM is applicable to all credit institutions of Erste Group. The Sustainable Financing KPI only applies to business lines of parent banks in the core markets of Erste Group for corporate and retail. Erste Group's Sustainable Financing KPI is an internal remuneration-linked metric and must not be confused with the Green Asset Ratio (GAR) KPI under the EU Taxonomy.

The approach and process related requirements on sustainable financings are captured in the SFM. Any criteria and programme in scope of sustainable financings is subject to approval by the Holding Board. The policy is only available internally.

## GROUP RESPONSIBLE FINANCING POLICY

### Policy objectives to address impacts, risks and opportunities

The Group Responsible Financing Policy outlines industry-specific ESG exclusion and phase-out criteria, including thresholds and guidelines for determining transaction eligibility to prevent ESG related credit and reputational risk. It also defines non-financial risk profiles that trigger detailed due diligence and scrutiny. Additionally, the policy describes assessment procedures for specific sectors and subsectors to ensure informed decision-making aligned with Erste Group's commitment to providing responsible financing services.

Thus, the policy supports portfolio decarbonisation targets by 2050. To reach this target, Erste Group has implemented a well-defined structure and governance framework for the execution of decisions under the Group Responsible Financing Policy.

In 2025, there was a revision of the Group Responsible Financing Policy to support a responsible energy transition. Erste Group addresses the current challenges and finances the coal phase-out, in a responsible, prudent way and in line with the EU Commission Requirements.

In this context, Erste Group is committed to progressively reduce its financing of thermal coal mining and thermal coal-based power generation, phasing out coal financing by 2030 in alignment with the National Energy and Climate Plans (NECPs) in its core markets. The extension to 2035 applies exclusively to existing power-generation and heat-and-steam clients that already have a defined exit plan targeting 2035.

Another change in 2025 was driven by other priorities in the context of defense. Due to the significantly changed geopolitical environment, the strategic importance of the defense sector in Europe has fundamentally shifted. Financial institutions are now expected to contribute to collective security, industrial resilience and defense readiness, as outlined in the EU White Paper 'Defense Readiness 2030'. This is reflected in the changes towards the eligibility criteria of financing defense.

## Methodology

The policy mandates a two-tier review process. To comply with the requirements of the policy, the deal originator must:

- \_ seek a dedicated dialogue with high-emitting clients. This typically starts with an industry and client-specific assessment of ESG issues, to identify Sustainable Financing instruments that match the client's sustainability and funding strategy. Additionally, collect relevant information and documents related to the specific deal.
- \_ assess the non-financial risks in line with the Group Responsible Financing Policy and propose corresponding follow-up measures if necessary.

The second review is carried out by local risk functions and the Local and Group Non-financial Risk Management (NFR) function. They ensure that all respective risks are identified, assessed, measured, monitored, managed and properly reported by the Business Units in the first line of defense and, in case it becomes relevant, guide the deal originator and associated employees through the specific NFR process required by the deal in question.

Erste Group defines exclusion criteria for the energy sector, defense, as well as gaming and gambling sector, and additionally covers the topic of biodiversity to advance the management of environmental and climate risks as well as energy security of actual energy transition projects. These energy sector principles are based on accepted industry principles and acknowledged by various

stakeholders as best practice. These principles are also aligned with Erste Group's commitment to reduce carbon emissions as Erste Group recognises the strategic importance of renewable energy and energy efficiency projects.

### Scope

All products and services in the Corporates and Markets area for all Erste Group financial institution entities are in scope of this policy, no matter whether the financing is direct or indirect, on- or off-balance-sheet financing and whether financial risks are linked to it or not.

A client company/group is considered within the scope of the policy if the economic activity in scope of the deal accounts for more than 5% of the group's turnover. Not in scope of this policy are all retail business line products (except for defense transactions), single payment transactions, transactions below an aggregate amount of EUR 1 million within an already approved limit (except for defense transactions) and 'responsible investments' including Erste Asset Management.

By adhering to this policy, Erste Group commits to respect the demands by the EU Paris agreement as well as the EU taxonomy. The policy, including any amendments or updates, is subject to formal approval by the Board and is published on Erste Group's website.

## GROUP RETAIL CREDIT RISK MANAGEMENT POLICY

### Policy objectives to address impacts, risks and opportunities

Price instability on the energy market due to climate change can result in decreased profitability for companies in energy-intensive sectors as well as liquidity shortage of retail clients. Additionally, Erste Group faces a higher credit risk as climate-related transition events can lead to negative effects on the profitability and the financial stability of debtors which might lead to increased risk provisions and connected negative impacts on the profit and loss for Erste Group. The policy supports the achievement of the portfolio decarbonisation targets by 2050. Decarbonisation levers primarily contributing are the 'emission reduction in the energy sector' as well as the 'promotion of a sustainable real estate sector' (see chapter [E1-3](#) for more details). For a detailed understanding of the CO<sub>2</sub>e metrics associated with financed emissions, chapter [E1-6](#) provides comprehensive results for the current and prior years.

### Methodology

The policy requires local entities to collect and store sustainability data, which can be obtained through an EPC of the financed object or an alternative method of assessing energy classification. The policy includes special lending conditions based on the energy efficiency values of the objects being financed. These conditions acknowledge that objects with lower energy efficiency are more likely to result in higher future maintenance and investment costs, which could impact the repayment capacity of customers and represent a higher credit risk. Higher energy efficiency means a lower carbon footprint for the building.

The recommended lending parameters for housing loans are differentiated by energy efficiency levels, with different maximum loan tenors and Debt Service to Income (DSTI) ratios assigned to each energy efficiency category.

For customers planning to renovate the financed property, lending parameters that reflect the new energy performance category expected to be achieved post-renovation can be applied at loan origination. The targeted energy performance level post-renovation must be assessed and provided by locally acceptable methods at the time of loan origination.

### Scope

The scope of the policy applies to entities in the group's core markets and their respective subsidiaries that are engaged in lending to private individuals and micro entities. The CROs of the local entities are responsible for the implementation of the policy. The policy is available internally.

By adhering to this policy, Erste Group also follows the European Banking Authority (EBA) guidelines on loan origination and monitoring as well as the EU GDPR and KYC (Know your customer) requirements.

## GROUP REAL ESTATE FINANCING POLICY

### Policy objectives to address impacts, risks and opportunities

Erste Group benefits from the financial opportunities that arise from the financing of and investments into companies that offer solutions for adapting to climate change and the funding of adaptation solutions in the real estate market (residential and commercial real estate). However, Erste Group also encounters an elevated credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and financial stability of debtors. The consequences are increased risk provisions and negative impacts on Erste Group's profit and loss statement and own funds. For this reason, Erste Group's Real Estate Financing (REF) Policy requires a sustainability assessment for real estate financing projects with exposure of

EUR 20 million or above before making a credit decision. Financing assets with high CO<sub>2</sub> emissions which are considered high or medium risk are subject to stricter lending criteria. In doing so, the policy contributes to the achievement of the portfolio decarbonisation targets by 2050. One of the most important mechanisms for decarbonisation, which is crucial for achieving the policy's objectives is 'promoting a sustainable real estate sector' (see chapter [E1-3](#) for more details). As part of the Real Estate Financing Policy, Erste Group supports the adherence to recognized international sustainability standards and initiatives. When assessing real estate financing, the technical screening criteria and 'Do No Significant Harm' principles of the EU Taxonomy Regulation are taken into account where applicable. Detailed CO<sub>2</sub>e results for financed emissions, covering both the current and previous years, are available in chapter [E1-6](#).

### Methodology

With regards to the monitoring process, the policy requires an assessment of energy efficiency, physical risk (e.g. flooding, drought etc.) and the CO<sub>2</sub>e value of the asset. It requires a Technical Due Diligence report, which includes the documentation of following areas:

- \_ Global Warming Potential for the life cycle of the building,
- \_ ESG Report,
- \_ Sensitive flood areas,
- \_ Energy Performance Certificate,
- \_ Energy Consumption,
- \_ Photovoltaic system,
- \_ Energy supply contracts on renewable/non-renewable energy sources and
- \_ Environmental report and strategy on climate risks and weather.

### Scope

The scope of the policy encompasses all real estate financing transactions with corporate clients or client groups, regardless of segmentation criteria. It covers the Group Commercial Real Estate segment, all specialised lending income-producing real estate clients and clients with certain codes in the nomenclature statistique des activités économiques dans la communauté européenne (NACE) related to the corporates segment or the industry segments of Real Estate or Hotels and Leisure. The policy is applicable to all Erste Group entities engaged in such business activities. These entities are required to integrate the policy into their local frameworks. Erste Group Bank AG has a dual role, both overseeing activities within the group and acting as a distinct legal entity offering corporate banking services. For clients or client groups outside of Erste Group's home markets, group standards are applicable as defined in the country specifics.

## GROUP CORPORATE LENDING PRINCIPLES

### Policy objectives to address impacts, risks and opportunities

The Group Corporate Lending Principles policy defines group-wide rules and principles for corporate lending to ensure sound credit risk management, responsible banking and standardised client creditworthiness assessments. The policy supports managing risks stemming from energy and climate change mitigation by conducting a comprehensive ESG assessment of corporate borrowers, with a turnover  $\geq$  EUR 50 million and SMEs with transferable securities to trading on an EU regulated market. Erste Group may face higher credit risk caused by climate-related transition events that can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected to negative impacts to its profit and loss statement and own funds. For example, price instability in the energy market due to climate change can result in decreased profitability in companies belonging to high emitting sectors.

By managing these risks, the policy supports Erste Group's portfolio decarbonisation targets and potential subsequent emission reduction. The key decarbonisation lever contributing to achieving the policy's target is 'emission reduction in the energy sector' (see chapter [E1-3](#) for more details). Detailed CO<sub>2</sub>e results for financed emissions, covering both the current and previous years, are available in chapter [E1-6](#).

If clients are exposed to increased sustainability risks, these must be properly assessed with respect to their financial position in the credit application and considered in the final lending decision as well as the rating. For large corporates in certain industries that lack a climate transition plan and do not measure the current emissions, any new transaction including a policy exception must be approved by the Credit Committee of Erste Group Bank AG. This ensures that material sustainability matters are integrated into the lending process and encourages clients to adopt sustainable practices. Additionally, ESG assessments are updated annually to reflect any changes in the client's ESG risks.

### Methodology

The evaluation of the client performance or solvency includes an assessment of its financial metrics and their engagement in mitigation activities. ESG assessment questionnaires are used during the lending process to evaluate climate change mitigation risks and how ESG factors may positively (mitigation) or negatively (risks) impact the financial performance or solvency of the

client. Corporate borrowers, with a turnover  $\geq$  EUR 50 million and SME's with transferable securities to trading on a EU regulated market are required to share their corporate carbon footprint as well as their carbon offsets. In addition, the client's energy mix and efficiency are analysed. A more sustainable energy mix and higher energy efficiency benefit the client's overall performance in the evaluation.

### Scope

The policy is applicable to the whole group and covers all corporate clients (LC, SME, CRE, Corporates owned by Sovereigns or Sub-Sovereigns, Public Sector). The policy explicitly excludes clients involved in suspicious and illegal activities or controversial industries as well as pure financial holdings without transparency and captive/offshore companies which are consolidated into an internal Group of Connected Clients.

By adhering to this policy, Erste Group complies with the FMA's 'Kreditinstitute-Risikomanagementverordnung' (KI-RMV), as well as the EBA Guidelines on loan origination and monitoring. The Management Board, particularly the CRO, is accountable for the implementation of the policy. The policy is made available internally.

## E1-3 – ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE MITIGATION AND ADAPTATION

The energy and real estate sectors in Erste Group's portfolio are key to its decarbonisation efforts as these have the highest emissions. Therefore, to achieve its 2050 net zero emission ambition, Erste Group focuses on four portfolio decarbonisation levers that comprise several already implemented key actions. For a more comprehensive understanding of the CO<sub>2</sub>e results pertaining to financed emissions, please consult chapter [E1-6](#). The current and future operational and capital expenditures incurred to implement the below actions are immaterial amounts. Achieved and expected GHG-reduction contributions, as well as quantitative and qualitative information on the progress made compared with prior periods, are not disclosed for all actions. Additionally, no actions are in place to provide remedy to individuals harmed by actual material impacts.

### DECARBONISATION LEVER 'PROMOTING A SUSTAINABLE REAL ESTATE SECTOR'

Erste Group aims to reduce its financed emissions by increasing sustainable financing in the real estate sector through two main enablers, its Financial Health Commercial Real Estate Tool to track the carbon footprint of commercial real estate portfolios and the Renovation Financing and Energy Efficiency Calculator to assess its client's home renovation need and energy efficiency.

Successfully motivating clients to take measures to improve the energy performance of the buildings they own, financed by the Group, contributes to reducing financed emissions in absolute terms if higher emission-loans mature. The effectiveness of actions under this lever further is assessed based on the attainment of the 25% sustainable corporate financing target and the 15% sustainable mortgage target (see chapter [E1-4](#) for more details on targets).

#### Enabler 1: Financial Health Commercial Real Estate Tool

Erste Group has developed the Financial Health Commercial Real Estate Tool to enhance client engagement, provide greater transparency and improve the overall quality of its portfolio. It is expected that this instrument will have a positive impact on climate change mitigation by enabling the identification and promotion of energy-efficient building practices.

By integrating asset-level data on energy performance and greenhouse gas (GHG) emissions, the tool allows both the bank and its clients to actively track and manage the carbon footprint of commercial real estate portfolios. The tool raises client awareness and encourages the adoption of renewable energy solutions, such as on-site solar power generation or green electricity procurement. With this initiative Erste Group aims to enhance energy efficiency and reduce carbon emissions within its commercial real estate holdings.

The Financial Health Commercial Real Estate Tool integrates client asset KPIs with benchmark values derived from Erste Group's portfolio data, internal policies and GHG thresholds. For instance, Erste Group compares client EPCs among other client assets in the portfolio (EPC values of CRE assets). A pre-defined CO<sub>2</sub>e threshold allows Erste Group to identify assets that are desirable in terms of CO<sub>2</sub>e emissions and are aligned with its portfolio reduction pathway. The tool enables clients to visualise their projects, compare them with other portfolio projects and place them within the context of Erste Group's commercial real estate decarbonisation pathways.

The screening of each client within the portfolio is currently underway across all entities and will continue throughout 2026. The primary objective is to engage with all relevant commercial real estate clients, utilising available underlying asset information. As a result, the Financial Health Commercial Real Estate Tool indirectly contributes to climate change mitigation and GHG reduction by facilitating the identification and promotion of energy-efficient building practices among clients.

## Enabler 2: Renovation financing and the Energy Efficiency Calculator

To support the energy efficiency transition in residential properties, Erste Group provides its retail clients with digital, web-based solutions that simplify the process of assessing their home renovation needs. The renovation calculator tools help clients understand their current property's energy efficiency and identify potential improvements. By engaging clients through this platform, Erste Group provides the possibility to get a clear picture of how their home's energy efficiency can be improved, which actions to take and how to quantify the business case for these improvements. The expected results include increased client engagement via digital channels, with more homeowners adopting energy-efficient renovation measures. Additionally, clients are encouraged to access subsidy programmes across the CEE region and to receive financing options, leading to better utilisation of energy-saving technologies such as solar panels, heat pumps and home insulations. Where financially viable and credit risk parameters are met, Erste Group is easing the time to cash for customers to receive financing for energy upgrades. This measure supports the implementation and realisation of the Retail Credit Risk Policy, the SFM as well as the sustainable finance framework. It contributes to the achievement of the target 'sustainable retail mortgages' as outlined in the table 'Sustainable financing – actuals and targets'.

Erste Group proactively engages with clients, offering renovation calculation and financing options through various channels. By leveraging the renovation calculator and associated financing solutions, Erste Group supports clients in enhancing the energy efficiency of their homes, thereby promoting sustainable housing solutions. The effectiveness of this initiative is monitored by the granted renovation loans.

## Scope of the decarbonisation lever

The geographical scope for the decarbonisation lever encompasses all regions of operations. The finalization of implementation relates to a medium-term period. Currently in the rollout phase, the Financial Health Commercial Real Estate Tool is being implemented across all Erste Group regions, with the screening of all existing stock assets expected to be completed in the short- to medium-term. The tool focuses on the downstream value chain and addresses the commercial real estate portfolio of Erste Group. Renovation Financing and the Energy Efficiency Calculator applies to the downstream value chain of Erste Group, focusing on retail mortgage clients. The scope covers all regions of operation, particularly targeting clients with high energy intensity. Detailed CO<sub>2</sub>e results for financed emissions, covering both the current and previous years, are available in chapter [E1-6](#).

## DECARBONISATION LEVER 'FINANCED EMISSIONS REDUCTIONS IN THE ENERGY SECTOR'

Erste Group aims to reduce its financed emissions in the energy sector by increasing sustainable financing for renewable energy projects and by reducing its loan portfolio in the coal sector. The contribution to decarbonisation targets significantly depends on the nature of the financed company. For instance, a coal-reliant company that utilises the financing to implement adaptation solutions (e.g. such as wind parks) can thereby reduce its reliance on fossil-based technology.

This lever contributes to the decarbonisation of Erste Group's energy portfolio and is in line with the Sustainable Finance Methodology which defines sustainable investments that contribute to climate-neutrality as well as the Group Responsible Financing Policy which sets exclusion criteria for harmful socio-environmental economic activities, such as investments into specific carbon-intensive energy activities. Additionally, it contributes to the objectives of the Group Corporate Lending Principles. Therefore, this decarbonisation lever addresses the IROs of these policies as outlined in chapter [E1-2](#). The actions of this lever help achieve the policies' objectives such as the 2050 net zero portfolio ambition as well as the 25% sustainable corporate target. The achievement of the policies' targets is outlined in chapter [E1-4](#).

Through the key actions 'renewable energy financing' and 'reducing coal financings', investment in and financing of carbon-intensive energy companies will be reduced, while financing renewable energy projects enables CO<sub>2</sub>e-neutral energy production, which is necessary for the transition to an economic system within sustainable boundaries, offering new clean energy opportunities for Erste Group's portfolio.

## Key action 1: Renewable energy financing

Erste Group's renewable energy financing aims to increase the share of sustainable financing for projects that support the transition to cleaner energy sources. By focusing on clients with decarbonisation technologies in its core regions, Erste Group seeks to accelerate the adoption of renewable energy solutions, including wind, solar and battery storage. The anticipated impact includes an increase in financing for renewable energy projects and a reduction in financed emissions from the energy and heat production sectors, particularly if fossil-reliant companies transition to cleaner energy technologies. This initiative is a key measure contributing to the realisation of Erste Group's Sustainable Finance targets and goals.

As of year-end 2025, renewable energy exposures classified as sustainable financing account for 44% of the total electricity portfolio in Erste Group's Core Group. These exposures are assigned a zero-emission intensity and relate to specific-purpose financing activities in renewable energy generation, such as wind, solar and hydropower projects.

This portfolio distribution reflects Erste Group commitment to the energy transition and its strategic focus on supporting the expansion of renewable energy infrastructure. By maintaining a significant share of renewable energy financing, the Group contributes to decarbonisation efforts and advances the transformation toward a low-carbon electricity system.

#### Key action 2: Reducing coal financings

In line with its Responsible Financing Policy, Erste Group is committed to progressively reduce its financing of thermal coal mining and thermal coal-based power generation, phasing out coal financing by 2030 in alignment with the National Energy and Climate Plans (NECPs) in its core markets (with an extension period until 2035 for existing clients within heat and steam, as well as power generation if certain conditions are already in place such as a credible transition plan for the exit until 2035). For the oil and gas sector, Erste Group has committed to avoiding any expansion of financing for oil and gas exploration unless it is crucial for independence from Russia and is indispensable for national energy security within Europe. Gas-fired generation and related infrastructure may still serve as transitional solution and may be financed as long as they also meet the criteria set out in the EU Taxonomy.

Erste Group actively engages with all clients exposed to thermal coal, focusing on understanding their transition plans. It analyses all clients in this sector in-depth during the annual review process to assess and align their transition plans with the bank's 2050 net zero ambition. This includes identifying clients with over 25% of revenues from thermal coal and requiring them to present a credible, time-bound exit plan. Relationship managers are equipped with single-client assessment toolkits that use public and internal information to assess each client's transition readiness and their contribution to Erste Group's targets. Erste Group ensures that its engagement focuses on helping oil and gas sector clients adopt environmental action plans and decarbonisation strategies. On one hand, this includes avoiding financing for extraction in unconventional sectors, such as oil sands or Arctic exploration. On the other hand, Erste Group is prioritising engagements of high emitting clients, who are part of their sector's decarbonisation targets, to assess their transition plans including the necessary CapEx investments.

Through the implementation of the two outlined measures, this initiative will result in a substantial reduction in financed emissions intensity. Renewable energy financing currently constitutes the second-largest component of Erste Bank's 25% sustainable financing target. Following commercial Real Estate Financing Policy, it is the most significant contributor to the reduction of financed emissions. The coal exit engagement strategy is expected to achieve a notable reduction in financed emissions associated with fossil fuels. Focusing on specific-purpose financing in renewable technologies, such as wind, solar and hydro, will further reduce Erste Group's financed emissions and significantly contribute to the 25% corporate sustainable financing target.

Additional information on the achieved GHG reductions can be found in table 'Portfolio Decarbonisation Targets,' with particular emphasis on the electricity production sector.

#### Scope of the decarbonisation lever

The scope of the 'Sustainable Financing for renewable energy' measure covers the downstream value chain of Erste Group, specifically targeting renewable energy projects in the energy and heat production sectors. The geographic scope encompasses all regions of Erste Group, with a primary focus on high-exposure markets such as Austria, Czechia, Slovakia and Romania. The implementation of the Sustainable Financing measure for renewable energy is designed for a long-term period.

The scope of the 'coal portfolio reduction' measure applies to the downstream value chain of the bank and covers all entities and regions of Erste Group. The time horizon for the reduction of the coal portfolio is medium-term, with in-depth analysis and transition plan assessments scheduled to be completed by 2026.

#### DECARBONISATION LEVER 'CLIENT ENGAGEMENT FRAMEWORK'

The client engagement framework is a holistic approach that is aimed to support the shift of the clients toward low-carbon business models while ensuring alignment with Erste Group's portfolio decarbonization targets.

The client engagement framework represents the toolkit consisting of several elements such as ESG Assessment Questionnaire, Responsible Financing Policy and Sustainable Finance Methodology. While the later tool provides framework for classifying sustainable financings that support climate transition of Erste Group's clients, the questionnaire facilitates data collection on the environmental footprint of large corporate, commercial real estate and commercial residential real estate (Wohnbau), thus enabling the Group to identify clients which are prone to environmental, climate, social and governance risks. It is updated at least annually and allows Erste Group to assess the impact of ESG factors on credit risk. Thus, already as of today, Erste Group evaluates the transition plans of the clients and aligns them with the sector's decarbonisation targets.

In 2025 the ESG Assessment has been enlarged focusing on the resilience of ESG risks including transition risk and embraces clients vulnerability to physical risks and nature-related risks.

The process follows a structured three-phase approach consisting of: (1) clients assessment and selection, (2) engagement and dialogue and (3) monitoring. The client selection process on Erste Group level was finalised in fall 2025 that will enable relationship managers to engage with the clients following the lending processes throughout the year 2026. The revised framework will further contribute into Erste Group’s engagement with clients using a strategy tailored to their maturity in the transition journey. Moreover, the framework will ensure that ESG considerations are systematically integrated into client relationships, credit processes and portfolio steering.

Through this framework, Erste Group aims to act as a trusted partner for its clients, enabling them to navigate the challenges of the green transition while safeguarding financial stability. By combining risk management with financing solutions, Erste Group contributes to a sustainable economy and long-term value creation for all stakeholders.

#### Scope of the decarbonisation lever

The ‘Client Engagement Framework’ lever was developed in a first phase for large corporate clients within Erste Group’s lending portfolio and covers all entities and regions of the Group. The client engagement approach will enable Erste Group to gain deeper insights into Erste Group’s clients’ transition plans. The Group’s approach focuses on supporting clients in this transition, but also includes a reassessment of the relationship with clients who are unwilling to commit to progress. The implementation of this lever is designed as a long-term initiative.

### DECARBONISATION LEVER ‘EMISSION REDUCTION IN OWN OPERATIONS’

Erste Group aims to decarbonise its operations by decarbonising employee mobility through electrification, enhancing building energy efficiency, switching to low-carbon energy sources and increasing employee engagement through trainings and joint action. The implemented actions target the bank’s CO<sub>2</sub>e emissions from own operations, thus contributing to its net zero operations goal. Erste Group’s actions currently focus on the reduction of scope 1 and 2 emissions as managing operational scope 3 emissions represents a significant challenge, as these emissions are largely influenced by the activities of third parties and external stakeholders. Please refer to chapter [E1-4](#) to gain a deeper understanding of the achieved GHG emission reductions within scope 1 and 2. Additionally, chapter [E1-6](#) outlines the current CO<sub>2</sub>e balance results and those from the previous year. For more insights into energy consumption and its breakdown, please see chapter [E1-5](#).

No significant capital expenditure and operating expenditure is required for the described measures.

#### Scope of the decarbonisation lever

The implementation of the measures relates to the short-term period for employee engagement and awareness and to the medium-term period for decarbonisation of employment mobility, increased energy efficiency of own buildings and low carbon energy use. The decarbonisation lever is measured with the net zero target which is applicable to Erste Group Bank AG, Erste Bank Oesterreich and its subsidiaries and CEE subsidiaries in the core markets. The savings banks of Haftungsverbund that are not majority-owned are not included in this lever.

The table presents the relevant actions/levers together with their associated targets; information on the achieved emission reductions is provided in subchapter [E1-4](#).

Action/Lever	Target
Enabler 1: Financial Health Commercial Real Estate Tool	Decarbonisation target for Commercial Real Estate, sustainable finance real estate target
Enabler 2: Renovation Financing and the Energy Efficiency Calculator	Decarbonisation target for mortgage, sustainable finance real estate target
Key action 1: Renewable energy finance	Decarbonisation targets for heat and steam production and for electricity production, sustainable corporate finance target.
Key action 2: Reducing coal financing	Decarbonisation targets for heat and steam production and for electricity production.
Decarbonisation lever ‘Client engagement framework’	All decarbonisation targets except those for commercial real estate and mortgages
Decarbonisation lever ‘Emission reduction in own operations’	Scope 1 and 2 targets

## E1-4 – TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

### PORTFOLIO DECARBONISATION TARGETS

Erste Group’s decarbonisation targets are presented in the ‘*Portfolio decarbonisation targets and actuals*’ table, detailing emission scopes, the base year, the target value, the reference value and the selected scenario pathways and methodologies. Erste Group’s

GHG emission reduction targets are scientifically sound and compatible with the group's ambition to achieve a net zero status of its portfolio by 2050.

The 2050 net zero portfolio ambition is strategically designed to evaluate the effectiveness and efficiency of Erste Group's initiatives in mitigating the emissions associated with its financing activities. This target not only serves as a benchmark for assessing the success of various measures implemented to reduce the carbon footprint of financed projects, but also underscores Erste Group's commitment to sustainable finance.

The policies described in chapter E1-2, such as the SFM, the Group Responsible Financing Policy, the Group Corporate Lending Principles Policy, the Group REF Policy and the Group Retail Credit Risk Management Policy, collectively support the achievement of the portfolio decarbonisation target by addressing Erste Group's material IROs as listed in the table 'Material Impacts, Risks and Opportunities' in chapter SBM-3. The portfolio target is primarily achieved through a reduction in financed emissions in the energy sector as well as the promotion of a sustainable real estate sector. This is explained in more detail in the prior chapter E1-3.

By focusing on the energy and real estate sectors as well as client engagement, Erste Group aims to address major sources of emissions through sustainable financing, energy efficiency improvements and the transition to renewable energy sources. These efforts are expected to contribute significantly to achieving the GHG emission reduction targets. The portfolio decarbonisation targets address Erste Group's downstream value chain and applies to all regions in which it operate in line with the internally defined materiality threshold.

Client executives, industry experts and sustainability advisors were engaged to ensure that Erste Group's goals are both ambitious and aligned with broader industry standards and expectations.

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

## Portfolio decarbonisation targets and actuals

Sector	Metric	Methodology <sup>1</sup>	Scenario/ pathway	Emissions scope <sup>2</sup>	Baseline		Value		Internal Risk Appetite		Targets	
					Year	Value	2025	Reduction in %	Value 2025	Status <sup>3</sup>	2030	2050
Mortgages <sup>4</sup>	kgCO <sub>2</sub> e/m <sup>2</sup>	Internal model	XDC ITR 2.2°C	1 and 2	2024	45.2	43.7	-3%	n/a	n/a	32.1	5.1
Commercial real estate <sup>4</sup>	kgCO <sub>2</sub> e/m <sup>2</sup>	Internal model	XDC ITR 1.7°C	1 and 2	2024	32.9	32.0	-3%	n/a	n/a	21.9	5.7
Electricity production	kgCO <sub>2</sub> e/MWh	PACTA	IEA NZE2050	1 and 2	2022	357.1	97.2	-73%	315.0	not at risk	182.7	21.6
Heat and steam production <sup>5</sup>	Tsd tCO <sub>2</sub> e	SBTi AC	IEA NZE2050	1 and 2	2022	1,614.3	747.3	-54%	1,324.0	not at risk	924.0	159.3
Oil and gas extraction <sup>5</sup>	Tsd tCO <sub>2</sub> e	PACTA	IEA NZE2050	1,2 and 3	2023	1,020.4	200.0	-80%	1,000.0	not at risk	923,7	368.6
Automotive <sup>6</sup>	gCO <sub>2</sub> e/km	PACTA	IEA NZE2050	1,2 and 3	2023	169.8	153.3	-10%	170.0	not at risk	103.6	31.2
Iron and steel <sup>6 7 8</sup>	tCO <sub>2</sub> e/tonne steel	PACTA	IEA NZE2050	1 and 2	2023	1.5	1.4	-2%	1.5	not at risk	1.1	-
Cement production <sup>9</sup>	tCO <sub>2</sub> e/tonne cement	SBTiSDA	IEA NZE2050	1 and 2	2023	0.6	0.5	-14%	0.6	not at risk	0.5	0.0

<sup>1</sup> Erste Group's baseline values fulfil the requirements and calculation approach of third-party standard setters such as SBTi and PACTA. Those standards are based on the latest findings from leading environmental institutions, such as the IPCC. Hence, Erste Group's baseline value is to be considered a representative one.

<sup>2</sup> The given scopes represent emissions from Erste Group's downstream activities, in particular the scope 1, 2 and where significant also scope 3 emissions from the financed company / project.

<sup>3</sup> Target achievement 2030

<sup>4</sup> Mortgage and Commercial real estate targets defined based on proprietary internal model (driven by portfolio and market drivers) and benchmarked using X-Degree Compatibility model (version 2025.08) by Right<sup>®</sup> based on science GmbH. Implied temperature of 2050 target at 2.2°C for Mortgages and 1.7°C for Commercial real estate. More details in the respective chapter on Mortgage and Commercial real estate decarbonisation. SBTi SDA methodology was applied to determine the 1.5°C benchmark. For the Mortgages portfolio, this translates into a 49% reduction (23.2 kgCO<sub>2</sub>e/m<sup>2</sup>) from the 2024 baseline by 2030 and a 99% reduction (0.6 kgCO<sub>2</sub>e/m<sup>2</sup>) by 2050. For the commercial real estate portfolio, the required reduction amounts to 47% (17.6 kgCO<sub>2</sub>e/m<sup>2</sup>) from the 2024 baseline by 2030 and 95% (1.7 kgCO<sub>2</sub>e/m<sup>2</sup>) by 2050.

<sup>5</sup> Target setting was based on clients Erste Group engaged with at point of target setting; with supporting local targets focusing on entities where on balance bookings were recorded. Regular monitoring is performed on total Group level to ensure a full coverage of Erste's client engagement, no matter in which entity bookings are conducted. Therefore, group entities considered during target setting differ from the scope of entities contributing to disclosed achieved reductions. Starting with 2025, the savings banks' portfolio was incorporated into decarbonisation monitoring.

<sup>6</sup> Decarbonization targets are defined on the Erste Group level and cascaded to Entities applying materiality threshold. Thus, the targets for Automotive are cascaded to Austria, Romania, Hungary, Slovakia and Czech Republic, while the targets for Iron & Steel are cascaded to Austria, Hungary, Czech Republic and Slovakia. Starting with 2025, the savings banks' portfolio was incorporated into decarbonisation monitoring.

<sup>7</sup> No long-term targets for 2050 were set for the iron and steel production sector, as the technological uncertainties - such as the development of alternative fuels like hydrogen to a competitive, industrial scale - remain significant. Ongoing efforts aim to improve the basis for long-term targets, enabling the definition of specific targets up to 2050 in subsequent years.

<sup>8</sup> In case no specific data are available, parameters used at point of target setting are applied in the monitoring.

<sup>9</sup> The base year / actual values are based on available input data (e.g., client sustainability reports), some of them only show CO<sub>2</sub> values as numerator or tonne cementitious as a denominator. If, instead of the CO<sub>2</sub>e intensity per tonne of cement, only the CO<sub>2</sub> intensity per tonne of cementitious was available, this was used.

In total, to date, the decarbonisation targets have been set for a credit risk volume of EUR 128 billion, this represents 64.3% (2024: EUR 108 billion, this represented 56.9%) of the volume covered by the financed emissions calculation. The portfolios with decarbonisation targets cover 40.5% (2024: 40.1%; scope 1 and scope 2) and 17.1% (2024: 19.7%; scope 1, 2 and 3) of financed emissions in 2025. The observed year-over-year increase in the coverage of portfolio decarbonisation targets is primarily influenced by the onboarding of savings banks in Heat and Steam production, Oil and gas extraction, Automotive, Iron and steel and Cement production sectors.

As all targets are derived based on the Science-Based Target Initiative (SBTi) and PACTA methodologies, these targets serve as 1.5°C scenario-based benchmarks, except the real estate sectors. The real estate sector is further described in the section '*Commercial real estate and mortgage decarbonisation target*'. From a risk management perspective, aligning scenario assumptions with realistic portfolio trajectories allows Erste Group to identify potential vulnerabilities early and safeguard the resilience of its business model. Based on this analysis, economic capital was allocated to reflect the transition risk associated with the portfolio's current temperature alignment.

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

Erste Group has followed a phased-in approach for onboarding the savings banks into the Group's decarbonisation targets. In 2024, the savings banks' portfolios were integrated into the decarbonisation framework for the sectors such as mortgages, commercial real estate and electricity production. For the remaining sectors, targets for the savings banks' portfolios were defined in 2024 and were incorporated into the monitoring of decarbonisation progress from Q1 2025 onwards. As a result, a direct year-on-year comparison of decarbonization progress for these latter sectors is not feasible.

After defining portfolio decarbonisation targets for priority sectors, Erste Group's risk appetite evaluation has been enhanced through the introduction of an internal indicator. The internal indicator addresses the question at what level of CO<sub>2</sub>e emissions or CO<sub>2</sub>e emissions per physical metric (identical to the metric used in decarbonisation target setting) in the respective year (e.g., 2025) puts the target achievement for 2030 at risk. Thus, its aim is not only to support the commitment to climate action, but also to enable pro-active steering of portfolio development along the defined decarbonisation path. The internal indicator is set as a buffer above the downward decarbonisation pathway, thus allowing minor deviations above it but still ensuring sufficiently early alert in case of possible misalignment with 2030 targets.

In case of a trigger event, the reasons for the indicator breach are analysed and mitigation measures are developed with the involvement of relevant stakeholders on a case-by-case basis. This process is dependent on the drivers, industry specifics, impact as well as necessary time for remediation.

The progress along the decarbonisation pathway is monitored quarterly via dedicated internal reports presented to the management. Moreover, the actual results are approved by the Management Board as part of the Group Risk Report.

The explanation on the progress is elaborated in the chapters dedicated to the decarbonisation of the respective sectors.

### **Electricity sector decarbonisation target**

The focus within the electricity production portfolio is on diversified electricity producers as well as project-based financing of electricity production. A thorough review is applied to confirm that the activities are centred on electricity generation. This focus supports the broader goal of reducing carbon emissions in the power sector, which is a significant contributor to global GHG emissions.

Moreover, the energy sector will be the central cornerstone of Europe's decarbonisation success. As one of the most pollutive industries at present, it also offers a substantial opportunity to transform from fossil fuels to renewable energy. Besides, a more environmentally sustainable energy mix, origination from electricity transformation, will be a key contributor to reduce emissions in other industries.

To support the energy transition, the EU climate objectives have helped to increase the ambition of national programmes for deploying clean energy measures. Electricity systems need to be flexible and require growth in battery energy storage and flexible peaking power plants such as combined cycle gas turbines. Expansion and modernisation of transmission and distribution grids offer opportunities for financing to meet growing electrification demands.

This portfolio's scope includes direct emissions (scope 1) from the combustion of fossil fuels and indirect emissions (scope 2) associated with the purchase of electricity, heat and cooling necessary for operations.

Erste Group's methodological approach is grounded in the Paris Agreement Capital Transition Assessment (PACTA) framework, customised for financial institutions. This allows to track and manage the physical emission intensity of electricity producers

within its portfolio. Decarbonisation targets are defined considering a physical metric and measured as kgCO<sub>2</sub>e/MWh. This metric plays a crucial role in evaluating whether Erste Group's clients are prepared for the necessary transition in line with the 2030 and 2050 decarbonisation objectives.

To align with global efforts to limit temperature rise, Erste Group has adopted the IEA Net Zero 2050 scenario as the guiding benchmark. The targets aim for a 49% reduction in the physical emission intensity of the portfolio by 2030, bringing it down from a 2022 baseline of 357.1 kgCO<sub>2</sub>e/MWh to 182.7 kgCO<sub>2</sub>e/MWh. Erste Group is tracking the progress closely, with 2025 interim results showing a reduction of 73% to 97.2 kgCO<sub>2</sub>e/MWh comparing to the baseline. The actual metric in terms of physical emission intensity is in line with the internal indicator.

Year-over-year, physical emission intensity in the electricity production portfolio decreased by 29%, reflecting the Group's continued focus on energy transformation initiatives and increased exposure to renewable energy assets. Financed emission intensity (Scope 1 and 2) in terms of tCO<sub>2</sub>e/EUR Mio, in scope of decarbonisation monitoring, declined by 7% due to financed emission fluctuation and change in portfolio composition.

For deriving the future trajectories for each technology, the NZE 2050 (1.5°C) scenario was used. The IEA, with its 'Net Zero by 2050: A Roadmap for the Global Energy Sector' report, depicts the pathway to building a global energy sector with net zero emissions by 2050. The key drivers of this scenario are electrification and electricity supply and demand. Electricity supply will change with the share of renewables rising and the use of coal falling globally. Natural gas is used as a transition up to 2030 but will decline in the long term. The path involves replacing carbon-intensive processes with renewable technologies wherever feasible. For example, this includes waste-heat recovery, geothermal technologies for heating and solar and wind for electricity production.

### Heat and steam sector decarbonisation target

The focus within the heat and steam production portfolio is local, mainly involving district heating units. Most of the clients from this sector are in Czechia, Slovakia and Austria and therefore national energy and climate plans in these countries are of importance. Thus, Erste Group applies a thorough review process to confirm that its activities are centred on heat and steam generation. This portfolio's scope includes direct emissions (scope 1) and indirect emissions (scope 2) associated with the purchase of electricity, heat and cooling necessary for operations.

The targets aim for a 43% reduction in the absolute financed emissions of Erste Group's portfolio by 2030, bringing it down from a 2022 baseline of 1,614.3 thousand tCO<sub>2</sub>e to 924.0 thousand tCO<sub>2</sub>e. Erste Group is tracking progress closely, with 2025 interim results showing a reduction of 54% to 747.3 thousand tCO<sub>2</sub>e comparing to the baseline. The actual metric in terms of absolute financed emissions is in line with the internal indicator. A direct comparison of 2025 actuals with the previous year (2024: 584.7 thousand tCO<sub>2</sub>e) is not feasible due to the onboarding of the savings banks' portfolio into the decarbonization scope and the resulting restatement of the baseline value. As a result, the 2024 and 2025 values are based on different coverage scopes and therefore should not be interpreted as year-on-year performance differences.

The clients in this sector, being usually a part of the integrated electricity producing companies, have been moving to renewable sources and this transition is visible in the downward movement of financed emissions.

The derivation of the targets follows the absolute contraction approach (1.5°C) as foreseen by the SBTi tool and is enhanced with the net zero tool for long-term targets (2050), assuming a 90% reduction of emissions. In this case, the electricity demand for cooling is foreseen to increase in developing economies. According to extremely hot or cold periods, the electrification of heating and cooling will become a challenge for the electricity grid.

### Oil and gas upstream decarbonisation target

The focus within the oil and gas portfolio is exclusively on clients' upstream activities, thus Erste Group applies a thorough review process to confirm that activities are related to upstream. Decarbonisation of this portfolio includes scope 1, 2 and 3 emissions.

The methodological approach is grounded in the PACTA framework, customised for financial institutions. The scenario used is World Energy Outlook (WEO) 2021 NZE aligned (1.5°C) global. The scenario implies the decline in global oil demand and foresees that natural gas demand remains mostly stable until 2030. The scenario anticipates oil demand reduction coming from the shift of passenger vehicles, transport cars and heavy trucks to electric power. The share of natural gas in the global energy mix remains around 11%, while around 70% of natural gas use in 2050 in NZE is equipped with carbon capture, utilisation and storage.

Erste Group's targets aim for a 9% reduction in the absolute financed emissions of the portfolio by 2030, bringing it down from a 2023 baseline of 1,020.4 thousand tCO<sub>2</sub>e to 923,7 thousand tCO<sub>2</sub>e. Erste Group is tracking progress closely, with 2025 interim results of 200.0 thousand tCO<sub>2</sub>e that is in line with the internal indicator.

The baseline has factored in Erste Group's business with its oil and gas clients at the point of target setting. Erste Group has committed to refraining from increasing its exposure to oil and gas exploration, with the exemption of projects that align with Europe's national energy and climate plans (NECPs), as mandated by the European Commission.

### Iron and steel decarbonisation target

Erste Group has defined a net zero target for its clients in iron and steel manufacturing and casting. This portfolio includes scope 1 and 2 emissions.

The methodological approach is grounded in the PACTA framework, customised for financial institutions. This allows Erste Group to track and manage the physical emission intensity of iron and steel production within the portfolio that is measured as tCO<sub>2</sub>e/tonne steel. This metric plays a crucial role in evaluating whether clients are prepared for the necessary transition in line with Erste Group's 2030 target. To align with global efforts to limit temperature rise, it has adopted the Net Zero 2050 (WEO 2021) scenario as the guiding benchmark. As there is an uncertainty in the development of the technology that is needed to support transition to net zero for this sector after 2030, the targets are set only for 2030. The scenario assumes a shift on the technology side from basic oxygen furnaces that release large amounts of carbon dioxide and nitrogen oxide to electric arc furnaces, supported by usage of renewable energy.

The target is a 24% reduction in the physical emission intensity of Erste Group's portfolio by 2030, bringing it down from a 2023 baseline of 1.5 tCO<sub>2</sub>e/tonne steel to 1.1 tCO<sub>2</sub>e/tonne steel. Erste Group is tracking the progress closely, with 2025 interim results showing a reduction of 2% to 1.4 tCO<sub>2</sub>e/tonne steel comparing to the baseline. The actual metric in terms of physical emission intensity is in line with the internal indicator. The slight decrease of emission intensities compared to the baseline reflects the gradual movement of the clients to the usage of electric arc furnaces in their processes.

A direct year-over-year comparison for this sector is not possible due to methodological adjustments and additional portfolios included in 2025. The respective savings banks and corporate bond portfolios were included in the decarbonization scope and monitoring of the physical emission intensity now relies on actual values rather than forecast-based estimates. An indicative comparison with the previous year suggests an around 20% increase in physical emission intensity, while financed emission intensity (Scope 1 and 2) in terms of tCO<sub>2</sub>e/EUR million decreased by around 15%.

### Automotive decarbonisation target

Erste Group has defined a net zero target for the original equipment manufacturers, namely manufacturers of light duty vehicles (LDV). A thorough review process was carried out to identify the clients whose business activities fall under the definition of this sector. This portfolio includes scope 1, 2 and 3 emissions, thus enabling the consideration of emissions for the entire lifetime of the vehicle.

The methodological approach is grounded in the PACTA framework, customised for financial institutions. This allows Erste Group to focus on the automotive value chain that controls the bulk of the impact and the decarbonisation efforts, to track and manage the physical emission intensity of auto manufacturers within the portfolio that is measured as gCO<sub>2</sub>e/km, following the well-to-wheel methodology. This metric as well as technology mix plays a crucial role in evaluating whether Erste Group's clients are prepared for the necessary transition in line with Erste Group's 2030 and 2050 decarbonisation objectives.

To align with global efforts to limit temperature rise, Erste Group has adopted the Net Zero 2050 scenario (WEO 2021) as guiding benchmark. The targets aim for a 39% reduction in the physical emission intensity of Erste Group's portfolio by 2030, bringing it down from a 2023 baseline of 169.8 gCO<sub>2</sub>e/km to 103.6 gCO<sub>2</sub>e/km.

The reduction of the CO<sub>2</sub>e emissions captured in Erste Group's decarbonisation path is mostly driven by the EU regulation published by the European Parliament, stating the EU ban on sale of new petrol and diesel cars from 2035 as part of the programme Fit for 55. Moreover, the broader EU Green Deal and Sustainable and Smart Mobility Strategy provide the policy umbrella for decarbonizing transport.

Erste Group is tracking progress closely, with 2025 interim results showing a reduction of 10% to 153.3 g CO<sub>2</sub>e/km comparing to the baseline. The actual metric in terms of physical emission intensity is in line with the internal indicator. The development of emission intensity in the portfolio of Erste Group resembles the trends that are seen on the market, namely moderate transition by the auto manufacturers.

A direct year-over-year comparison for this sector is not feasible due to methodological and portfolio changes introduced in 2025. An indicative comparison with the previous year suggests that physical emission intensity decreased by 9%, whereas financed emission intensity (Scope 1, 2 and 3) in terms of tCO<sub>2</sub>e/EUR million increased by around 80%, primarily due to the more comprehensive reporting of Scope 3 emissions data.

### Cement decarbonisation target

A net zero target of Erste Group is defined for the clients in cement manufacturing. A thorough review process was carried out to identify the clients whose activities fall under the definition of this sector and to whom a client relationship exists. This portfolio includes scope 1 and 2 emissions.

The methodological approach is grounded in the SBTi framework. Erste Group applies the Sectoral Decarbonisation Approach (SDA) for 2030 and the Net Zero Tool for 2050. This allows it to track and manage the physical emission intensity of cement production within Erste Group's portfolio. It uses a key metric that measures the amount of CO<sub>2</sub>e emissions per tonne of cement (tCO<sub>2</sub>e/tonne cement). This metric plays a crucial role in evaluating whether clients are prepared for the necessary transition in line with the 2030 targets. To align with global efforts to limit temperature rise, it has adopted the Net Zero 2050 (IEA 2021) scenario as the guiding benchmark. There is an uncertainty in the development of the technology needed to support the transition to net zero for this sector after 2030.

The target is a 19% reduction in the physical emission intensity of the portfolio by 2030, bringing it down from a 2023 baseline of 0.594 tCO<sub>2</sub>e/tonne cement to 0.483 tCO<sub>2</sub>e/tonne cement. Erste Group is tracking the progress closely, with interim results showing a relatively steady downward trajectory at 0.513 tCO<sub>2</sub>e/tonne cement by 2025, driven by business developments and positive decarbonisation effects from existing clients. Based on the year-end monitoring of the decarbonisation progress of cement, the actual metric is in line with the internal indicator (0.592 tCO<sub>2</sub>e/tonne cement) established by Erste Group, thus indicating that the bank's respective decarbonisation target set for 2030 is not at risk.

Physical emission intensity in terms of tCO<sub>2</sub>e/tonne cement recorded a decrease of 13% as of December 2025 in comparison with the same period last year. When looking at the financed emission intensity in terms of tCO<sub>2</sub>e/EUR million, reduction in the same period amounts to 4% and is influenced by change in portfolio composition, mainly onboarding of savings banks segment during 2025.

Erste Group categorises the portfolio assets based on the current and planned cement-related emission intensities of the clients and, if not disclosed, of related national-wide cement associations to which the client belongs. This classification helps Erste Group to assess clients' readiness for the transition and shaping engagement strategies with them.

### Mortgage and Commercial real estate decarbonisation target

Erste Group's real estate decarbonisation targets are defined for clients in scope of the PCAF real estate module and cover scope 1 and 2 emissions. As communicated in the 2024 CSRD report, Erste Group proactively considered rebaselining these targets because the existing pathways were not aligned with a 1.5°C scenario.

In 2025, the Group implemented significant methodological enhancements to the PCAF real estate module, including scope expansion, the introduction of a machine-learning EPC proxy model and the consideration of a financed property flag. Combined with the updated National Energy and Climate Plans by EU Member States, these improvements triggered the decision to rebaseline the real estate decarbonisation targets in 2025.

The methodological approach of the rebaselining combined a proprietary internal model with a science based pathway assessment. The internal model simulates the development of portfolio emission intensity based on asset-level data, energy performance characteristics and market assumptions. In parallel, a science-based decarbonisation pathway is applied using the SBTi SDA methodology aligned with a 1.5°C scenario (based on CRREM pathways). Both approaches allow Erste Group to track and manage the physical emission intensity of this portfolio using a metric that measures the amount of CO<sub>2</sub>e emissions per square meter (kgCO<sub>2</sub>e/m<sup>2</sup>). To benchmark the results from the internal model and assess the implied temperature alignment, an external analysis was conducted using X-Degree Compatibility (XDC) model developed by Right° based on science GmbH.

### Mortgages

External benchmarking using the XDC model shows that Erste Group's 2050 retail mortgage portfolio pathway (5.1 kgCO<sub>2</sub>e/m<sup>2</sup>) corresponds to an implied temperature alignment of 2.2°C. The updated mortgage portfolio decarbonisation target is to achieve a 29% reduction in the portfolio's physical emission intensity by 2030, decreasing from a 2024 baseline of 45.2 kgCO<sub>2</sub>e/m<sup>2</sup> to 32.1 kgCO<sub>2</sub>e/m<sup>2</sup>. The portfolio is predominantly composed of retail business volume. Erste Group closely monitors progress, with interim results for 2025 showing a decline to 43.7 kgCO<sub>2</sub>e/m<sup>2</sup>.

Financed emission intensity at the end of 2025 amounted to 33 tCO<sub>2</sub>e/EUR million. The Group has rebaselined decarbonisation targets for this sector, and as stated previously enhanced PCAF real estate module thus no meaningful year-over-year comparison is provided.

Decarbonising the residential mortgage segment remains highly dependent on government action, regulatory incentives and the pace of national energy-system decarbonisation areas where progress in the CEE region is currently limited. Achieving a 1.5°C-

aligned pathway would require large-scale building renovations, substantial energy-efficiency upgrades and a rapid shift towards low-carbon heating technologies. These developments rely heavily on external factors such as the availability of public subsidies, predictable long-term frameworks, simplified permitting procedures and accelerated decarbonisation of national electricity grids. At present, progress in these areas remains uneven across Erste Group's core markets and households continue to face significant financial burden. As a result, the external environment limits the feasibility of achieving a fully Paris-aligned decarbonisation pathway for this portfolio.

Given Erste Group's priority to support clients in reducing the carbon footprint of their real estate assets, the Group has adopted a prudent and responsible ambition that supports the decarbonisation of the housing sector while safeguarding affordability, inclusion and access to finance. As regulatory frameworks evolve and government incentives strengthen, the Group will reassess its decarbonisation pathway to ensure continued alignment with the broader transition of the real estate sector.

The rebaselined decarbonisation pathways have also been incorporated into the C&E scenario analysis to quantify transition-risk impacts and ensure adequate capital planning. From a risk management perspective, aligning scenario assumptions with realistic portfolio trajectories allows Erste Group to identify potential vulnerabilities early and safeguard the resilience of its business model. Based on this analysis, economic capital was allocated to reflect the transition risk associated with the portfolio's current temperature alignment.

### Commercial real estate

External benchmarking using the XDC model shows that Erste Group's 2050 commercial real estate portfolio pathway (5.7 kgCO<sub>2</sub>e/m<sup>2</sup>) corresponds to an implied temperature alignment of 1.7°C, which confirm the previous ambition level set by Erste Group (published in the 2024 CSRD report). The updated commercial real estate portfolio decarbonisation target is to achieve a 34% reduction in the portfolio's physical emission intensity by 2030, decreasing from a 2024 baseline of 32.9 kgCO<sub>2</sub>e/m<sup>2</sup> to 21.9 kgCO<sub>2</sub>e/m<sup>2</sup>. The portfolio predominantly consists of volumes in the corporate business segment, primary from the sub-segment commercial real estate and SME. Erste Group closely monitors progress, with interim results for 2025 showing a decline to 32.0 kgCO<sub>2</sub>e/m<sup>2</sup>.

Financed emission intensity at the end of 2025 amounted to 19 tCO<sub>2</sub>e/EUR million. The Group has rebaselined decarbonisation targets for this sector, and as stated previously enhanced the PCAF real estate module thus no meaningful year-over-year comparison is provided.

## NET ZERO OPERATIONS TARGET

Erste Group has set a net zero target to reduce its operational scope 1 and 2 emissions by 90% in comparison to the base year (2017). In absolute figures, the target is to reduce scope 1 and 2 emissions from 72,154 to 7,215 tCO<sub>2</sub>e by 2030. Additionally, chapter [E1-5](#) provides more in-depth information on Erste Group's energy consumption and its composition.

The target covers Erste Group Bank AG, Erste Bank Oesterreich and its subsidiaries and CEE subsidiaries in the core markets. The savings banks of Haftungsverbund that are not majority-owned are not included in this target.

The net zero target for operational scope 1 and 2 emissions was set according SBTi's net zero Standard and Target Setting tool v 1.1, hence there is the compatibility with limiting global warming to 1.5°C. The target setting method applied is absolute contraction, using a cross-sector pathway. It was set in 2021 and its ambition was updated to reflect the further development of the standard and align to best practices. The target covers 100% of scope 1 and 2 emissions of entities in scope. For scope 2, the market-based method is used to calculate the target. Erste Group's baseline values fulfill the requirements and calculation approach of third-party standard setter SBTi. Those standards are based on the latest findings from leading environmental institutions, such as the IPCC. Hence, Erste Group's baseline value is to be considered a representative one.

The net zero operations target addresses climate change mitigation and energy by aiming to reduce negative impacts through energy mix and own GHG emissions. Currently, there is no formal policy covering the operational emission reduction target but an internal action plan. The decarbonisation measures necessary, to achieve the operational target, have been identified to be renewable energy transition, energy efficiency improvement, decarbonising employee mobility and employee engagement and awareness trainings like explained in chapter [E1-3](#).

An ongoing dialogue is conducted with relevant stakeholders such as supervisory and regulatory authorities, investors, analysts and rating agencies as well as academic and environmental institutions and NGOs. Inputs from these stakeholders were received through bilateral talks, conferences and supervisory dialogues regarding climate change and consequently used in Erste Group's target setting process. For more details on consideration of interests and views of stakeholders please refer to chapter '[SBM-2 - Interests and views of stakeholders](#)'.

The basis for Erste Group’s target monitoring and review process represent the annual emission calculation of scope 1 and 2 emissions including details on energy consumption and efficiency. With updated annual data, Erste Group assesses its performance against the set targets and adjusts or plans measures accordingly towards the achievement of the target on an entity level, e.g. an increased focus on switching to alternative heating systems in certain regions. In the last two years, Erste Group’s scope 1 and 2 emissions showed a significant decrease resulting from the switch to green electricity.

In 2025, scope 1 and scope 2 emissions remained broadly stable, with marginal increase of 0.16%, compared to the previous reporting year, from 19,799 tCO<sub>2</sub>e to 19,830 tCO<sub>2</sub>e. Overall this continues to represent a substantial 73% reduction compared to the base year 2017. Specifically, scope 1 emissions decreased from 25,733 tCO<sub>2</sub>e to 12,362 tCO<sub>2</sub>e, while scope 2 emissions fell from 46,421 tCO<sub>2</sub>e to 7,468 tCO<sub>2</sub>e compared to the base year. While Erste Group’s scope 2 emission remained stable, scope 1 emission recorded a considerable decrease of 11% in 2025. This reduction was primarily driven by the growing share of electric vehicles in the fleet which increased from 22% to 36% and enabled the Group to reach its 2025 short-term target of 25%.

At the same time, the decrease in scope 1 emission was counterbalanced by an increase in scope 2 emissions. The rise in scope 2 emissions was primarily due to lower volume of guarantees of origin purchased compared to the previous year and the inclusion of emissions associated with data-centre operations. With these developments, the Group still remains on track to achieve its 2030 target.

### Scope 1 and 2 targets

Targets	Metric	Baseline 2017	2024	2025	Target 2030
Total scope 1 and 2 emissions	tCO <sub>2</sub> e	72,154	19,799	19,830	7,215
Electric fleet	% of e-cars in total carfleet	—	22%	36%	100%

## SUSTAINABLE FINANCING TARGETS

To measure the effectiveness of actions implementing its Sustainable Finance Methodology (SFM), Erste Group has defined sustainable financing targets for the corporate and retail core markets.

### Methodology

The SFM outlines the following categories based on which a financing can be qualified as a ‘sustainable financing’:

1. either complies fully with the respective EU Taxonomy criteria for specific purpose financings or general purpose financings weighed by counterpart’s most recently published Taxonomy-alignment KPI, if the purpose of the financing is unknown (please refer to the ‘*EU Taxonomy Disclosure*’ chapter for more information) or
2. activities for which simplified internal criterion sets for evaluation apply by either showing reduction in carbon emissions compared to the market standard or by supporting climate and nature related objectives,
3. support of projects from supranational institutions in key-sectors,
4. fulfilment of project categories of voluntary frameworks,
5. support of dedicated national programmes.

### Related to climate change mitigation economic activity ‘Construction of new buildings’

Considerable reduction in carbon emissions for the activity ‘Construction of new buildings’ is shown by a primary energy demand that is 10% lower than the national NZEB standard. This is certified by an Energy Performance Certificate.

### Climate change mitigation economic activity ‘Acquisition and ownership of buildings’

Financings for the activity ‘Acquisition and ownership of buildings’ are considered sustainable financing when the energy efficiency benchmarks for the real estates show to be among the top 15% of the regional building stock. The general methodology for real estate proxies has been provided by management experts. Reference benchmarks for energy demand are based on the building energy code and the year of construction, taking into account the applicable technical standards at the time. They result in an estimated primary energy demand to be used for a certain type of building in a given area, depending on the available construction date information (e.g., building permit date, year of construction completion, year of construction from the energy performance certificate). For this purpose, the top 15% of existing national building stocks are determined using the year of construction respectively major renovation, using assumptions and extrapolation, such as a linear distribution between data points available, the number of building permits per building use and age according to national legislation.

### Climate change mitigation economic activity ‘Transportation’

Erste Group finances transportation activities that significantly reduce greenhouse gas emissions, including:

- \_ Rail Transport: Passenger and freight trains that have zero direct CO<sub>2</sub> emissions or operate primarily on electric infrastructure. Freight wagons must not be dedicated to fossil fuel transport.
- \_ Road Vehicles: Cars, vans and motorcycles that meet strict EU CO<sub>2</sub> emission standards.

### Following categories are reflected as ‘Other’ in the table New Sustainable Corporate Financing

- \_ support of projects from supranational institutions in key-sectors (e.g. EIF, EIB),
- \_ fulfilment of project categories of voluntary frameworks (e.g. Green Bond Principles under International Capital Market Association (ICMA), Green Loan principles under Loan Market Association),
- \_ support of dedicated national programmes (as per individual analysis).

Sustainable financings from all five categories stated above flow into the table ‘*Sustainable Financings - actuals and targets*’. Actions, metrics and targets related to Sustainable Financings are partially linked with Material impacts, risks and opportunities (IROs) outlined in chapter [E1 SBM-3](#).

### 25% sustainable corporate financing target by 2026

The 25% sustainable corporate financing target addresses Erste Group’s identified positive impacts and opportunities related to climate change mitigation and reduction of emissions in the sectors real estate and renewable energy. This includes primarily financing of real estate projects and renewable energy, while also supporting Erste Group’s clients in their decarbonisation efforts and transition to a sustainable state. The Sustainable Finance Methodology outlines which financings contribute to the target achievement (see ‘Methodology’ in this chapter and [E1-2](#) for more details).

Erste Group aims to achieve a ratio of 25% of sustainable financings towards corporates in its core markets, including Tiroler Sparkasse in 2026. Several subsidiaries outside the core group have set comparable targets. The target is defined relative to the gross carrying amount of corporate financing on the balance sheet.

### 15% sustainable mortgages target by 2027

The 15% target for sustainable mortgages tackles Erste Group’s recognised positive impacts and opportunities concerning climate change mitigation and efficient use of energy. This involves financing and investing in real estate, renovation and energy efficiency projects supporting the transition to a sustainable state. The Sustainable Finance Methodology outlines which financings contribute to the target achievement (see ‘Methodology’ in this chapter and [E1-2](#) for more details).

Erste Group aims to achieve a ratio of 15% of sustainable mortgage lending towards retail clients in its core markets, including Tiroler Sparkasse and Sparkasse Hainburg-Bruck-Neusiedl, in 2027. Some of the Group’s credit institutions not included in this group have set themselves comparable targets. The target is defined in relative terms to the on-balance gross carrying mortgage amount towards retail clients.

The following table shows the actual figures and targets for sustainable financing. The first line shows the ratio of the gross carrying amount out of financing business in corporate business sectors that meet sustainable financing criteria, as a percentage of total receivables in these sectors. The second line shows the ratio of the gross carrying amount out of mortgage loans that meet the sustainable financing criteria, as a percentage of total receivables in this portfolio.

### Sustainable financing – actuals and targets

	Metric	2024	2025	Target Year	Target (%)
Sustainable corporate financing	% of corporate financing portfolio	18.0%	20,9%	2026	25.0%
Sustainable retail mortgages	% of retail mortgage portfolio	14.9%	15,6%	2027	15.0%

No changes in the targets, corresponding metrics or the underlying methodologies have been made in 2025. Sustainable corporate financings increased from 18.0% in 2024 to 20.9% in 2025 and were mainly driven by real estate financings and renewable energy projects. The sustainable retail mortgage ratio increased from 14.9% in 2024 to 15.6% in 2025.

The denominator for the sustainable mortgage financing ratio is EUR 51,881 million (2024: EUR 46,853 million). The Retail business segment in [Note 1](#) amounts to EUR 88,180 million (2024: EUR 81,035 million). The difference results mainly from the fact that the sustainable finance ratio only covers the core market entities with their mortgage portfolio.

The denominator for the sustainable corporate financing ratio is EUR 83,163 million (EUR 79,399 million). The Corporates business segment in [Note 1](#) amounts to EUR 88,855 million (2024: EUR 84,201 million). The difference results mainly from the fact that the sustainable finance ratio only covers the core market entities with their financing business.

The base year for the sustainable corporate financing target is 2022 and for the sustainable retail mortgages 2023.

New corporate sustainable (use-of-proceeds) financing has been supported by a strong contribution from highly energy efficient commercial real estate financing and renewable energy projects driven mainly by financing of wind parks.

The below table contains new business generated during the reporting period in the corporate segment.

## New sustainable corporate financing

in EUR million	2024	2025
New corporate sustainable financing, total new business <sup>1</sup>	5,314.7	5,004.0
Construction and real estate	3,514.0	3,515.0
Renewable energy	917.0	732.0
Transportation	320.0	82.0
Other corporate financing <sup>1</sup>	564.0	675.0

<sup>1</sup> The target is applicable for all corporate business lines of parent banks in core markets within Erste Group

The measurement of this metrics has not been validated by an external body.

The sustainable corporate financing target and the sustainable mortgages target were set based on guidance collected through bilateral discussions, conferences, dialogues from supervisory and regulatory authorities, investors, analysts and rating agencies as well as NGOs, academic and environmental institutions. The experts' recommendations were subsequently integrated into the target-setting process. For more details on consideration of interests and view of stakeholders please refer to chapter '[SBM-2 - Interests and views of stakeholders](#)'. Monitoring is done on a quarterly basis and discussed at respective Management Board meetings.

## E1-5 – ENERGY CONSUMPTION AND MIX

Energy consumption at approximately 2,500 business locations is individually recorded and evaluated. Annual electricity and heating consumption values in MWh are collected on an individual address level, broken down by source of electricity and heating type to be able to split the total energy consumption into fossil, nuclear and renewable sources. As proof documents, supplier invoices are recorded in the system. The data is not validated by an external body.

The split between energy from fossil, nuclear and renewable sources is according to following logic:

- \_ Consumption from 100% renewable sources (e.g. purchased green electricity as defined in the contract with the energy supplier) is automatically allocated to 'renewables'.
- \_ Consumption from 100% fossil sources (e.g. oil for heating or diesel for emergency generators) is automatically allocated to 'fossil'.
- \_ For mixed sources like national electricity supply or district heating partially from biomass and fossil sources, data contributors have the option to enter the split as indicated on their energy bills or provided by their suppliers into the system.
- \_ If data contributors do not have access to this information a national average split is applied.

Measurement uncertainty can result from the fact that the collection of energy consumption is not linked directly to the meters installed at the office or branch locations but based on the manual input of energy consumption as invoiced by the energy provider. For some locations, data must be extrapolated if invoices are received after the reporting deadline or to account for different cut-off periods. For those locations where no consumption values, supported by a supplier invoice, were available, an average consumption is automatically applied and calculated for the individual location based on the net floor area considering a national average split of energy source by fossil, nuclear and renewables. Furthermore, energy consumption data from leasing properties owned and rented out by Erste Group's leasing companies is not included due to limitations in data availability.

Compared to the previous year the total energy consumption showed a slight decrease in 2025, while the share of energy from renewable sources remained 56%. The total energy consumption in 2025 amounts to 258,073 MWh.

## Energy consumption and mix

	2024	2025
Fuel consumption from coal and coal products (MWh)	0.0	0.0
Fuel consumption from crude oil and petroleum products (MWh)	22,051.0	21,259.3
Fuel consumption from natural gas (MWh)	38,429.0	37,049.8
Fuel consumption from other fossil sources (MWh)	0.0	0.0
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	57,359.0	55,300.8
Total fossil energy consumption (MWh)	117,839.0	113,610.0
Share of fossil sources in total energy consumption (%)	44%	44%
Consumption from nuclear sources (MWh)	554.1	514.8
Share of consumption from nuclear sources in total energy consumption (%)	0.2%	0.2%
Total energy consumption from renewable sources disaggregated by:	149,386.0	143,948.2
– fuel consumption for renewable sources <sup>1</sup>	486.7	355.3
– consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources;	146,634.7	141,106.4
– consumption of self-generated non-fuel renewable energy. <sup>2</sup>	2,265.0	2,486.5
Share of renewable sources in total energy consumption (%)	56%	56%
<b>Total energy consumption (MWh)</b>	<b>267,779.2</b>	<b>258,073.0</b>

<sup>1</sup> incl. biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renew. sources

<sup>2</sup> The 2024 amount has been corrected from 7,211 to 2,265.

Additionally, Erste Group calculates greenhouse gas (GHG) emissions related to investment properties that are owned by Erste Group entities but not directly operated by the Group. However, these emissions are not included in operative emissions disclosures ([E1-5](#), [E1-6](#)), as the future treatment and disclosure approach for these assets is being evaluated.

For transparency purposes, Erste Group nevertheless calculated the energy consumption and mix of these investment properties. Energy consumption of investment properties falling under scope 1 and 2 was 54,494 MWh.

## E1-6 – GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

### TOTAL GREENHOUSE GAS EMISSIONS

#### Total GHG emissions

	Retrospective					Milestones and target years		
	Base year	Base year value	2024	2025	% Change compared to previous year	2030	(2050)	Annual % target / Base year
<b>Scope 1 GHG emissions<sup>1</sup></b>								
Gross scope 1 GHG emissions (tCO <sub>2</sub> e)	2022	20,707	16,803	14,867	-12%			
Percentage of scope 1 GHG emissions from regulated emission trading schemes (%) <sup>2</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Scope 2 GHG emissions</b>								
Gross location-based scope 2 GHG emissions (tCO <sub>2</sub> e)	2022	44,769	42,619	44,462	4%			
Gross market-based scope 2 GHG emissions (tCO <sub>2</sub> e)	2022	18,742	9,212	9,330	1%			
<b>Significant scope 3 GHG emissions<sup>3</sup></b>								
Total Gross indirect (scope 3) GHG emissions (tCO <sub>2</sub> e)		32,038,783	42,329,822	48,862,650	15%			
Purchased goods and services	2022	3,369	4,242	4,857	15%			
Capital goods	2022	470	362	582	61%			
Fuel and energy-related activities	2022	9,377	7,086	6,226	-12%			
Upstream transportation and distribution	2022	12,736	14,260	15,749	10%			
Waste generated in operations	2022	760	1,645	1,678	2%			
Business travels	2022	7,339	10,518	9,885	-6%			
Employee commuting	2022	23,841	25,546	25,458	0%			
Downstream leased assets	2022	1,730,209	1,913,494	1,712,374	-11%			
Investments	2022	30,250,683	40,352,668	47,085,840	17%			
<b>Total GHG emissions</b>								
Total GHG emissions (location-based) (tCO <sub>2</sub> e)		32,104,260	42,389,244	48,921,978	15%			
Total GHG emissions (market-based) (tCO <sub>2</sub> e)		32,078,233	42,355,837	48,886,847	15%			

<sup>1</sup> Note: No biogenic emissions are emitted.

<sup>2</sup> Erste Group is not part of any regulated emission trading schemes. Therefore, no scope 1 GHG emissions stem from such schemes.

<sup>3</sup> ESRS E1 refers to the GHG protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard, 2011, which defines 15 scope 3 categories of which only material ones should be disclosed.

The increase in total GHG emissions and GHG intensity per net revenue in 2025 is primarily attributable to enhanced data quality for scope 3 emissions from investments, specifically the inclusion of downstream emissions reported by debtors.

As indicated in [E1-5](#) Erste Group calculated the emissions attributable to investment properties falling under scope 1 and 2 which amount to 6,408 tCO<sub>2</sub>e.

With regards to the methodologies and assumptions used for calculating the measured GHG emission please refer to the subsequent paragraphs concerning operational and financed emissions.

### GREENHOUSE GAS INTENSITY PER NET REVENUE

#### GHG intensity per net revenue

	2024	2025	Change compared to 2024
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> e/EUR million)	5,589	6,794	22%
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> e/EUR million)	5,585	6,789	22%

## RECONCILIATION OF NET REVENUE

Total net revenue amounts to EUR 21,547 million (2024: EUR 23,612 million) and is determined according to the net revenue definition of the Council Directive 85/635/EEC. It is derived from pre-tax result from continuing operations before personnel expenses, other administrative expenses, depreciation and amortisation, impairment result from financial instruments, interest expense, other similar expense and net fee and commission expenses. Net revenue used to calculate GHG intensity amounts to EUR 7,201 million (2024: EUR 7,584 million). The difference results primarily from items depicted in the table 'Share of the portfolio covered by the calculations'.

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 and each was measured in CO<sub>2</sub>e. The organisational scope of the calculation refers to all entities in the IFRS scope of consolidation with at least one FTE. To calculate the emissions from activities emission factors with a GWP100 was used including relevant GHG emissions (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>). The results are not validated by an external body.

In case of the various emission categories, Erste Group implemented the following approaches:

### Scope 1 and 2

Erste Group gathers scope 1 and scope 2 environmental data as stated in chapter E1-5. For a better understanding of Erste Group's methodologies and significant assumptions behind the metrics please refer to chapter E1-5. Scope 2 emissions were calculated by using a location-based and a market-based method. In case of the location-based method, Grid factors were used to calculate the emissions. In case of the market-based evaluation approach, Erste Group considered its actual energy composition based on its own procurement strategy. For conversion to CO<sub>2</sub> equivalents (CO<sub>2</sub>e), emission factors from DBEIS 2025 (Department for Business, Energy and Industrial Strategy) and the IEA 2024 (International Energy Agency) are used.

In 2025, 27% (2024: 24%) of Erste Group's total energy consumption was covered by contractual instruments. The purchased instruments include Energy Attribute Certificates (EECS-GO) for green electricity, covering 50% (2024: 39%) of the total electricity consumption and biomass, covering 51% (2024: 28%) of total district heating consumption from biomass.

In 2025, due to the growing share of electric cars in the fleet, Erste Group reduced its scope 1 and scope 2 emissions by 7%, from 26,015 tCO<sub>2</sub>e to 24,197 tCO<sub>2</sub>e. 4.2 % of scope 1 data is based on country level estimates, while the corresponding percentage for scope 2 is 6 %.

### Scope 3

The scope 3 categories 'upstream leased assets', 'downstream transportation', 'processing of sold products', 'use of sold products', 'end-of-life treatment of sold products' and 'franchises' are considered immaterial due to the magnitude of GHG emissions and are not disclosed in the total GHG emissions table.

#### Scope 3 category 1 - Purchased goods and services

For scope 3 category 1 a spend-based method was used. Emissions for goods and services were estimated by collecting data on the economic value of goods (spend in EUR) and services purchased by Erste Group and multiplying it by emission factors originating from an environmentally extended input-output analysis (EEIOA; exiobase 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

#### Scope 3 category 2 - Capital goods

For scope 3 category 2 a spend-based method was used. Just like for scope 3 category 1, emissions for capital goods were estimated by collecting data on the economic value (spend in EURO) of capital goods purchased by and multiplying it by emission factors originating from an EEIOA (exiobase 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

#### Scope 3 category 3 - Fuel-and-energy-related activities (not included in scope 1 or 2)

For scope 3 category 3 the average-data method was used. The emissions were estimated by using secondary emission factors (DBEIS, 2024) for upstream emissions per unit of consumption (T&D and WTT). The data for purchased energy and fuel is actual supplier data, which also serves as the basis for the scope 1 and 2 calculations.

#### Scope 3 category 4 - Upstream transportation and distribution

For scope 3 category 4 a spend-based method was used. Just like for scope 3 category 1 and scope 3 category 2, emissions for upstream transportation and distribution were estimated by collecting data on the economic value (spend in EUR) of transportation and distribution services purchased by Erste Group and multiplying it by emission factors originating from an environmentally

extended input-output-analysis (exiobase, 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

### **Scope 3 category 5 - Waste generated in operations**

For scope 3 category 5 a waste-type-specific method was used if primary data was available for different waste types in countries. For all primary data available, waste descriptions from Erste Group countries were mapped to waste activities and waste types. Waste types were then matched to waste treatment options based on 'GHG reporting by department of business, Energy and Industrial strategy UK' (defra 2024). After that, the emissions for the waste types were multiplied by emission factors based on the waste treatment options provided by defra. The waste treatment splits were set based on research and municipal waste treatment data from OECD and European Environment Agency.

If a country had no primary data at all, a conservative approach with 100% municipal waste was assumed. To calculate emissions, municipal waste splits per countries as well as defra emission factors were used.

### **Scope 3 category 6 - Business travel**

For scope 3 category 6 the distance-based method was applied. The distance and mode of business trips are collected and partially extrapolated when no primary data was available. For the extrapolation country average distance travelled by mode of transportation based on actual data entered in the system was used. The appropriate emission factors (Federal Environment Agency, 2025), for each mode of transportation used were applied.

### **Scope 3 category 7 - Employee commuting**

In 2024, a survey was performed for scope 3 category 7 among Erste Group employees in selected countries to assess the average distance travelled and mode of transportation used by employees to travel to their place of work. The 2025 emission calculation is based on survey results from 29 entities done in 2024. In total, approximately 50% of FTEs were surveyed with an average participation rate per entity of over 70%. In addition, the number of working days per country, with consideration to vacation days, average sick days and home office rates, was determined. To do this, Erste Group People & Culture department provided the necessary information for vacation days, the average sick days reported per country of last year's non-financial report as well as the home office rate. The appropriate emission factors for each mode of transportation used were applied (Federal Environment Agency, 2024) and multiplied accordingly.

Measurement uncertainty can result especially where extrapolations are made in calculating emissions. This is especially relevant for emission categories where actual data availability is limited such as 'waste generated in operations' and 'employee commuting'.

In the process for preparation and presentation of sustainability information in 2025, Erste Group assessed the ESRS-related requirements on the reporting on Total GHG emissions, to provide information of the group's GHG emissions occurring from its upstream value chain.

In 2025 Erste Group's total operational scope 3 emissions increased due to enhancements in data quality with the biggest increase in emission from employee commuting. The calculation of scope 3 categories 1, 2 and 4 emissions is to 21% based on estimates. For categories 3 and 6 emissions the share of estimates is 12% and for category 5 22%. The calculation of scope 3 category 7 is 100% based on estimates as results from the employee surveys performed were extrapolated using the number of FTEs.

### **Scope 3 Category 13 and 15 Financed Emissions**

Financed emissions stood at 48.8 (2024: 42.3) million tonnes CO<sub>2</sub>e and include 'Investments and Downstream Leased Assets' in table '*Financed Emissions*'. Financed emission intensity stood at 246 tCO<sub>2</sub>e/EUR million (prior year: 222 tCO<sub>2</sub>e/EUR million), which is a year-on-year increase of 24 tCO<sub>2</sub>e/EUR million. The increase in intensity can be mainly explained by data quality improvements in scope 3, resulting from the fact that more downstream scope 3 emissions are included in the disclosure this year compared to last year. In line with that, scope 3 data quality score improved from 3.9 to 3.7.

The scope 1 and 2 financed emissions decreased from 14.6 million tonnes CO<sub>2</sub>e to 13.5 million tonnes CO<sub>2</sub>e despite increasing exposure development, mainly coming from Private Customers, Healthcare and Services and Real Estate. The largest declines in financed Scope 1 and 2 emissions occurred in Private Customers and Real Estate, in line with Erste Group's decarbonization targets. Following GHG protocol, Erste Group reports financed biogenic emissions separately from financed emissions, which amount at 331 tonnes CO<sub>2</sub>e.

Overall, the calculation of 2025 financed emissions covers 60.1% of the credit exposure and increased slightly compared to last year (59.5%). The remaining uncovered exposure results from the fact that selected portfolios (e.g., exposure to central banks and credit institutions, off-balance sheet items and consumer loans) are not part of the current financed emission calculation. Erste Group applies the GHG Protocol to determine the minimum boundaries of its financed emission calculation.

## Share of the portfolio covered by the calculations

	Dec 24			Dec 25		
	Credit exposure	covered by financed emissions		Credit exposure	covered by financed emissions	
	in EUR million	in EUR million	%	in EUR million	in EUR million	%
Off-balance sheet exposures	73,137	0	0.0%	79,557	0	0.0%
Central banks	21,208	0	0.0%	15,308	0	0.0%
Central governments	63,310	46,817	73.9%	71,404	52,047	72.9%
Credit institutions	24,139	0	0.0%	20,871	0	0.0%
Other financial corporations	9,147	6,466	70.7%	8,976	6,727	74.9%
Non-financial corporations	103,848	101,824	98.1%	108,790	107,169	98.5%
Households	103,978	82,121	79.0%	111,906	84,371	75.4%
<b>Total</b>	<b>398,766</b>	<b>237,228</b>	<b>59.5%</b>	<b>416,812</b>	<b>250,315</b>	<b>60.1%</b>

Erste Group uses the 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 the seven GHGs 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 below. Erste Group includes the following PCAF-defined asset classes in its calculation: corporate bonds and listed equity, business loans and unlisted equity, project finance, commercial real estate finance and mortgages. Additionally, Erste Group calculates emissions of the PCAF-defined asset class 'sovereign debt' and reports them in a separate table. 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. For simplicity and following market practice, the report refers to the PCAF-defined asset class 'corporate bond and listed equity' as 'corporate bond' and the asset class 'business loan and unlisted equity' as 'business loan'.

Weighted Average Carbon Intensity (WACI) sets the client emissions in relation to client revenues, weighted by the share of the respective client in the total portfolio. The WACI can only be calculated for in the PCAF-asset classes business loans, corporate bonds and project finance. For the real estate object related financed emission calculation the metric is not meaningful, as the calculation is dependent on the financed object and not the client emissions. The portfolio WACI stands at 719 gCO<sub>2</sub>e/EUR revenue (2024: 664 g CO<sub>2</sub>e/EUR revenue). Scope 1 and 2 WACI decreased from 252 gCO<sub>2</sub>e/EUR revenue (2024) to 220 gCO<sub>2</sub>e/EUR revenue (2025) in line with the decrease in Scope 1 and 2 absolute financed missions and emission intensity. In comparison to that, in Scope 3 the WACI increased from 412 gCO<sub>2</sub>e/EUR revenue (2024) to 499 gCO<sub>2</sub>e/EUR revenue (2025) due to increased Scope 3 Downstream Emission availability. The WACI for 2024 has been recalculated due to a significant portfolio shift between Business Loans and Real Estate exposures, as well as methodological improvements in the allocation of WACI between Scope 1, 2 and Scope 3 emissions.

One out of the seven currently existing PCAF calculation methodologies – motor vehicle loans – have not been applied yet. The motor vehicles asset class has not been implemented as such because of the low weight of this portfolio. The financed emissions of this portfolio are currently calculated by means of the methodology used for business loans.

Erste Group would restate financed emissions of the base year and the previous year in case:

- \_ A significant methodological change leads to a deviation of +/- 5 % of financed emissions in the reporting year vs. base year.
- \_ A detected error leads to a deviation of +/- 5 % of financed emissions in the reporting year vs. base year.

There was no requirement to restate emissions this year.

### Methodology Business Loan, Corporate Bonds and Project Finance

In the case of business loans, Erste Group follows the PCAF methodology by relying either on emissions reported by the corporate customers or emission factors drawn from the PCAF database or on its own approach for loans to large real estate managing companies.

In 2025, Erste Group refined its PCAF asset class allocation methodology, enabling the reclassification of EUR 13 billion from general-purpose calculations (business loans) to specific-purpose calculations (commercial real estate). This shift was made possible by aligning the PCAF definition of commercial real estate with Erste Group's internal Group Real Estate Financing Policy. Consequently, Erste Group discontinued the previous approach of applying commercial real estate intensity factors to real estate companies classified under NACE L68. The impact of the reclassification is a reduction in financed emissions of -0.7 million tonnes CO<sub>2</sub>e, largely attributable to Scope 3 emissions. This reflects the different methodological treatment, as Scope 3 emissions have been included for Business Loans, but are not included for Commercial Real Estate exposures.

Erste Group is deviating from PCAF standard for listed companies in the business loan and corporate bond modules. It applies the balance sheet value instead of the Enterprise Value including Cash (EVIC) as a denominator to calculate the attribution factor for listed companies, as using EVIC might lead to higher volatilities only driven by capital market movements, e.g., in a market stress situation its financed emissions would increase, which doesn't need to be directly related to movements in the physical production of the company. This approach is in line with Erste Group's peers, due to the limitation of the metric.

In case of project finance, Erste Group assumes that renewable energy projects (wind, solar, geothermal and hydropower) have an emission factor for scope 1 and 2 of zero. Otherwise in the absence of financing purpose and specific emission factors, project finance follows 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.

Erste Group keeps using the base year 2015 PCAF emission factors (Exiobase database) for the 2025 reporting to ensure comparability with the figures of the previous year, which were also used as a basis for target setting. The initial PCAF version is based on Exiobase 2015 data base and was the most up-to-date version until March 2023, being replaced by Exiobase 2019 data base. Keeping for 2025 the Exiobase 2015 data base is also in line with the user briefing published by PCAF, providing as a recommendation to apply the same economic emission factor dataset for longer periods of time (minimum 3 years). For scope 3 PCAF Emission factors are not containing Downstream Emissions. In October 2025, PCAF released a new database version based on the Comprehensive Environmental Data Archive (CEDA), which Erste Group is currently reviewing. Erste Group plans to begin using the CEDA database in 2026. At present, switching to CEDA would not result in an increase in reported emissions.

### Methodology Commercial Real Estate and Mortgages

With regards to commercial real estate and mortgages, the calculation of financed emissions is based on building data, which in a first step is used to calculate the emissions of a financed asset. 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>e emissions as per energy performance certificate
2. Primary energy demand (PED) as per energy performance certificate
3. PED class as per energy performance certificate
4. PED class with advanced EPC proxy estimation approach
5. PED class based on the year of construction
6. PED class based on the national average drawn from the PCAF European building emission factor database as of 2025.

Erste Group enhanced the real estate based financed emissions calculation methodology by EPC proxy estimation approach. This approach applies advanced methodologies (e.g., machine-learning algorithm) to derive EPC labels from collateral data or other relevant information. In 2025, the identification framework for financed real estate exposures was enhanced. The introduction of a financed-property flag resulted in the exclusion of specific exposures, while real estate assets without buildings were explicitly identified and classified as vacant land. Financing of vacant land was therefore treated separately and assigned zero financed emissions.

For calculation 3 to 6, average primary energy demand is based on the primary energy demand class recorded in the PCAF European building database as of 2025. Once primary energy demand has been determined, it has to be converted into emissions as input for calculation 2 to 6. If primary energy demand is not specified in local legislation or has not been historically recorded, final energy demand is used as an alternative. The year selected as the national average in the PCAF European building emission factor database was 2020, in line with a conservative methodology for the older buildings. This approach is used when no better data is available, which is most often the case for older properties.

Erste Group 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, conversion factors obtained in this manner come with the advantage, that where in-house portfolio data are 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). Moreover, this internally developed emission conversion factor enables Erste Group to apply values tailored to the specific heating medium used, thereby aligning with Erste Group's financed data rather than relying on national averages. Main data sources for the energy mixes and electricity-based emission intensities of the core countries were Eurostat and Electricity map and for the heating-based emission intensities the German Umweltbundesamt (UBA). Plausible local data sources were as well taken into consideration, particularly for non-EU countries.

## Financed emissions

	Credit exposure in EUR million	Credit exposure covered by emission calculation in EUR million	Financed emissions, thousand tCO <sub>2</sub> e <sup>1,2</sup>		Emission intensity in tCO <sub>2</sub> e/in EUR million		Weighted data quality (High=1, Low=5)		Weighted average carbon intensity (WACI) in gCO <sub>2</sub> e/EUR revenue	
			Scope 1 and 2	Scope 3 <sup>2,3</sup>	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3
<b>2025</b>										
<b>per PCAF asset class</b>										
Corporate bonds	—	2,265	413	840	182	371	3.1	3.4	275	601
Business loans	—	71,139	9,400	33,767	132	475	3.5	3.7	175	494
Project finance	—	3,665	347	649	95	177	2.8	3.7	1,056	542
Mortgages	—	76,564	2,495	—	33	—	3.7	—	—	—
Commercial real estate	—	44,634	849	—	19	—	3.4	—	—	—
<b>Total</b>	<b>416,812</b>	<b>198,266</b>	<b>13,504</b>	<b>35,256</b>	<b>68</b>	<b>178</b>	<b>3.5</b>	<b>3.7</b>	<b>220</b>	<b>499</b>
<b>per sector</b>										
Natural resources & commodities	13,932	9,591	2,968	4,590	309	479	3.5	3.7	365	504
Energy	20,169	8,742	2,978	5,871	341	672	2.7	3.3	1,038	876
Construction	20,177	8,692	1,426	2,839	164	327	3.7	3.9	175	324
Automotive	8,774	5,797	255	4,434	44	765	3.2	3.2	43	725
Cyclical consumer goods	8,807	5,597	443	1,400	79	250	3.6	3.6	80	234
Non-cyclical consumer goods	11,909	7,726	901	4,333	117	561	3.3	3.5	97	443
Machinery	8,475	4,298	175	6,183	41	1,439	3.5	3.8	46	2,017
Transportation	10,497	5,186	406	1,252	78	241	3.5	3.7	117	279
TMT	8,231	4,700	157	1,173	33	250	3.2	3.2	53	327
Healthcare & Services	14,554	9,736	414	1,754	43	180	3.8	4.0	71	224
Hotels and Leisure	10,843	8,644	264	695	30	80	3.7	3.9	37	197
Real estate	49,433	43,510	747	193	17	4	3.4	4.1	38	145
Public sector	84,393	152	2	19	13	125	2.8	2.7	32	829
Financial institutions	29,965	2,901	49	423	17	146	3.7	3.8	31	227
Private customers	111,461	72,992	2,319	96	32	1	3.7	5.0	15	88
Other sectors	5,191	3	1	1	163	204	4.0	4.0	117	304
<b>Total</b>	<b>416,812</b>	<b>198,266</b>	<b>13,504</b>	<b>35,256</b>	<b>68</b>	<b>178</b>	<b>3.5</b>	<b>3.7</b>	<b>220</b>	<b>499</b>
of which category 13 (Downstream Leased Assets)		4,104	630	1,078	153	263	4.6	4.7		
according to risk countries	—									
Austria	—	93,922	4,342	10,900	46	116	3.6	3.8	139	433
Czechia	—	39,222	3,413	4,548	87	116	3.7	3.7	221	349
Romania	—	5,746	777	4,595	135	800	3.2	3.3	367	1,120
Slovakia	—	10,932	822	3,478	75	318	3.4	3.7	222	551
Germany	—	18,223	1,262	1,731	69	95	3.6	3.8	423	324
Croatia	—	7,187	905	1,510	126	210	3.4	3.5	304	431
United States	—	2,032	315	1,245	155	613	2.8	3.3	218	774
Hungary	—	5,267	417	1,078	79	205	3.3	3.6	179	514
Netherlands	—	1,325	55	1,247	42	941	3.0	2.8	85	916
Singapore	—	285	17	951	60	3,341	2.4	2.4	39	1,426
Remaining Countries	—	14,125	1,179	3,973	83	281	3.3	3.5	316	636
<b>Total</b>	<b>416,812</b>	<b>198,266</b>	<b>13,504</b>	<b>35,256</b>	<b>68</b>	<b>178</b>	<b>3.5</b>	<b>3.7</b>	<b>220</b>	<b>499</b>

<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 Erste Group uses reported emissions for calculating scope 3 emissions, this includes – if both are reported – both upstream and downstream emissions. Where Erste Group uses 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.

	Credit exposure in EUR million	Credit exposure covered by emission calculation in EUR million	Financed emissions, thousand tCO <sub>2</sub> e <sup>1, 2</sup>		Emission intensity in tCO <sub>2</sub> e/in EUR million		Weighted data quality (High=1, Low=5)		Weighted average carbon intensity (WACI) in gCO <sub>2</sub> e/EUR revenue	
			Scope 1 and 2	Scope 3 <sup>2,3</sup>	Scope 1 and 2	Scope 3	Scope 1, 2 and 3	Scope 3	Scope 1 and 2	Scope 3
<b>2024</b>										
<b>per PCAF asset class</b>										
Corporate bonds		2,315	470	738		522	3.5	3.6	344	540
Business loans		80,587	9,930	26,355		450	3.9	3.9	147	389
Project finance		3,201	352	618		303	3.8	3.8	579	1,019
Mortgages		74,765	3,208	0		43	3.8	0.0	0	0
Commercial real estate		29,549	595	0		20	3.5	0.0	0	0
<b>Total</b>	<b>398,766</b>	<b>190,417</b>	<b>14,554</b>	<b>27,712</b>		<b>222</b>	<b>3.8</b>	<b>3.9</b>	<b>168</b>	<b>417</b>
<b>per sector</b>										
Natural resources & commodities	13,951	9,402	3,080	5,545		917	3.6	3.6	333	645
Energy	18,499	7,705	3,116	4,193		948	3.2	3.3	742	1,000
Construction	18,860	8,441	1,663	2,763		524	3.9	3.9	186	314
Automotive	8,576	5,882	248	2,509		469	3.3	3.3	51	528
Cyclical consumer goods	8,465	5,606	471	1,333		322	3.6	3.6	70	204
Non-cyclical consumer goods	11,630	7,491	681	3,114		507	3.5	3.7	152	708
Machinery	7,538	3,890	182	3,238		879	3.8	3.9	48	857
Transportation	10,375	4,820	456	1,150		333	3.8	3.9	109	276
TMT	7,949	4,528	170	725		198	3.3	3.3	67	296
Healthcare & Services	12,190	8,311	332	1,287		195	4.0	4.1	68	294
Hotels and Leisure	10,246	8,316	279	699		118	3.9	4.0	45	197
Real estate	47,729	42,408	977	745		41	4.0	4.8	66	105
Public sector	86,830	101	1	16		173	2.7	2.4	35	940
Financial institutions	33,192	2,555	37	294		130	3.9	4.0	17	148
Private customers	102,416	70,954	2,862	99		42	3.8	4.9	15	88
Other sectors	318	5	0	1		213	4.1	4.2	68	291
<b>Total</b>	<b>398,766</b>	<b>190,417</b>	<b>14,554</b>	<b>27,712</b>		<b>222</b>	<b>3.8</b>	<b>3.9</b>	<b>168</b>	<b>417</b>
of which category 13 (Downstream Leased Assets)		4,085	731	1,183		468	4.7	4.7		
according to risk countries										
Austria		92,369	4,769	8,429		143	3.9	4.1	118	257
Czechia		36,891	3,575	4,379		216	3.9	3.9	201	375
Romania		10,592	1,010	3,107		389	3.5	3.8	135	595
Slovakia		17,462	1,562	1,716		188	3.7	3.8	149	333
Germany		5,166	508	2,001		486	3.6	3.7	149	634
Croatia		6,335	984	1,094		328	3.7	3.7	283	359
United States		2,073	293	1,190		715	3.1	3.4	476	1,938
Hungary		5,111	472	980		284	3.4	3.5	155	521
Netherlands		1,039	50	1,205		1,207	3.1	3.2	50	1,270
Singapore		197	25	714		3,748	2.1	2.0	68	1,961
Remaining Countries		13,182	1,306	2,897		319	3.6	3.7	237	639
<b>Total</b>	<b>398,766</b>	<b>190,417</b>	<b>14,554</b>	<b>27,712</b>		<b>222</b>	<b>3.8</b>	<b>3.9</b>	<b>168</b>	<b>417</b>

<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 Erste Group uses reported emissions for calculating scope 3 emissions, this includes – if both are reported – both upstream and downstream emissions. Where Erste Group uses 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.

## Detailed results by sector

Erste Group used its in-house customer segmentation by sectors for the purpose of PCAF measuring and disclosure of financed emissions.

The sector posting the highest financed emission intensity for scope 1 and 2 of 341 tCO<sub>2</sub>e/EUR million, was the Energy industry, with a credit exposure covered in the emission calculation of EUR 8.7 billion.

The sector posting the highest financed emission intensity (scope 1, 2 and 3), of 1,480 tCO<sub>2</sub>e/EUR million, was the Machinery industry, with a credit exposure covered in the emission calculation of EUR 4.3 billion.

### Detailed results by country

Financed emissions are broken down by customers country of risk. Because of its business model, the country with the highest absolute level of financed emissions (15.2 million tCO<sub>2</sub>e) is Austria, which at the same time has the lowest level of emission intensity at 162 gCO<sub>2</sub>e/EUR. The country with the highest emission intensity is Singapore at 3,401 tCO<sub>2</sub>e/EUR million, with absolute emissions coming to 1.0 million tCO<sub>2</sub>e.

### Detailed results by data quality

Erste Group relies on the 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 the 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 not distinguished between verified and non-verified and therefore the DQ 2 is applied, following a conservative approach.

The weighted average data quality of the quantified portfolio was 3.6 as of 2025 reporting and thus improved versus the previous year (2024: 3.8). The table shows a breakdown of financed emissions distinguished by data availability (energy performance certificates for the real estate sector and reported emissions for the other PCAF asset classes).

Erste Group is disclosing financed emissions from clients reported emissions or derived from an available energy performance certificate separately from financed emissions where it used PCAF factors to calculate financed emissions. The share of emissions derived from reported emissions or an available energy performance certificate amounts to 38% (2024 29%) of the credit exposure (covered by the emission calculations) and 52% (2024: 43%) of financed emissions. The significant improvement in data quality is driven by higher availability of Energy Performance Certificates, improved identification of vacant land and reclassification of Exposure from Business Loan to Real Estate Calculation. The exposure share is higher for the real estate sector, even though it must be noted that the energy performance certificate – depending on country-specific standards – partially covers only the (primary) energy demand and not the level of emissions.

For corporate segments, the emission intensity (tCO<sub>2</sub>e/EUR million) is lower where Erste Group uses PCAF factors to calculate emissions. For scope 3 this is mainly driven by the fact that PCAF emission factors only contain upstream emissions. Also, the scope 1 and 2 emission intensity for corporate clients are higher in the reported emissions segment. One of the drivers can be unequal industry distribution as clients in carbon intensive sectors are more likely subject of emission disclosure requirements.

### 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 and 2	Scope 3	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3
<b>Total 2025</b>	<b>198,266</b>	<b>13,504</b>	<b>35,256</b>	<b>68</b>	<b>178</b>	<b>3.5</b>	<b>3.7</b>
<b>Reported emissions / energy performance certificate available (by PCAF asset class)</b>							
Corporate bonds <sup>1</sup>	1,010	198	631	196	625	2.0	2.0
Business loans <sup>1</sup>	15,313	2,179	21,148	142	1,381	2.0	2.0
Project finance <sup>1</sup>	661	5	330	7	500	2.0	2.0
Mortgages <sup>2</sup>	31,573	517	—	16	—	3.0	—
Commercial real estate <sup>2</sup>	27,197	391	—	14	—	2.9	—
<b>Total</b>	<b>75,755</b>	<b>3,290</b>	<b>22,110</b>	<b>43</b>	<b>292</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	1,255	214	209	171	166	3.9	4.5
Business loans	55,826	7,221	12,619	129	226	4.0	4.1
Project finance	3,003	343	318	114	106	2.9	4.0
Mortgages	44,991	1,978	—	44	—	4.2	—
Commercial real estate	17,436	459	—	26	—	4.1	—
<b>Total</b>	<b>122,511</b>	<b>10,215</b>	<b>13,146</b>	<b>83</b>	<b>107</b>	<b>4.0</b>	<b>4.1</b>

<sup>1</sup> Availability of reported emissions for corporate bonds / business loans : 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).

	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 and 2	Scope 3	Scope 1 and 2	Scope 3	Scope 1, 2 and 3	Scope 3
<b>Total 2024</b>	<b>190,417</b>	<b>14,554</b>	<b>27,712</b>	<b>76</b>	<b>322</b>	<b>3.8</b>	<b>3.9</b>
<b>Reported emissions / energy performance certificate available (by PCAF asset class)</b>							
Corporate bonds <sup>1</sup>	802	233	514	290	641	2.0	2.0
Business loans <sup>1</sup>	14,288	2,060	14,030	144	982	2.0	2.0
Project finance <sup>1</sup>	446	1	277	2	622	2.0	2.0
Mortgages <sup>2</sup>	24,014	578		24		3.0	
Commercial real estate <sup>2</sup>	16,169	281		17		3.0	
<b>Total</b>	<b>55,720</b>	<b>3,153</b>	<b>14,821</b>	<b>57</b>	<b>954</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	1,512	237	224	157	148	4.3	4.5
Business loans	66,299	7,870	12,326	119	186	4.3	4.4
Project finance	2,755	351	341	127	124	4.0	4.0
Mortgages	50,751	2,630		52		4.2	
Commercial real estate	13,380	313		23		4.2	
<b>Total</b>	<b>134,697</b>	<b>11,401</b>	<b>12,891</b>	<b>85</b>	<b>183</b>	<b>4.2</b>	<b>4.3</b>

<sup>1</sup> Availability of reported emissions for corporate bonds / business loans : 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).

## Sovereign emissions

Erste Group's sovereign emissions stand at 10.9 million tCO<sub>2</sub>e including land use, land change and forestry (LULUCF) and 11.9 million tCO<sub>2</sub>e excluding LULUCF. The decision to report them separately from other financed emissions is driven by the fact that sovereign scope 1 emissions include the whole production of a country, thus leading to double counting of financed emissions. Additionally, sovereign emissions development should follow countries' national transition plans, decreasing till 2050 according to the governments' commitments. For the calculation of Sovereign emissions, Erste Group applies the PCAF database as of September 2025. The database provides mainly 2021 figures, expressed in million USD. For the calculation of sovereign emissions, the USD/EUR FX rate of the respective emission factor year is applied.

Country	Credit exposure covered by emissions calculation In EUR million	Financed emissions, thousand tCO <sub>2</sub> e		Emission intensity tCO <sub>2</sub> e/ EUR million		Weighted data quality Scope 1 <sup>2</sup>
		Scope 1 incl. LULUCF <sup>1</sup>	Scope 1 excl. LULUCF <sup>1</sup>	Scope 1 incl. LULUCF <sup>1</sup>	Scope 1 excl. LULUCF <sup>1</sup>	
<b>2025</b>						
Czechia	16,254	4,867	4,546	299	280	1.0
Romania	8,066	871	1,520	108	188	1.0
Slovakia	5,803	1,173	1,441	202	248	1.0
Austria	8,239	1,166	1,347	142	164	1.0
United States	3,082	557	628	181	204	1.0
Remaining Countries	10,600	2,237	2,443	211	231	1.4
<b>Total</b>	<b>52,044</b>	<b>10,872</b>	<b>11,925</b>	<b>209</b>	<b>229</b>	<b>1.1</b>

<sup>1</sup> Land use, land change and forestry (LULUCF)

<sup>2</sup> no change between incl. and excl. LULUCF

Country	Credit exposure covered by emissions calculation In EUR million	Financed emissions, thousand tCO <sub>2</sub> e		Emission intensity tCO <sub>2</sub> e/EUR million		Weighted data quality Scope 1 <sup>2</sup>
		Scope 1 incl. LULUCF <sup>1</sup>	Scope 1 excl. LULUCF <sup>1</sup>	Scope 1 incl. LULUCF <sup>1</sup>	Scope 1 excl. LULUCF <sup>1</sup>	
<b>2024</b>						
Czechia	14,757	4,419	4,127	299	280	1.0
Romania	7,775	840	1,465	108	188	1.0
Slovakia	5,596	1,131	1,389	202	248	1.0
Austria	6,029	854	986	142	164	1.0
United States	2,223	603	685	271	308	1.0
Remaining Countries	10,438	2,446	2,570	234	246	1.4
<b>Total</b>	<b>46,818</b>	<b>10,292</b>	<b>11,222</b>	<b>220</b>	<b>240</b>	<b>1.1</b>

<sup>1</sup> Land use, land change and forestry (LULUCF)

<sup>2</sup> no change between incl. and excl. LULUCF

# Biodiversity and ecosystems

This section focuses on Erste Group’s impact on biodiversity and ecosystems. Biodiversity or biological diversity can be understood as the variety of life and refers to the uniqueness of all living things (Federal Ministry for Agriculture and Forestry, Climate and Environmental Protection, Regions and Water Management). Biodiversity loss can lead to the extinction of species and the depletion of genetic variations. This can have a far-reaching impact on the food chain and the dynamics of ecosystems, on which humanity thrives.

Erste Group is committed to assess and disclose its biodiversity-related impacts, dependencies, risks and opportunities. Erste Group recognises the indirect impact its investments can have on biodiversity through the identified subtopic soil sealing.

## E4 SBM-3 – MATERIAL IMPACT RELATED TO BIODIVERSITY AND ECOSYSTEMS

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
E4-Soil sealing	Negative impact	Financing real estate and public infrastructure projects can have a negative impact on biodiversity as soil is sealed and land is degraded, thus causing increased flooding risks, climate change exacerbation and possible health issues caused by decreased air and water quality.	Portfolio	All time horizons

### SOIL SEALING

The EU Soil Strategy for 2030 emphasises that soil sealing is highly relevant for Europe and the region Erste Group is active in. Soil sealing has substantial negative impacts on the environment and society, including the loss of essential ecosystem services, increased flood risks and more intense urban heat island effects. Additionally, soil sealing can contribute to water scarcity, as sealed surfaces prevent the natural infiltration of water into the ground.

The relationship between biodiversity and financial institutions is indirect. Erste Group finances companies that are at least partly dependent on ecosystem services to produce goods and services. Soil sealing has been identified in the 2025 double materiality assessment (DMA) as a negative impact on biodiversity originating from Erste Group’s portfolio activities, in particular the financing of real estate projects and public infrastructure that seal land. Soil sealing contributes to increased flooding risk, exacerbates climate change and can lead to potential health issues due to reduced air and water quality.

Real estate accounts for the largest share of Erste Group’s portfolio activities. Further information can be found in the Consolidated Financial Statements in Note 35 Credit risk exposure under the sections ‘Credit Risk Exposure by Industry and Risk Category’ and ‘Credit Risk Exposure Collateralised’.

Erste Group has no material impact (in form of office and branch locations) on biodiversity-sensitive areas and no material impacts were identified related to its own operations affecting any biodiversity-sensitive areas.

## E4-1 – RESILIENCE OF ERSTE GROUP'S STRATEGY AND BUSINESS MODEL IN RELATION TO SOIL SEALING

### ERSTE GROUP'S BUSINESS ENVIRONMENT

Erste Group has analysed the business environment it is operating in and performed an analysis to assess the resilience of Erste Group’s business model. As part of the resilience analysis, both physical and transitional risks are tracked and analysed. Within this framework, biodiversity loss is categorised under other-environmental risks. Systemic risks are not treated as a separate risk type, but are indirectly covered when transition and physical risks are assessed based on comprehensive stress testing. Erste Group’s own operations and upstream value chain have not been assessed.

The assessment covers short-, medium- and long-term horizons. The time horizons, used for the assessment of the business environment and resilience are defined by risk management and are as follows:

- \_ short-term: 0-1 year
- \_ medium-term: 2-5 years
- \_ long-term: more than 5 years (up to 2050)

Currently, systematic external stakeholder involvement in the analysis has not yet been established. However, an ongoing dialog is conducted with relevant stakeholders, such as supervisory and regulatory authorities, investors, analysts and rating agencies as well as academic and environmental institutions and NGOs. These discussions were also taken into account in the assessment of the topic as material.

The evaluation for the resilience analysis was carried out in a holistic and qualitative manner and included in the assessment process. Further details can be found in chapter [E1 SBM-3](#) - Resilience of the business model.

## RESULTS OF THE RESILIENCE ANALYSIS

The primary goal of the resilience analysis was to illustrate how the business model of Erste Group could be influenced by various climate and environmental risk factors. Biodiversity and ecosystem-related physical and transition risks are not yet covered comprehensively by the resilience analysis. Still, Erste Group did not identify any significant threats to its business model or strategy when considering biodiversity and ecosystems-related physical or transition risks with the existing analysis. Systemic risk is not yet analysed.

## STRATEGY AND BUSINESS MODEL

Erste Group is assessing its strategy and business model in the light of the analysis described above. Erste Group actively engages with clients and takes environmental policies into account when deciding on new business. As an example, in the course of the valuation of the collateral and inspection of a property, it must be examined in terms of biodiversity. For this purpose, the Green Building Certificate can be checked for information on biodiversity as the first source of information. The biodiversity related information has to be documented in the valuation report. If violations of environmental protection are identified, the necessary renaturation costs must be taken into account in the valuation.

## E4-2 – POLICIES RELATED TO SOIL SEALING

Erste Group did not yet develop a comprehensive policy to address this sustainability matter. As a first immediate step, its internal Group Responsible Financing Policy has been complemented by restrictions to finance activities or projects that may impact protected sites or are located within protected areas. Once having established a methodology to estimate or measure the actual contribution to soil sealing from its financed portfolio, Erste Group is dedicated to develop a strategy, establish more actions and set targets to reduce negative impacts on biodiversity and ecosystems from soil sealing. Material dependencies, physical and transition as well as systemic risks and opportunities are currently not covered.

## GROUP RESPONSIBLE FINANCING POLICY

The Group Responsible Financing Policy establishes the exclusion criteria for financing of the Energy, Defense, Biodiversity and Gaming & Gambling sector. In the DMA, Erste Group has identified a material impact related to its financed portfolio for the subtopic soil sealing. As a result, Erste Group has broadened the scope of this policy and implemented exclusion criteria regarding activities and projects in protected areas, or with adverse impact on protected areas as a first step to reduce the identified negative impact. Erste Group will not finance any activities with material adverse effect on protected areas. An impact assessment of the project must be carried out to assess all potential impacts. If the impact assessment confirms that satisfactory mitigation measures have been taken to compensate for any negative impacts of the project on the protected area, the project may be financed. The Group Responsible Financing Policy focuses on the financing business for corporate clients of Erste Group, its international branches, its credit institution subsidiaries and their subsidiaries. This policy supports the steering of the portfolio and contributes to addressing the identified material impact. Through clearly defined exclusion and non-eligibility criteria, Erste Group aims to eliminate, prevent and mitigate ecosystem-related impacts.

Erste Group has established a clear structure and governance for executing decisions within the scope of the Group Responsible Financing Policy and has implemented both a first and second level of control. At both the group and local levels, the first line of control is executed by the business units and credit underwriting teams. On the group level, the second line of control is ensured by the Non-Financial Risk function, in collaboration with the ESG function within the Credit Risk Portfolio. Locally, the second line of control is carried out by the respective local Risk functions. The Group Responsible Financing Policy is owned by Credit Risk Portfolio, has been communicated to relevant employees and is publicly accessible via Erste Group's website. The policy's principles are reviewed at least annually, with updates made more frequently as deemed necessary by Erste Group.

More information on Erste Group's Responsible Financing Policy can be found in [E1-2](#).

### **E4-3 – ACTIONS AND RESOURCES RELATED TO SOIL SEALING**

Erste Group recognises the critical importance of biodiversity and ecosystems and is committed to addressing the negative impact of soil sealing. Specific actions have not yet been established. However, Erste Group has reviewed the scope of its Group Responsible Financing Policy and implemented exclusion criteria regarding activities and construction projects in protected areas as a first step to reduce the identified negative impact. Following the identification of the material impact in the DMA 2025, specific actions to measure progress will be defined in the upcoming years on the basis of a more in-depth analysis.

### **E4-4 – TARGETS RELATED TO SOIL SEALING**

Erste Group is dedicated to integrating targets to reduce negative impacts on biodiversity and ecosystems into its strategic framework. Specific targets have not yet been established. The identified material impact of soil sealing will trigger more comprehensive disclosures in upcoming years.

### **E4-5 – IMPACT METRICS RELATED TO SOIL SEALING**

Specific metrics related to the identified material impact of soil sealing in Erste Group's real estate portfolio have not yet been established. Erste Group does not disclose biodiversity metrics relating to its own operations, because it has no material impact on biodiversity-sensitive areas.

# Social information

## Own workforce

The scope of this chapter covers the material impacts and the opportunity that Erste Group has identified towards the company's own employees.

Erste Group's success in the ongoing development of its organisation, its corporate culture and competences is critically driven by employee engagement. Erste Group promotes 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 its continuing success and strives to be the employer of choice in the region in both the financial and IT sectors by offering opportunities for training and continuing professional development, diverse and international teams, as well as exciting tasks within a flexible organisation.

### S1 SBM3 – MATERIAL IMPACTS, RISK AND OPPORTUNITIES RELATED TO OWN WORKFORCE AND THEIR INTERACTIONS WITH STRATEGY AND BUSINESS MODEL

As part of its commitment to transparency and sustainability, this chapter provides a comprehensive overview of the IROs related to its own workforce. As a leading bank, it is crucial for Erste Group to prioritise the well-being and development of its employees.

The company's employees comprise individuals in employment relationship engaged in business operations or providing services in alignment with their designated roles and remunerated in accordance with the Group Remuneration Policy. The employees of Erste Group are permanent and temporary employees, full-time and part-time employees, interns, trainees and apprentice. In addition to its own employees, Erste Group also engages non-employees for a defined period based on contractual terms. Employment contracts take precedence over non-employees agreements.

Actual and potential impacts on the company's workforce, as well as an opportunity for Erste Group were identified through the double materiality assessment (DMA). The impacts originate from and are connected to people-intensive operations. Group policies and Erste Group's People & Culture strategy addresses these impacts. This linkage ensures that workforce impacts shape strategic priorities and decision-making. By fostering leadership in digital transformation and providing further education in technology and AI, Erste Group seizes the opportunity to strengthen its business model by enhancing workforce skills and driving innovation. Policies and actions related to IROs identified extend to own employees excluding non-employees.

Sustainability matter	Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
Equal treatment and opportunities for all	S1-Gender equality and equal pay for work of equal value	Negative impact	The current gender pay gap which is mainly caused by gender disparity at different job levels at Erste Group disadvantages female employees.	Own operations	All time horizons
	S1-Training and skills development	Opportunity	Tailored trainings and further education with regards to technology and AI improve employee's professional skills and qualifications and increases productivity and innovation.	Own operations	All time horizons
	S1-Diversity	Positive impact	Diversity initiatives, such as employee networks that target demographics that would otherwise experience potential exclusion, have a positive impact on Erste Group employees by fostering an inclusive corporate culture. These efforts create an open environment where support is prioritized, allowing employees to feel valued and empowered.	Own operations	Short- to medium-term
	S1-Diversity	Potential negative impact	Workplace discrimination can profoundly impact vulnerable groups of employees by fostering a hostile and unsafe work environment. These issues can lead to heightened stress and anxiety, making these employees feel unsupported and excluded and might affect their mental and physical health.	Own operations	All time horizons

## GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE

Erste Group fosters initiatives for fair and equal pay for its employees, regardless of their gender. There has been a negative impact of gender pay gap identified related to own employees, which is systemic within the context of job structure and prevalence of certain gender in certain job roles. The objective is to achieve a sustainable reduction of both the adjusted and unadjusted gender pay gap among employees of Erste Group. First steps towards transparency of gender pay gap reporting were done in 2023 by establishing a group-wide common approach, definition and external certification. Actions and targets focus on the job structural aspects of gender pay gap, to balance representation of women and men in various job roles especially in top-management. For more information about the methodology and measurements please refer to chapter [SI-4](#) and chapter [SI-16](#) for actions and metrics.

The company is actively pursuing several measures to reduce pay disparities through existing internal resources at both Group and local People & Culture levels. No additional costs were incurred in 2025. (In 2024, costs were incurred due to the engagement of external consultancy services.)

## TRAINING AND SKILLS DEVELOPMENT

The training program strengthens AI literacy across all local entities, enabling employees to confidently work with AI systems and unlock new opportunities. By leveraging advanced data and AI capabilities, Erste Group can boost operational efficiency, elevate customer experiences and accelerate product innovation. These advancements support sustainable growth and contribute to strong, future-oriented financial performance.

Tailored trainings and further education with regards to technology and AI create an opportunity to improve employee's professional skills and qualifications and increases productivity and innovation.

Coordination of the actions is in group and local People & Culture departments and Erste Group's subsidiary Österreichische Sparkassenakademie with expenditures amounting to EUR 21.6 million in 2025 (2024: EUR 21.3 million).

## DIVERSITY

Erste Group fosters an inclusive corporate culture that creates an open environment of inclusion and support for all employees, regardless of gender, ethnic background, sexual orientation, age or any other characteristics. A work culture shaped by acceptance, respect, fairness and equal opportunities has a positive impact on its employees.

Erste Group recognizes both positive and potential negative impacts related to diversity. Erste Group's positive impact is visible in the support provided to vulnerable groups by fostering an open, supportive environment that values and empowers the respective groups (such as people with disabilities, queer people and women). Erste Group actively prevents potential workplace discrimination for all employees. Recognizing that discrimination can disproportionately affect vulnerable groups, leading to feelings of exclusion, increased stress and potential harm to mental and physical health, the company embeds anti-discrimination measures within its policies and culture.

Actions taken by Erste Group to address diversity and equality include various diversity initiatives such as employee networks Erste Colours for queer employees, Erste Women's Hub for women & Erste Ability for employees with disability. The coordination of the measures lies with group and local People & Culture departments.

Diversity is an integral part of the company's identity, the client interactions and the corporate culture of Erste Group. Accordingly, the resources supporting diversity measures are embedded across various departments. Therefore, the budget varies and depends on the number of projects, training courses and initiatives for the respective year.

## S1-1 – POLICIES RELATED TO OWN WORKFORCE

Impacts, risks and opportunities	Strategy / Policy	Actions	Targets
The current gender pay gap which is mainly caused by gender disparity at different job levels at Erste Group disadvantages female employees.	Group Remuneration Policy	Hiring and Succession Planning Standards based on Women Career Index	Gender representation in management board positions and on B-1 management level
	Group Diversity and Inclusion Policy	Performing a Gender Pay Gap Analysis	
Tailored trainings and further education with regards to technology and AI improve employee's professional skills and qualifications and increases productivity and innovation.	Group People & Culture Strategy	Skills-based development talks and performance reviews	No target
		Employee and leadership development	
Diversity initiatives, such as employee networks that target demographics that would otherwise experience potential exclusion, have a positive impact on Erste Group employees by fostering an inclusive corporate culture. These efforts create an open environment where support is prioritized, allowing employees to feel valued and empowered.	Group Diversity and Inclusion Policy	Employee Resource Groups: Erste Colours, Erste Women's Hub & Erste Ability	Gender representation in management board positions and on B-1 management level
Workplace discrimination can profoundly impact vulnerable groups of employees by fostering a hostile and unsafe work environment. These issues can lead to heightened stress and anxiety, making these employees feel unsupported and excluded and might affect their mental and physical health.		Discrimination prevention strategies	

The People & Culture strategy of Erste Group is founded on the objective of building the bank of tomorrow through its people. The strategy is organised around three key priorities: talent, leadership and performance.

At Erste Group, employees' individual drive, as well as their functional and technological expertise are key in creating value. Placing the right skills and capabilities at the heart of Erste Group's hiring and internal mobility decisions, ensures that people are matched with their roles where they can thrive and have an impact.

Leadership culture is a key differentiator of Erste Group's employer brand. In an era of rapid technological change, leaders play a pivotal role in unlocking the potential of Artificial Intelligence and digital innovation. Their ability to champion technology-driven transformation, foster customer-centricity and prioritize the development of individuals and teams ensures that Erste Group stays ahead in a competitive market. Erste Group needs leaders who not only manage but inspire, embrace emerging technologies and deliver results that matter.

Erste Group's Leadership Dimensions are more than guiding principles – they represent a competitive advantage in shaping a future-ready organization. By actively promoting AI and technology-related upskilling, leaders empower teams to make confident decisions, enhance productivity and drive meaningful change across the Group.

At Erste Group, performance management puts focus on impact rather than hierarchy. Alignment with strategic goals follows by establishing clear expectations around both results and behaviours. Continuous dialogue, regular feedback and development planning foster a performance culture at Erste Group.

Erste Group gives its employees a voice through regular group-wide engagement surveys, which are described in S1-2 in more detail. Based on this continuous feedback from its employees, Erste Group supports targeted improvement measures in all areas and constantly grows with its employees.

These measures include a commitment to greater transparency and gender equality in remuneration. Erste Group's principles of employee centricity drive its operations, enabling Erste Group to realise the potential of its employees. Furthermore, Erste Group is committed to nurturing an inclusive work environment for all employees, including monitoring progress towards targets in collaboration with its local bank subsidiaries to reach underrepresented gender ratio metrics on managerial levels.

### HUMAN RIGHTS COMMITMENTS

Erste Group's Code of Conduct sets clear commitments for human rights protection, guided by its values, ethical principles, national and international laws. These commitments are grounded in recognized international human rights frameworks, including the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

Erste Group's Code of Conduct refers to its Group Diversity and Inclusion Policy, which clearly defines expected behaviour, roles and responsibilities and demonstrates how diversity is lived across Erste Group, thus ensures that all employees and customers are treated equally. With regard to labour rights, Erste Group's Code of Conduct aligns with national labour laws as well as the principles of the ILO Declaration on Fundamental Principles and Rights at Work, and it upholds all fundamental rights by encouraging freedom of association and collective bargaining, prohibiting any form of forced or child labour, eliminating any form of discrimination, and promoting a safe and healthy working environment. Erste Group further strengthens this commitment through direct and indirect engagement with its employees, and through clearly defined processes to address any form of discrimination. Further information is provided in chapter [SI-2](#) and [SI-3](#). Fair and reasonable remuneration is integral to compliance with labour rights within Erste Group, and is governed by the Group Remuneration Policy. The Code of Conduct is approved by the Holding Management Board and is available on Erste Group's website.

Processes and mechanisms to monitor compliance with these international standards and conventions include Erste Group's regular procedures outlined in chapter [SI-2](#) and [SI-3](#) to raise the concerns and remedies for negative impacts on human rights violation. Erste Group further supports adherence to its commitments through the Erste Integrity whistleblowing platform, which serves as the central mechanism for confidentially reporting suspicions of misconduct or seeking guidance on related topics. More information on the Erste Integrity Whistleblowing Platform is provided in the G1 section.

## **GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE**

Erste Group aims to promote fair rewards based on job value and equal pay for similar roles. The compensation structure is built on competitive base pay and gender-neutral policies, guaranteeing equal pay for equal work or work of equal value.

Erste Group recognizes that the unadjusted gender pay gap partly reflects the underrepresentation of women in higher-paid roles. To address this, targets for women in top management are set and fair succession planning is implemented (see chapter [SI-5](#)). Collective agreements and internal job grading further support equality within job roles.

### **Group Remuneration Policy**

Erste Group's Remuneration Policy establishes the standards, rules and principles of the remuneration system and strategy, which are designed to reward competitively, based on long-term sustainable performance. The Remuneration Policy promotes gender equality and equal pay for equal work, thereby creating a secure environment with standardised and adequate wages for all employees regardless of their gender. All employees are entitled to fair and favourable working conditions with special focus on remuneration. This necessitates to strive for a reduction of the adjusted as well as the unadjusted gender pay gap.

The Remuneration Committee of Erste Group Bank AG's Supervisory Board is responsible for overseeing the implementation of the Remuneration Policy to ensure it operates as intended. The committee functions under delegated authority from the supervisory function. The Remuneration Committee of Erste Group Bank AG approves the general principles of the Remuneration Policy, reviews them at least once a year and is responsible for their implementation. The committee monitors the Remuneration Policy, remuneration practices and remuneration-linked incentive programmes in relation to the control, monitoring and containment of risks, the capital base and liquidity. The committee approves material exceptions from the application of the Remuneration Policy to individual staff members of the company and monitors the payment of variable remuneration to members of the Management Board. The committee members collectively possess adequate knowledge, skills and experience in remuneration policies and practices, risk management and control activities, as well as variable remuneration schemes and the associated risks. The committee considers the long-term interests of employees, shareholders, investors and other stakeholders in Erste Group. It holds meetings at least twice a year.

The Remuneration Policy provides a remuneration framework and applies to all employees of Erste Group and to members of the Supervisory Board of Erste Group Bank AG on a consolidated, sub-consolidated and solo level, in all credit and financial institutions and other institutions within the scope of CRR consolidation, including all branches. The Remuneration Committee is responsible for overseeing the implementation of the policy to ensure it operates as intended. The Committee functions under delegated authority from the supervisory function. The Group Remuneration Policy refers to Erste Group's Code of Conduct, which covers third-party standards like the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights.

Employees are represented in the Remuneration Committee of Erste Group Bank AG by representatives of the Works Council of Erste Group Bank AG. The Remuneration Policy is communicated to all employees through Erste Group's intranet.

## TRAINING AND SKILLS DEVELOPMENT

Erste Group strives to be the place where people transform obstacles into opportunities, learn continuously and collaborate across borders. Training and development not only enhance qualifications, engagement and productivity, but also generate future advantage for Erste Group. By strategically investing in tailored technology and AI-related training in line with the Group AI Strategy and Group AI Governance Policy, Erste Group strengthens employees' professional skills and future-ready qualifications. The training program aims to establish a foundational understanding of AI systems across all local entities enabling employees to recognize potential risks, comply with applicable regulations, and make informed decisions when interacting with AI systems. Empowerment through data and AI, using advanced data and AI capabilities increases operational efficiency, enhances the customer experience, and ensures regulatory compliance which transforms to sustainable long-term financial results of Erste Group.

All employees have access to professional development coordinated by Group and local People & Culture teams and the Oesterreichische Sparkassenakademie.

### Technology and AI in People & Culture Strategy

The topic of Training and Development is steered under a common umbrella within Erste Group People & Culture strategy without a specific group policy in place focused on upskilling and AI people development.

AI training and development efforts are closely connected to Erste Group strategic commitments on development of human expertise and digital innovation skills. In the People & Culture Strategy of Erste Group, this pillar translates into placing technology awareness and deep understanding of customer journeys at the core of all talent-related activities. In line with the strategic priorities, continued skill development in AI will remain central and transparent, supporting all employees in delivering high-quality, customer-oriented services in an AI-enhanced environment. Group People & Culture is the most senior level accountable for implementation of the strategy.

## DIVERSITY

For Erste Group, an inclusive corporate culture means recognising every employee for their individuality. Erste Group understands diversity and inclusion as a mindset that obliges everyone to treat each other with respect, so that everyone feels safe to speak their mind openly. Erste Group seeks to create an environment in which people are enabled to develop themselves, support each other when facing challenges and bring out the absolute best in themselves and their peers. By communicating Erste Group's diversity values outside and inside the organisation, all employees and business partners perceive the overarching objective of Erste Group's open environment and acceptance of all.

Building on this foundation, Erste Group translates its commitment to diversity and inclusion into concrete actions that shape everyday practice. As part of its corporate strategy, the Group implements initiatives designed to reduce barriers and foster equal opportunities, such as advancing gender balance, supporting employees from diverse backgrounds and ensuring accessibility for individuals with disabilities. These principles are brought to life through comprehensive training programs that promote respectful interactions, raise awareness of unconscious bias and strengthen inclusive leadership, complemented by sessions on preventing harassment and enhancing disability inclusion. Employee resource groups, including Erste Women's Hub, Erste Colours and Erste Ability, further reinforce representation and create spaces for dialogue and belonging. All measures are embedded within the Group Diversity and Inclusion Policy, which ensures accountability, clear governance structures and dedicated resources to sustain progress and uphold the inclusive mindset that defines Erste Group.

### Group Diversity and Inclusion Policy

Erste Group's Diversity and Inclusion Policy addresses sustainability matters related to diversity, gender equality and discrimination. Promoting diversity within the organisation fosters an open and inclusive corporate culture, which positively impacts equal opportunities for its employees, so that they can develop and grow within Erste Group's organisation.

The Group Diversity and Inclusion Policy addresses both the positive and potential negative impacts. In terms of positive impact, fostering an inclusive corporate culture includes supporting employee networks that represent demographics that might otherwise face potential exclusion, the policy defines diversity dimensions such as ethnicity, gender, sexual orientation, gender identity, social economic status, age as well as cognitive dimensions. In terms of potential negative impact, the policy highlights the importance of creating a discrimination-free workplace as a foundation for an inclusive culture. This is reinforced through designated focal persons (such as an ombudsperson or anti-discrimination officer) who handle complaints accessible processes for all employees and track the frequency and type of complaints related to discrimination, as well as, ongoing training, such as unconscious bias and anti-harassment programs that strengthens awareness and prevention.

The Group Diversity and Inclusion Policy describes roles and responsibilities, as well as general guidelines for developing, implementing and adjusting diversity and inclusion strategies and targets. Group Diversity coordinates the implementation of D&I initiatives across business units and countries, advises the Holding Board and top management on D&I matters through regular reporting and monitors progress to ensure strategic consistency. The Holding Management Board approves the Group Diversity and Inclusion Policy.

The Group Diversity and Inclusion Policy covers employees of local banks in Erste Group's core markets (Erste Group Bank AG, Erste Bank Oesterreich, Česká spořitelna, Banca Comercială Română, Erste Bank Hungary, Slovenská sporiteľňa, Erste & Steiermärkische Bank (Erste Bank Croatia) and Erste Bank a.d. Novi Sad (Erste Bank Serbia)), with the respective entities responsible for their local subsidiaries. The Management Board holds the highest level of accountability for the implementation of the policy. It refers to Erste Group's Code of Conduct, which aligns with third-party standards such as the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights. The Group Diversity and Inclusion Policy is communicated to all employees through Erste Group's intranet.

## **S1-2 – PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS**

As a responsible employer, Erste Group recognises the importance of engaging with its workforce and workers' representatives to understand the impacts of its operations on its employees. One approach that Erste Group takes to foster positive impacts and mitigate negative impacts is by promoting a feedback culture. The company supports this culture by providing many channels for direct and indirect engagement with employees, managers, teams and communities. This gives employees ample opportunities to voice their views and concerns and provide feedback on matters of training and skills development, diversity and equality and any other topic.

The Management Board, particularly the CEO, is entrusted with the responsibility of managing the organisation in a manner that serves the best interests of the company, while considering the interests and concerns of the employees.

### **DIRECT ENGAGEMENT**

Erste Group engages with its employees directly through annual one-to-one performance reviews, through the Group internal social network, via the Group engagement survey or indirectly via representative bodies such as works council. Employee engagement activities take place at both the organisational level and lower ones such as team, project or community level.

#### **Performance reviews**

Skills development management at Erste Group is driven by constructive feedback and a fair and transparent assessment of individual potential. The individual performance review meeting takes place annually between the direct superior and the employee. During the performance review, the contribution and impact the employee has made to the company's success and employee's personal development plan are discussed. The department management (B-1), as the most senior role, is required to consider the results of these discussions and have an overview of performance and impact in their area of responsibility. Additionally, assessments of long-term performance and potential of individuals can be made during talent reviews / succession planning sessions throughout the year.

#### **Group-wide internal social network**

In 2024, Erste Group's internal social network was successfully launched for all employees. It is part of the communication platform 'echo'. The internal social network is an interactive and easy-to-use communication channel, which fosters dialogue between employees. It increases visibility and interaction across country and entity borders and establishes a unique and shared employee experience. Additionally, this tool is useful for top management to share and discuss current topics, initiatives and events with all employees.

Overall, Erste Group's internal social network is very well received by employees. As of the end of December 2025, there are 20 active group-wide communities (2024:14) in which employees exchange knowledge about ESG, Artificial Intelligence, Tech trends, etc. or get together to support each other e.g. Queer and Allies community, Erste Colours community, Ability and Inclusion, community Women's Talk, Gen Z Community. Furthermore, there are more than 300 country- and institute-specific communities (2024: 270) in place. Group Communications together with the local Communications Departments are responsible to develop the communication platform enhancing employee experience and strengthening its group-wide governance.

## Engagement survey

Erste Group aims to improve its workplace culture by actively listening to employees and acting on their feedback. The employee surveys provide insights into employee engagement, identifying both strengths and areas for growth. Erste Group aims to conduct the survey on a yearly basis. The People & Culture team is responsible for coordinating regular engagement surveys at the group level.

The employee engagement survey serves as a highly valuable mechanism for receiving feedback from employees which influences decisions directly. The transparent nature of the results and feedback obtained from the survey enables the implementation of an effective improvement and action plan. These results are presented to local management boards and the Holding Board at the group level. Teams are encouraged to work on improving identified areas at a team level. Furthermore, areas that require improvement as well as a summary of actions and approaches on country level are made available to all employees on the intranet. The results are handled under strict confidentiality. All participants are informed of the confidentiality framework at the beginning of the survey. In addition, the principles governing confidentiality are clearly outlined in the intranet FAQs. Employee perspectives are integrated into the decision-making process, and employees are informed about how their feedback has influenced decisions through their managers and HR Business Partners in the first place. In addition, each country has established its own follow-up process, tailored to local needs and organizational context. An example is the introduction of the so-called role of 'Magic Advisors' in some entities to customise actions within their own teams based on the team's feedback in the engagement survey.

In 2025, Erste Group conducted an employee engagement survey to measure employee engagement and help make Erste Group the best workplace it can possibly be. More than 44,000 people (2024: 40,000) were invited and more than 36,000 employees (2024: 32,000) participated, achieving a response rate of 82% (2024: 81%). Their ratings and more than 57,000 comments (2024: 37,000) contributed to a group-wide Employee Engagement Index score of 80 out of a possible 100 points (same as 2024). To ensure a positive impact of the survey on the employees, a follow-up process to discuss feedback with employees and plan the next steps was initiated at various levels across the Group. Group results and country results together with analyses of employees comments and action steps are presented to the Holding Management Board.

## INDIRECT ENGAGEMENT VIA WORKER'S REPRESENTATIVES

In accordance with legal requirements, Erste Group involves its employees in management decisions via representative bodies in matters that directly affect employees.

In Erste Group Bank AG, as required by law, four times a year the works council meets with the Management Board. In addition, People & Culture routinely convene with the works council to hold discussions and keep a steady line of communication. The works council informs regularly employees about current topics, developments and actions, so that it keeps them up to date, demonstrating the effectiveness of indirect engagement with employees.

The main tasks of the works council are:

- \_ representing the economic, social, health-related and cultural interest of employees,
- \_ safeguarding the interests of employees with regard to the employer,
- \_ monitoring adherence to laws relating to employees, payment of salaries, occupational health and safety,
- \_ intervening to ensure compliance with employee-related legislation, improving working conditions and setting up/organising in-company training,
- \_ two-way sharing of information: from the Management Board to the works council and from the works council to the employees and vice versa,
- \_ employee counselling and consultations with the employer on current and individual matters.

The local banks in Erste Group's core markets (Erste Group Bank AG, Erste Bank Oesterreich, Česká spořitelna, Banca Comercială Română, Erste Bank Hungary, Slovenská sporiteľňa, Erste & Steiermärkische Bank (Erste Bank Croatia) and Erste Bank a.d. Novi Sad (Erste Bank Serbia)) have different forms of employee representation based on local legislation. They are represented through trade unions or work-councils under national legislation at the company level. The subsidiaries continuously collaborate with employee representation bodies at the strategic and operational levels and arrange regular meetings between the local management board and the representative body. Collective agreement is conducted between the representative bodies and government bodies. The majority of the Savings Banks in Austria have their own works councils. The respective councils collaborate with one another and meet three to four times per year to align on key objectives.

Employees are welcome to contact the works council at any time through a channel of their preference such as email, phone, Microsoft Teams Call, or personally to ask for support or raise concerns for individual matters. Once an employee reaches out, a meeting, either in person or online will be arranged with a member of the works council, which will consult the employee and will handle this information with highest confidentiality. If it becomes necessary to involve the employee's line manager to resolve the

matter, the works council will do so given that the employee agrees. Should a follow-up meeting be required, it will be scheduled accordingly.

Regular engagement between management and representative bodies occurs as required by local law. Works council delegates participate in the employer's supervisory bodies, with one third of the members representing employees. By law, the works council is either proactively or, upon request, promptly and fully informed about all significant matters of business management. Within its consultation rights, the works council must be heard and may submit proposals that the employer is required to consider in planning and decision-making. Based on this process, works agreements mandatory, enforceable, or voluntary may be negotiated.

Erste Group has concluded an agreement with 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 those countries in which Erste Group operates and which have entered into an association agreement with the European Union.

## **ENGAGEMENT WITH VULNERABLE GROUPS**

To gain insights into the interests of employees who are part of vulnerable groups, Erste Group has established various initiatives such as Erste Colours, Erste Ability and a group-wide social network to get valuable insight to the views of all its employees including vulnerable people or queer people (for more information, see chapter [SI-4](#)). The Holding Board is informed about activities and enters the dialogue with employee network groups.

## **S1-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS**

Processes to remediate negative impacts and channels for the own workforce to raise concerns are crucial for any organisation that cares about its employees' satisfaction and engagement. Erste Group takes this responsibility seriously and is committed to address any material negative impact on its workforce that it may cause or contribute to, with special attention to equal treatment and discrimination. Erste Group identifies and assesses negative impacts through employee engagement surveys, feedback mechanisms between managers and employees as well as incident reporting systems through dedicated channels. Furthermore, Erste Group investigates reported issues to understand their root causes.

When a negative impact is identified, Erste Group takes steps to provide remedies, which may include:

- \_ providing access to counselling and support services,
- \_ implementing corrective actions, such as policy changes or additional training,
- \_ engagement with employees and their representatives to ensure that the remedies provided are fair and effective.

To ensure effectiveness, Erste Group monitors the outcomes of its remediation actions through feedback from affected employees and engagement surveys.

### **Approach to remediation of discrimination and gender equality**

To remediate cases of discrimination, Erste Group has established specific channels and processes to enable employees to raise their concerns. Each entity has its defined anti-discrimination approach. Erste Group's employees can address their concerns regarding any type of discrimination, including gender equality and equal pay for work of equal value.

Erste Group's entities have aligned the anti-discrimination processes with their respective local legal requirements and Erste Group's values. The objective is to ensure a zero-tolerance for unacceptable behaviour in the workplace, including discrimination, harassment, bullying, mobbing, violent behaviour, gender-based discrimination and to provide all employees with the necessary channels to submit complaints and fully exercise their rights. The banks have respective policies or internal acts regarding anti-discrimination, for instance in Bosnia and Herzegovina (Labour Regulations of Sparkasse Bank dd BiH and Code of Ethics), Czechia (Code of Ethics and Work Rules), Hungary (Code of Ethics), Montenegro (Whistleblowing Policy and Code of Ethics), North Macedonia (Workplace Harassment Protection Law and Discrimination Law), Poland (Good Conduct Policy, Anti-mobbing Policy, an Anti-discrimination Rules within the Work Regulations), Slovakia (Whistleblower app), Serbia (Whistleblowing Policy and Code of Conduct), Croatia (Whistleblowing policy, Labour Regulation Rulebook, and Anti-discrimination Officer), and in Slovenia (Internal procedure, and assigned officers for handling complaints and remediation).

These policies and internal acts are available on the entity's intranet and the employees are informed about the respective local laws during the onboarding process. Depending on the entity, employees can file complaints to the Anti-discrimination Committee, Committee of Ethics, the Internal Ombudsman, the Ethics Manager, Head of HR Employee Care Department, or the Head of local unions, authorised individuals from Human Resources or Legal or mobbing officers. For more details refer to chapter [SI-4](#).

### Channels to raise concerns

As already described, Erste Group has established multiple channels through which employees can raise concerns and have their needs addressed by the company:

- \_ line manager as the first contact point to raise any concerns,
- \_ whistleblowing process (see chapter *G1-1*),
- \_ worker's representatives, e.g., local works councils,
- \_ employee survey,
- \_ performance reviews,
- \_ contact with the Anti-Discrimination Officer, ethics manager, ombudsman office, or specially trained people.

Each entity decides on local initiatives to inform employees about the availability of channels to raise their concerns. One of the options used is to inform newcomers right from the beginning of their employment as part of the onboarding welcome day programme.

Given the highly sensitive nature of the matters addressed through these mechanisms, Erste Group does not currently conduct formal surveys among employees who have used internal grievance or concern raising channels. Protecting the privacy, dignity, and emotional wellbeing of individuals who use these channels is a priority, and Erste Group aims to avoid creating any perception for employees of pressure to evaluate or measure outcomes or individual solutions regarding these sensitive processes.

Nevertheless, Erste Group does obtain insights regarding the functioning of these channels. Employees who make use of the mechanisms frequently provide individual feedback directly to the antidiscrimination officer or other designated contact persons. While this feedback is not collected or recorded as part of a formal measurement system, it provides qualitative indications of experience and trust employees have in the process. In addition, Erste Group monitors whether individuals escalate their concerns to external bodies after having used the internal channels. Such escalation occurs only in rare cases, which Erste Group interprets as an indirect indicator that the majority of users find the internal resolution process adequate and effective.

The channels through which employees can raise their concerns and needs are well-established, as dialogues with line managers and the employee survey occur regularly. Due to the consistent rhythm of engagement opportunities and the multitude of channels available for employees to raise their concerns and issues, the measures taken to improve employee matters are regularly monitored with consideration to employee interests at the local entity level. On a group level Erste Group can assess the effectiveness of the whistleblowing channel which also includes reports related to unacceptable behaviour. The measures taken based on the whistleblowing reports are provided to the Management and Supervisory Board. In addition, the Head of Group People & Culture is a member of the Whistleblowing Committee which indicates that cases related to its employees are given special attention.

## **S1-4 – TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE AND EFFECTIVENESS OF THOSE ACTIONS**

Group People & Culture identifies necessary and appropriate actions in response to actual or potential negative impacts on the workforce through structured processes embedded in the People & Culture strategy and Group policies. To ensure that organizational practices do not cause or contribute to material negative impacts on its own employees, Group People & Culture works in close cooperation with employee council and where relevant also other departments.

Erste Group has implemented various actions to address the material topics of gender equality, training and skills development and diversity to demonstrate a commitment to preventing, mitigating and remedying significant negative impacts while especially contributing to achieving positive impacts and pursuing opportunities. Erste Group has established group policies that provide a framework for its approach to these material matters (listed in chapter *S1-1*). The local policies in each entity respect the local legal framework of the country in which they operate and are in line with the group policies through a rollout implementation process.

Financial and other resources for actions related to Erste Group's own employees are allocated locally based on the strategy of each entity, however mostly in local human resources departments. The actions are taken in the reporting year and are also planned to continue in the future to bring a continuous positive impact on the employees and to mitigate the negative impact of gender pay gap to ensure continuous gender equality and preventing potential negative impact of discrimination.

The actions presented in the table below reflect a broad set of Group practices designed to support employees across Erste Group's entities. Group-wide measures, such as those embedded in the Remuneration Policy and Group Code of Conduct, apply to all Erste Group entities. This include equal opportunities, diversity and inclusion, fair working conditions and remuneration and anti-discrimination and respectful behaviour in the workplace. Initiatives under the People & Culture Strategy and the Succession

Policy are primarily implemented across the major banking entities in the local markets. Together, these actions ensure a consistent, responsible and employee-focused framework across the entire Group and contribute to effectively addressing material impacts on the workforce.

Sub-topic	List of key actions	Policy
S1-Gender equality and equal pay for work of equal value	Hiring and Succession Planning Standards based on Women Career Index Performing a Gender Pay Gap Analysis	Group Remuneration Policy Group Diversity and Inclusion Policy
S1-Training and skills development	Skills-based development talks and upskilling Employee development	Group People & Culture Strategy
S1-Diversity	Employee Resource Groups: Erste Colours, Erste Women's Hub & Erste Ability Discrimination prevention strategies	Group Diversity and Inclusion Policy

## GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE

Erste Group reaffirms its strong commitment to advancing gender equality and ensuring equal pay for work of equal value. In 2025, the Group continues to actively work on targeted measures derived from the Women Career Index (FKi) initiative focusing on strengthening gender equality, increasing female representation in leadership and supporting career development for women and maintain monitoring and steering of the gender pay gap, reinforcing its dedication to creating a fair and inclusive workplace.

### Hiring and Succession Planning Standards based on Women career index (FKi)

Building on last year's comprehensive analysis, Erste Group continued its commitment to fostering equitable career development for women across the organization. The index model applied offers strategic insights into organizational structures and readiness for change, serving as a benchmark across industries. The FKi is an ongoing initiative that involves all local banks in Erste Group's core markets. Data collection is conducted in a regular cycles.

In 2025, the focus shifted towards translating these insights into tangible actions. Based on the group-wide findings, two overarching measures were developed to advance equal opportunities: the establishment of inclusive hiring and succession planning standards. Additionally, each local bank defined at least one tailored initiative, which is currently being implemented.

### Gender Pay Gap Analysis

The aim of the gender pay gap analysis group initiative is to have a common approach group-wide, to use a common methodology, common definitions and the same certification. The gender pay gap is measured as an unadjusted index and also as an adjusted index where structural explanatory factors are taken into account. More information is provided in chapter [S1-16](#). Coordination of the actions lies in group and local People & Culture departments.

A gender pay gap calculation of unadjusted gender pay gap is performed for all employees. Analyses of the structural impacts and adjusted gap are performed for more than 80% (2024: 80%) of employees (excluding students and trainees). The objective of this action is to bring group-wide transparency on equal gender opportunities and remuneration.

Ensuring balanced nominations in talent management, conducting hearings for all positions, targeted coaching, balanced succession lists and conducting a group-wide diversity audit are actions to balance gender representation in management positions and to target the negative impact of gender pay gap in the entities in scope of the Group Diversity Policy and the Group Succession Policy.

Via regular review and adjustment, Erste Group hopes to prevent negative impacts. The actions related to the sustainability matter of gender equality and equal pay for equal work are monitored through the established targets concerning gender representation and are continuously assessed for their effectiveness (for more information, see chapter [S1-5](#)).

By implementing these initiatives and setting targets on balanced gender distribution in the top-management, the organisation fosters a more inclusive and diverse environment, where equal opportunities and remuneration are provided for all employees.

## TRAINING AND SKILLS DEVELOPMENT

Erste Group fosters continuous learning and development, recognizing the opportunity and potential of technology and artificial intelligence. Through tailored trainings and further education in technology and AI, Erste Group improves and empowers employees professional skills and qualifications leading to company competitive advantage in shaping a future-ready organization.

To strengthen and support training and skills development, Erste Group places focus on future-ready skills like data literacy and Artificial Intelligence. A comprehensive approach includes specialised trainings on data and AI, performance reviews and development talks, and targeted leadership and employee development programs.

To evaluate the impact of its individual and team development initiatives, Erste Group evaluates by participant numbers, trainings demand and qualitative feedback.

### **Skills-based development talks and upskilling**

Development discussions and performance reviews play a central role in identifying and cultivating future relevant capabilities. Annual development cycles are being strengthened with skills-based development talks, profiling individual skills such as those related to AI and digital literacy, and helping to establish development plans. By integrating technology and AI related skill development into these processes, Erste Group can direct employees toward tailored training and continuous learning pathways that enhance their professional qualifications in identified job positions. This targeted investment in upskilling not only strengthens digital readiness but also creates financial opportunities for the organization: improved productivity, more efficient workflows, reduced operational risks, and accelerated product innovation. Through structured feedback and development planning, the Group ensures that individual growth ambitions align with strategic business needs and equip employees in identified job positions to leverage technological advances for sustainable performance and value creation.

As Erste Group initiated a skills management initiative and started alignment on group-wide standardized skills catalogue in 2025, AI literacy and digital literacy are core skills, with structured evaluations and gap analysis processes to be implemented. This will ensure that Erste Group's employees are equipped to drive innovation, engagement and long-term value creation.

The employee performance talks with line managers is a group wide current measure. These employee interviews are a long-term initiative designed to achieve a sustained impact. The interviews take place on a yearly basis.

The opportunity effectiveness of qualified high skilled employees with greater employee engagement and productivity is not directly measurable with any specific indicator but can be visible in a long run through improvements in processes and products that indirectly contribute to the financial result of the company.

### **Employee development**

At Erste Group, using technology and Artificial Intelligence are important elements that are embedded in the learning and development initiatives, ensuring a consistent baseline across functional and leadership programs, aiming to prepare employees and leaders to navigate transformation and leverage innovation effectively.

Erste Group provides centrally managed group-wide learning programmes as well as country-specific personalised development offers. Specialised training in Austria and across the group covers areas such as corporates & markets, finance including controlling, asset/liability management, accounting, data excellence and AI knowledge. These programmes are a current long-term initiative designed to achieve a sustained impact. All these programmes are offered on a yearly basis and have been running for several years.

The newly introduced group-wide Learning Week further connects learning to strategic priorities. Each day featured 5 sessions on future skills and updates on digital internal projects, showcasing also specific examples on applying digitalisation and using AI. The program was openly available to the employees and the recordings made available afterwards.

In line with the business strategy, enhancing the Data and AI knowledge and capability across the organisation has been defined as one strategic goal for upcoming years. In partnership with Group AI Office, learning journeys for various target groups have been designed and implemented based on the role-specific skills expectations. The learning journeys consist of a mix of various formats, from AI Literacy web-based training available for all employees, webinars and specialised trainings and seminars.

In addition, senior leaders across the group attended an AI for Executives programme, focused on gaining a solid understanding of AI as a catalyst for innovation and source of competitive advantage and discovering opportunities to create value through AI implementations.

All courses and programmes are easily accessible and bookable through the Learning Management System. Erste Group continually updates learning materials to reflect changes in regulations and offer training in fields like risk management, security and compliance. The accessibility of learning offerings is constantly enhanced by the extensive implementation of digital learning formats.

## **DIVERSITY**

Diversity initiatives, such as groupwide trainings, employee networks and various diversity events that specifically address vulnerable groups at risk of exclusion make a significant contribution to fostering an inclusive corporate culture at Erste Group.

These measures create an open and supportive environment where equal opportunities are prioritized, enabling employees to feel valued and empowered to realize their full potential.

Throughout 2025, Erste Group has consistently advanced its diversity focus areas with a clear strategic approach. A strong foundation was established across the Group, including the implementation of key trainings in local languages such as 'Fostering Respectful Interactions' and 'Recognizing and Preventing Sexual Harassment'. In addition, to mark the International Day of Persons with Disabilities, Erste Group launched its first Group-wide Disability Awareness Day on December 3, aimed at raising awareness and fostering inclusion in the workplace.

Together with the ongoing development of Employee Resource Groups and inclusive leadership initiatives, these efforts reflect the long-term commitment of Erste Group to embedding diversity and inclusion into its organizational culture and to fulfilling the Group-wide gender targets.

### Employee Resource Groups

Erste Group fosters a diverse and inclusive workplace through several ongoing active Employee Resource Groups (ERGs). These groups are dedicated to promoting equal opportunities, empowerment and visibility for employees from underrepresented or vulnerable communities – including women, queer individuals and people with disabilities.

Through tailored formats, ERGs create spaces for networking, dialogue and peer support. Their initiatives contribute meaningfully to building an inclusive culture and complement the Group's broader diversity and career development efforts.

Erste Colours advocates for the agendas of queer people. The group initiates and organises various events and content formats throughout the year with the goal to raise awareness for LGBTQIA\* people and their challenges. The Employee Resource Group supports the organisation of Erste Group's appearance at Vienna Pride, one of Erste Group's partnerships.

Erste Women's Hub is a network for women in Austria that has been providing a platform for exchange, networking and career development for over ten years. It empowers women to share innovative ideas and actively shape their professional paths. As a catalyst for personal and professional growth, the network plays a key role in promoting gender equality across all levels of the organisation. A new working group, NextGen Woman, started its activities with a focus on next generations.

Erste Ability is Erste Group's network focused on disability inclusion. It aims to raise awareness, break down taboos and provide a platform for knowledge sharing and networking. This year, the breakfast events continued to be well attended, reflecting strong interest and engagement. The Erste Ability Leo Talks format has also become well established, offering valuable support to employees navigating disability in the workplace. All initiatives under Erste Ability are designed to promote openness, understanding and equal participation and are aligned with Erste Group's broader diversity and inclusion goals.

The Employee Resource Groups are mainly active in Austria and Hungary. In the other core markets, initial activities have been established and are gaining visibility and significance. These resource groups are playing an increasingly important role at the local level by fostering exchange, enabling empowerment and contributing to the integration of diversity and inclusion within the respective local entities. These groups are designed for the long term and will continue their work in the future.

The initiatives of the Employee Resource Groups are regularly evaluated by participant numbers and qualitative feedback.

Resources for actions related to diversity matters are allocated in diversity teams locally and on the group level. Budget for group diversity trainings is coordinated and allocated in the group diversity team on a yearly basis.

### Discrimination prevention strategies

In alignment with the Group Diversity and Inclusion Policy, the establishment and maintenance of a discrimination-free environment is recognised as fundamental to fostering an inclusive workplace culture. This commitment applies to Erste Group's employees and represents an ongoing initiative across all time horizons to prevent potential negative impacts. Workplace discrimination can profoundly impact vulnerable groups of employees by fostering a hostile and unsafe work environment. These issues can lead to heightened stress and anxiety, making these employees feel unsupported and excluded and might affect their mental and physical health.

As a foundational measure, group-wide trainings on 'Fostering Respectful Interactions' and 'Recognising and Preventing Sexual Harassment' are being implemented to raise awareness, build competencies and strengthen a shared understanding of respectful workplace behaviour.

In **Austria**, the Anti-Discrimination Officer provides advice and mediates in cases of harassment, discrimination, or bullying. Advice for employees is confidential and accompanied by a structured conflict resolution process, if required. The primary focus is

on raising awareness and improving processes, behaviour and organisational issues among both management and employees. The Anti-Discrimination Officer is also the contact person for 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. Measures, remediation processes and consequences are described in the Works Agreement on Anti-Discrimination and Respectful Behaviour in the Workplace which is communicated to the employees on Erste Group's intranet.

An anonymised report prepared by the Anti-Discrimination Officer covers, among other things, the reported cases of discrimination. The report is communicated to the Management Board, People & Culture department and the employees' council. Awareness-building and prevention measures implemented by the Anti-Discrimination Officer in cooperation with management are instrumental for remediation. To support these efforts, unconscious bias training is offered to make employees aware of unconscious prejudices and help them act more sensitively.

The **Banca Comercială Română** has specific procedures and guidelines in place, in line with EU and local legislation and has established dedicated channels and processes to enable employees to raise their concerns and get negative impacts remedied. The objectives of such guidelines and processes are to ensure a zero-tolerance policy for harassment in the workplace and to provide all employees with the necessary tools to fully exercise their rights. All concerns and complaints regarding the harassment and discrimination in the workplace are managed by a committee comprised of members representing Compliance, Legal and People and Culture Divisions, all experts in equal opportunities. The Committee is responsible for receiving, investigating and solving harassment and/or discriminations allegations. Each case is taken seriously and treated with promptness and confidentiality. If the case is classified as a harassment incident, it may be subject to appropriate disciplinary sanction according to the provisions of the Internal Regulation.

In **Erste Bank Hungary**, the Code of Ethics contains the discrimination- and harassment-related rules and procedures. There is an anonymous reporting line where employees can report and describe their complaints. The compliance department is responsible for exploring and assessing the situation. Any subsequent decisions are made by the Committee of Ethics.

**Česká spořitelna's** Code of Ethics and Work Rules is based on legislation and describes a zero tolerance for discrimination. At Česká spořitelna, employees can report discriminatory or inappropriate behaviour to the internal ombudsman, the ethics manager, or through the whistleblowing process. The internal ombudsman is an impartial body that discreetly handles employee complaints. Each reported complaint is formally investigated by the internal ombudsman, who is specially trained in such investigation and mediation. The whistleblower is guaranteed absolute anonymity and protection. The entire process is described in an internal procedure.

In **Slovenská sporiteľňa**, complaints can be reported via the whistleblower app EMUS or according to the valid procedure using either the Head of HR Employee Care Department or the Head of local Unions. Reported concerns are officially investigated in the Compliance and Human Resources departments. Investigation and mitigation are conducted by specifically trained persons in absolute anonymity and protection. The process is described in the local procedure. Based on the Employee wellbeing strategy SLSP introduced PEER TO PEER Program as a highest level of employee crisis intervention – 19 fully certified SLSP employees have been trained as internal crisis intervention specialists and provide first detections across whole of Slovakia as a part its voluntary mission.

In **Erste Bank Croatia**, discrimination complaints are processed in accordance with legal requirements and Erste Group values. Any grievance can be filed with the 'Authorized person' named by the Management Board. The 'Authorized persons' usually include employees from Legal and People & Culture who ensure due process and provide support to employees. Special attention is also paid to the implementation of prevention measures in close cooperation with the works council and other employee representatives as well as management training programs, in particular the 'Start program,' where managers are trained in the core values and obligations of Erste Group towards its employees.

In **Erste Bank Serbia**, members of the bank's local People & Culture team mediate or take action in case of complaints. They also track the frequency and type of complaints. To prevent unwanted behaviour and motivate employees to report any problem, 'HeartCount' was established in 2023. HeartCount is a communication tool between employees and Erste Bank Serbia. It enables the bank to respond instantly, eliminating uncertainties at their source and preventing them from escalating into dissatisfaction. Erste Bank Serbia uses HeartCount semi-transparently, with only part of the People & Culture team having access to the data, while other employees can only view overall statistics. There is also an Anti-Bullying Counselling Centre, which is made up of bank employees from the bank's Trade Union Board. The Counselling Centre works in coordination with the Ministry of Labour and Social Policy, the Labour Inspection and the Agency for the Prevention of Abuse at Work. The Centre monitors the resolution of complaints filed. Complaints can also be submitted anonymously. Erste Bank Serbia has appointed an authorized individual to receive information and conduct procedures related to internal whistleblowing, ensuring that whistleblowers are protected in accordance with the law.

## S1-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS AND MANAGING MATERIAL OPPORTUNITIES

Target setting is an important practice in an organisation, as it helps to focus efforts and resources towards achieving specific goals. While Erste Group does not set measurable targets to track the effectiveness of all policies and actions on the group level, Erste Group has specific targets related to the material matter, gender equality and equal pay for work of equal value. Increasing the number of women in top-management positively influence the unadjusted as well as adjusted pay gap. These targets are published in the Group Diversity and Inclusion Policy and fosters equal professional development to ensure equal opportunities for all genders.

On group level Erste Group wants to create equal opportunities regardless of gender and to remediate the impact of the gender pay gap by balancing gender distribution in top-management positions (board level and B-1). Targets for local banks in Erste Group's core markets (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)) in areas of gender representation in management board positions and B-1 level management have been defined.

Erste Group sets targets only for gender equality matters because it gives the respective institutions in the group the freedom to decide what the optimal goal is in their local environment for topics such as average training hours, percentage of part-time employment, percentage of performance evaluation or average sick days. As Erste Group does not have any other targets related to the other sustainability matters, it tracks the effectiveness of the policies and actions in relation to material IROs at group level via its engagement survey. Qualitative analyses of employee surveys provide insight into the long-term effectiveness of the measures implemented. Recognised fields for improvement and results are transparent and available on Erste Group's intranet.

### Target on gender representation in management boards and board-1

The target on gender representation in management boards aims at a minimum of 30% representation of the underrepresented gender in management board positions by 2028 for each local bank in each core market.

The following target aims at a minimum of 33% representation of the underrepresented gender in board-1 positions by 2028 for each local bank in each core market. These targets are linked to Erste Group's Group Diversity and Inclusion Policy and Group Suitability and Succession Policy and address the material matter, gender equality and equal pay for work of equal value. By setting the targets to support women in the top-management position, Erste Group aims to mitigate the negative impact of the unadjusted gender pay gap that is focused on the prevalence of men in better paid management job roles.

The Group Diversity Management team within the People & Culture department reviewed the proportion of women in management positions over previous years and assessed the need for target setting for local banks in core markets. Employees or workers' representatives were not involved in the process of setting these targets. Given the low number of B-1 positions and limited turnover in these roles, targets were defined with a medium-term perspective. Considering the different starting points across individual banks, a target of 33% for the B-1 level was agreed upon after alignment with the Holding Board. These targets have been formally embedded in the Group Diversity and Inclusion Policy. Performance against these targets is monitored quarterly by the Group Diversity team in collaboration with local diversity teams. In case of deviations, the teams jointly analyse underlying reasons and identify measures for improvement.

The target encompasses the following local banks in core markets: (Erste Group Bank AG, Erste Bank Oesterreich, Česká spořitelna, Banca Comercială Română, Erste Bank Hungary, Slovenská sporiteľňa, Erste & Steiermärkische Bank (Erste Bank Croatia) and Erste Bank a.d. Novi Sad (Erste Bank Serbia)).

For six years, Erste Group has utilised dashboards to measure progress. The first diversity policy was introduced in 2017 with one common target for entities in scope valid for both board members and B-1. The most recent major update of the diversity targets was carried out in 2023. As baseline values for individual targets per entity in scope, separately for gender representation by board members and B-1, the values of 2022 were considered (28% share of women in top-management). The current target horizon extends until 2028.

The Group Diversity's proposal for diversity targets in top management was approved by the Holding Board, following an analysis of the current situation at the banks in the core markets. In 2025, no adaptations were made to the targets. Since the targets are set until 2028 (medium-term), there is no need to update them regularly unless a new regulatory change or a change in strategy occurs. The diversity dashboards are updated quarterly and made available to top management on an ongoing basis.

## Proportion of women in top-management

	Underrepresented gender in management board					Underrepresented gender in board -1				
	2022	2023	2024	2025	Minimum target by 2028	2022	2023	2024	2025	Minimum target by 2028
Erste Group Bank AG	16.7%	16.7%	20.0%	20.0%	30.0%	17.9%	30.8%	30.8%	33.3%	33.0%
Erste Bank Oesterreich	50.0%	50.0%	50.0%	66.7%	30.0%	26.9%	43.5%	47.6%	37.0%	33.0%
Erste Bank Hungary	20.0%	16.7%	16.7%	16.7%	30.0%	34.5%	37.0%	32.1%	31.3%	33.0%
Česká spořitelna	16.7%	16.7%	16.7%	16.7%	30.0%	20.0%	13.0%	20.0%	26.2%	33.0%
Slovenská sporiteľňa	0.0%	0.0%	0.0%	0.0%	30.0%	34.6%	33.3%	29.2%	32.0%	33.0%
Banca Comercială Română	60.0%	60.0%	50.0%	60.0%	30.0%	26.1%	34.8%	33.3%	26.1%	33.0%
Erste Bank Croatia	0.0%	0.0%	20.0%	20.0%	30.0%	43.5%	43.5%	43.5%	40.9%	40.0%
Erste Bank Serbia	50.0%	50.0%	50.0%	50.0%	30.0%	40.0%	50.0%	47.8%	52.2%	33.0%

Targets are monitored and reviewed quarterly. No straight linear progress has been expected as it needs to be considered hand in hand with succession planning for top-management positions. Erste Group believes that the progress of proportion of underrepresented gender in Management Board is on the right track and with effective succession planning the goal in 2028 can be reached. Some of the banks already reached the targets of 30% women in management board, whereas Erste Bank Hungary, Česká spořitelna, Erste Bank Croatia and Erste Group Bank AG are on their way to reach the goal. Slovenská sporiteľňa needs to catch up in both in management board and board-1 in the following years. When it comes to board-1 positions, some fluctuations from one year to another are acceptable, as a positive trend towards reaching the goal in four years' time is anticipated.

## S1-6 – CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

As of the end of the reporting period, 31 December 2025, Erste Group had 49,024 (2024: 49,094) employees. Employees are actively undertaking business activities or rendering service to the reporting company based on their job role for which they are compensated in form of remuneration in line with the Group Remuneration Policy. Number of employees includes also long-term sick leave employees, interns, trainees and apprentices

Data is reported in headcounts (one person = one headcount, irrespective of the number of hours worked) as of the end of reporting period. The headcount measure is the relevant metric for labour law and offers a better representation when it comes to material topics such as training, diversity, health and safety than full-time equivalent measures. The headcount provides a full picture of an organisation's diversity as well as training and skills development efforts irrespective of hours worked. The measurement of all own workforce metrics has not been validated by an external body.

### Employee headcount broken down by gender

Gender	2024	2025
Male	18,628	18,780
Female	30,465	30,244
Other	1	0
Not reported	0	0
<b>Total employees</b>	<b>49,094</b>	<b>49,024</b>

### Employee headcount in Erste Group by countries

Countries	2024	2025
Austria (incl. branches in New York and Hongkong)	19,952	20,111
Czechia	10,374	10,097
Romania	5,259	5,158
Hungary	3,553	3,603
Slovakia	3,536	3,647
Croatia	3,148	3,102
Serbia	1,287	1,292
North Macedonia	655	665
Bosnia and Herzegovina	521	536
Slovenia	399	403
Montenegro	374	373
Poland (Erste Securities Polska)	36	37

The majority of Erste Group's workforce hold a permanent contract. A permanent (unlimited) contract of employment is a contract of unlimited duration including all new employees currently on their probation period who are likely to have their contract made permanent. Temporary employees have limited contracts, here Erste Group includes for instance, interns or some service positions. Most of the active headcount are full-time employees, defined as those with 100% occupancy, i.e. FTE = 1. In some countries where Erste Group operates, its employees use the flexibility of part-time work in more extent than in others.

In Slovakia, Erste Group employs non-guaranteed hours employees, working under agreements on work performed outside an employment relationship according to the Slovak labour code. These contracts speculate the maximum working hours and the agreed amount of working time in the contract shall not be considered as an obligation to work a certain number of hours. Therefore, reported as non-guaranteed hours employees from reporting year 2025 (in 2024 Slovenská sporiteľňa reported 144 non-guaranteed hours employees).

#### Employee headcount by contract type, broken down by gender

Headcount	Female	Male	Other	Not reported	Total
<b>2025</b>					
<b>Total number of employees</b>	<b>30,244</b>	<b>18,780</b>	<b>0</b>	<b>0</b>	<b>49,024</b>
Number of permanent employees	28,130	17,621	0	0	45,751
Number of temporary employees	1,994	1,052	0	0	3,046
Number of non-guaranteed hours employees	120	107	0	0	227
Number of full-time employees	23,142	17,477	0	0	40,619
Number of part-time employees	6,982	1,196	0	0	8,178
<b>2024</b>					
<b>Total number of employees</b>	<b>30,465</b>	<b>18,628</b>	<b>1</b>	<b>0</b>	<b>49,094</b>
Number of permanent employees	28,200	17,416	1	0	45,617
Number of temporary employees	2,265	1,212	0	0	3,477
Number of non-guaranteed hours employees	0	0	0	0	0
Number of full-time employees	23,635	17,408	0	0	41,043
Number of part-time employees	6,830	1,220	1	0	8,051

#### Employee turnover (including retirements)

	2024	2025
<b>New hires</b>	<b>6,367</b>	<b>5,686</b>
Female	3,809	3,392
Male	2,558	2,294
Other	0	0
Gender not reported	0	0
<b>Leavers</b>	<b>5,995</b>	<b>6,070</b>
Female	3,795	3,863
Male	2,200	2,206
Other	0	1
Gender not reported	0	0
<b>Turnover ratio (%)</b>	<b>12.2%</b>	<b>12.3%</b>

\* Turnover ratio includes employees who leave voluntarily or due to dismissal, retirement, or death in service.

In 2025, employee turnover at Erste Group (total of men and women) was 12.3% (2024: 12.2%). Turnover ratio presents the number of employees who left voluntarily, due to dismissal, retirement or death in service during the fiscal year. The number of leavers does not include employees on parental leave and internal transfers within the group. The employee turnover rate in percent is calculated (based on the BDA formula) as follows: the number of employees who left the company during the reporting period (12 months) is divided by the average headcount (HC) of the reporting year.

Information about average FTEs can be found in the financial statements Note 8 to the Group Consolidated Financial Statements 2025. Using Full-time Equivalent for financial statements, especially in tracking administrative expenses, is generally more effective than headcount as it better represents the cost of labour.

## S1-7 – CHARACTERISTICS OF NON-EMPLOYEES IN THE UNDERTAKING'S OWN WORKFORCE

In addition to own employees, there are 3,469 (2024: 3,104) non-employee workers (headcount as of 31.12.25), which are either self-employed individuals (1,031; 2024: 1,099) or individuals contracted through a third party engaged in employment activity (2,438; 2024: 2,005). Non-employees are contracted for a specific period based on the conditions stated in their contract. As in Erste

Group's operations, employees' contracts prevail over non-employees' contracts, this group of workers represents only 7% (2024: 6%) of total own-workforce headcount. 61% (2024: 57%) of all non-employees in Erste Group are contracted for information technologies (IT) departments. About 27% (2024:23%) of the non-employees in Erste Group work in Hungary. Most of them work in the local IT functions (e.g. developer, tester, etc.) and in outsourced activities in the retail area, such as telesales or mobile bankers. For non-employees, there are currently no policies, actions or targets in place, except for the Group Risk Policy Whistleblowing. Thus, all policies are specifically addressed to Erste Group's own employees. Additionally, actions, targets, metrics and engagement and grievance mechanisms are designed to support and benefit its own employees.

## S1-9 – DIVERSITY METRICS

### Employee gender distribution at top management

	Top management (headcount)		Top management (share)	
	2024	2025	2024	2025
Female	128	124	25%	25%
Male	374	363	75%	75%
Other	0	0	0%	0%
Not reported	0	0	0%	0%
<b>Total employees</b>	<b>502</b>	<b>487</b>	<b>100%</b>	<b>100%</b>

The year-on-year decrease in the number of top-management functions (B0 & B-1) is attributable to the consolidation of B-1 mirror positions in Erste Bank AG and Erste Bank Oesterreich. Although two B-1 functions continue to exist across two separate legal entities, they are held by a single individual, counted as one top-management headcount.

Top management is defined as Erste Group Bank AG top management (Management Board (B0) and positions reporting directly to the Management Board (B-1)), in Erste Group Bank AG, Erste Bank Oesterreich, Česká spořitelna, Banca Comercială Română, Erste Bank Hungary, Slovenská sporiteľňa, Erste & Steiermärkische Bank (Erste Bank Croatia) and Erste Bank a.d. Novi Sad (Erste Bank Serbia) and board members/managing directors (B0) of other subsidiaries with reported own employees. Top-management distribution by gender is reported on headcount bases as of year-end.

The assumption is that board members/managing directors of each subsidiary, no matter the size, is a governing body responsible for the development and success of the entity. They make decisions in the interests of the entity and its stakeholders and ensure that their employees are supported in achieving the entity's objectives.

### Employee age distribution by age groups

	2024		2025	
	Number of employees (headcount)	Share of employees (headcount)	Number of employees (headcount)	Share of employees (headcount)
under 30 years old	8,121	16.5%	8,112	16.5%
between 30-50 years old	28,231	57.5%	27,102	55.3%
over 50 years old	12,742	26.0%	13,810	28.2%
<b>Total employees</b>	<b>49,094</b>	<b>100.0%</b>	<b>49,024</b>	<b>100.0%</b>

Employee age distribution by age groups is reported on headcount bases as of year-end.

## S1-12 – PERSONS WITH DISABILITIES

The number of employees with disabilities in headcount (as of 31 December 2025) is collected using the definition based on the UN Convention on the Rights of Persons with Disabilities. It defines persons with disabilities as those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others. This can be reflected as percentage-based disability ratings or categorization of severity.

Erste Group employs 651 (2024: 643) employees with health disability (disability above 50% or equivalent severity grade) as of 31 December 2025 which represents 1.3% (2024: 1.3%) of the total headcount.

## S1-13 – TRAINING AND SKILLS DEVELOPMENT METRICS

Material matter of training and skills development are tracked by average training hours metrics and the proportion of performance reviews to the foreseen number of performance reviews by the management.

### Training and skills development metrics

	2024	2025
<b>Average training hours per headcount</b>	<b>39.4</b>	<b>39.5</b>
Female	40.1	40.8
Male	38.2	37.4
Other	68.0	0.0
Gender not reported	0.0	0.0
Management functions	43.5	43.8
Non management functions	38.8	39.0

In 2025, Erste Group's employees completed on average 39.5 (2024: 39.4) hours of professional development, thereof women 40.8 (2024: 40.1) hours and men 37.4 (2024: 38.2) hours. Employees in management positions completed an average of 43.8 (2024: 43.5) hours of training. Erste Group monitors average trainings hours by collecting the information per year end for each entity and comparing them to the previous year. The indicator is calculated as the number of training hours in the reporting period of its employees' headcount as of 31. December divided by the total headcount as of 31. December. There is no targeted value on the group level, as for each entity the optimal number of trainings hour might be different. Moreover, the number of training hours may fluctuate throughout the years, as some regulatory training may be required.

Next to employee and leadership development, leadership feedback and enhancing of Data and AI knowledge, performance reviews are one of Erste Group's actions to address the material matter of training and skill development identified in the double materiality assessment.

Generally, employees are invited to a personal performance review with their line managers to talk about their performance, to define goals for the current year and define plans for their further personal development once a year. However, not for all own employees is the performance review planned or foreseen. For instance, when an employee joins the company within the year or when internal procedures foresee that an annual performance review is mandatory only for employees eligible for a bonus. In 2025, appraisal talks were held with 88.7% (2024: 87.9%) of all employees of Erste Group. The figure is reported as the number of performance reviews per active headcount (as of 31. December) during the reporting period divided by the number of total headcount (as of 31. December).

The proportion of reviews to the foreseen number of reviews by Erste Group's local internal procedure is 98.9% (2024: 97.1%). This figure has been derived as number of performance reviews per active headcount (as of 31. December) during the reporting period divided by the number of headcount scheduled for performance review based on internal processes (e.g. based on eligibility for variable remuneration).

### Performance reviews

	2024	2025
<b>Percentage of employees that participated in regular performance and career development reviews</b>	<b>87.9%</b>	<b>88.7%</b>
Female	87,4%	89.0%
Male	88,7%	88.2%
Other	0.0%	0.0%
Gender not reported	0.0%	0.0%
Management functions	91.0%	94.8%
Non management functions	87,5%	87.9%

## S1-16 – REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

Erste Group has identified a negative impact in relation to gender pay gap in the sustainability matter gender equality and equal pay for work of equal value.

Erste Group's approach is to understand the reasons for the gap and bring transparency to what part of the gender pay gap can be explained and foreseen due to job structure and other explanatory factors. Erste Group established a methodology to analyse and monitor the gender pay gap. It aligns on transparent communication and coordinate efforts to mitigate any potential negative impacts on Erste Group's workforce related to gender pay gap within Erste Group.

Erste Group holds a Fair Pay Analyst certification from the Fair Pay Innovation Lab, with its UNIVERSAL FAIR PAY CHECK® recognised as a certification trademark by the European Union Intellectual Property Office. This check integrates different European legislative initiatives into a single procedure, accommodating both current and future legislation, making certification possible regardless of location and applicable laws. The analysis, based on the organisation's internal data, lays the groundwork for accurately determining the necessary steps to implement fair pay. Through this certification, Erste Group underscores its commitment to conducting fair pay analyses correctly.

In Erste Group, the gender pay gap is viewed from two perspectives: an unadjusted pay gap and adjusted pay gap. The unadjusted gender pay gap shows the percentage difference between the average gross pay for women and men. The adjusted gender pay gap shows the percentage difference between the average gross hourly pay for women and men after accounting for factors that typically influence pay. It is calculated using a regression analysis, which is a robust mathematical method to determine how each variable affects each employee's compensation. To support a common methodology over the group, job levelling is used as the main objective factor. This factor explains most differences in pay. On top, age, management responsibility and country specific or even entity specific factors are considered which reflect the local job market. In order to calculate the adjusted pay gap across the Group, the country results were weighted according to the number of employees analysed.

### Unadjusted gender pay gap

In Erste Group, the gender pay gap for its employees is calculated based on an annualized, full-time equivalent measure, as the average pay of all men and women across the group and all job levels, representing the unadjusted gender pay gap. To ensure a consistent and comparable representation across the diverse countries in which Erste Group operates, the Group-level consolidation is performed using a weighted-average methodology. Individual entity results are weighted by their respective headcounts, which also helps to eliminate differences in purchasing power between countries and provides a more accurate and balanced Group-wide view.

### Unadjusted gender pay gap per country

Countries	2024	2025
<b>Erste Group</b>	<b>28.9%</b>	<b>27.7%</b>
Austria (incl. branches in New York and Hongkong)	24.8%	24.6%
Czechia	37.3%	34.5%
Romania	32.1%	30.7%
Hungary	34.4%	32.9%
Slovakia	41.0%	38.4%
Croatia	27.2%	23.8%
Poland (Erste Securities Polska)	57.7%	51.7%
Slovenia	20.8%	19.8%
Serbia	36.1%	36.1%
Bosnia and Herzegovina	35.7%	36.2%
North Macedonia	24.2%	28.2%
Montenegro	25.0%	35.5%

\* Gender Pay Gap figures may slightly vary from published by individual banks in core markets, as banks consolidate based on subsidiary ownership. The country view reflects the geographical location of legal entity.

This unadjusted gender pay gap calculation for Erste Group's own employees in 2025 was 27.7% (2024: 28.9%). This covers all own employees in scope where remuneration data was available through payroll systems.

Variable remuneration is based on the overall performance of the entity and individual performance of each employee. It will be awarded in April 2026. For the 2025 pay gap and remuneration ratio, an estimate of variable remuneration based on 2024 performance (awarded in 2025) was necessary to cover total compensation. For long-term incentive bonus schemes, the awarded variable remuneration is reported, no matter if paid out in the reporting year or in the future.

Erste Group remains committed to progressively reducing the unadjusted Gender Pay Gap across the Group. Erste Group acknowledges that variations in local market structures, regulatory frameworks and the composition of business areas, such as varying gender representation in retail banking versus technology roles, can influence unadjusted pay gap outcomes.

### Analysis of the gender pay gap

Erste Group conducts a more detailed analyses on a yearly basis, to ensure that men and women with comparable jobs or job responsibilities and performing work of similar value are receiving equal pay. In 2024, Erste Group started to analyse the wage data of 38.195 employees across all its core markets and in 2025 increased the scope to 38.726 employees.

Within this scope, the analysis revealed an average global gender-specific pay gap of about 25.9% in 2025 (2024: 26.8%), which is greatly influenced by the distribution of functions among male and female staff. Having a gender pay gap does not mean that women are paid less than men for the same job. Therefore, Erste Group also considers acceptable reasons that explain differences in pay, such as job, experience, location and performance. Following the analysis of Erste Group employees, the adjusted gender pay gap is 2.1% (2024: 2.5%). The Gender Pay Gap analyses shows that, the unadjusted pay gap is driven by job levelling as it is used as the main objective factor. This factor explains most differences in pay. One of the ways Erste Group addresses this topic is by setting the targets for gender representation in top management.

### Remuneration ratio

Erste Group shows the income distribution within the company by comparing the annual total remuneration of the highest-paid person with the median total annual remuneration of all employees in its core markets 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. Variable remuneration paid out in 2025 is considered. For 3% (2024: 3%) of the employees, their salaries were interpolated according to the salary distribution of the rest of the workforce. The remuneration ratio for the 2025 fiscal year is 70.8 (2024: 67.5). It is calculated by means of the following formula: annual total remuneration of the highest-paid employee of Erste Group (CEO) divided by the median annual total remuneration of all employees of the organisation except for the highest-paid person. The calculation incorporates an estimated bonus for the highest earner, Erste Group (CEO), reflecting the full contractual bonus potential together with the applicable bonus pool multiplier.

## S1-17 – INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Erste Group has reported on its approach to complaints, channels to raise them and on remediation of negative impacts in chapters [S1-2](#) and [S1-3](#). Channels for raising concerns have been identified in each entity and the number of complaints submitted to the company's reporting tool has been recorded. There have been in total 28 (2024: 26) reported incidents of discrimination. The data has been compiled in Erste Group's reporting tool in accordance with the ESRS definition.

Entities within Erste Group have implemented processes to mitigate and solve discrimination cases. Erste Group's commitment to providing a safe and inclusive workplace means all claims of discrimination are taken seriously and Erste Group strives to resolve them in a timely and effective manner. As part of these established processes, every employee has the opportunity to have their specific case examined by internal, independent bodies. This ensures that each individual case is followed up accordingly, with empathy and respect for all parties involved as well as utmost confidentiality.

Erste Group strives to resolve matters internally in a respectful manner and in most cases, this approach is successful. If an employee is not satisfied with the outcome, they have the right to seek resolution through an external body. This reflects Erste Group's commitment to fostering a culture of trust, respect and equality throughout its organisation.

In 2025, the company received 156 (2024: 160) total complaints from its workforce regarding various topics related to unacceptable behavior, discrimination, termination of employment and entitlements and workplace management, thereof 56 (2024: 84) in Česká spořitelna. The higher number of complaints in Česká spořitelna reflects the high level of awareness and trust employees place in the Ombudsman function. It demonstrates a strong culture of openness, where employees feel safe to speak up and seek resolution internally. This proactive approach contributes to a respectful, inclusive and well-informed workplace environment. In 2025, the number of complaints reported in S1-17 was reduced in Česká spořitelna due to a methodology alignment with Erste Group Bank AG, so that it now relates only to complaints to its own workforce.

In both 2025 and 2024, there have been no fines, penalties, or compensation for damages resulting from incidents of discrimination and complaints or relating to severe human rights issues or incidents connected to the company's own workforce. No incidents related to human rights have been reported in either 2025 and 2024.

# Affected communities

This chapter focuses on Erste Group’s impact on the communities it touches - defined as people whose community life is influenced by the Group’s activities. It focuses on the sustainability topic of Social Banking, highlighting positive contributions such as improving access to products and services for vulnerable groups and fostering financial inclusion.

## S3 SBM-3 – MATERIAL IMPACT AND ITS INTERACTION WITH STRATEGY AND BUSINESS MODEL

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
S3- Social Banking (entity specific)	Positive impact	By ensuring that financial education programmes, as well as all banking products and services are accessible to marginalised individuals as well as underserved starting enterprises and social organisations/projects, Erste Group promotes their autonomy, social and professional integration and active participation in community life.	Downstream	All time horizons

### SOCIAL BANKING (ENTITY SPECIFIC)

Providing support to society was one of the founding ideas of Erste Oesterreichische Spar-Casse and this continues to shape the Group to this day. Erste Group’s responsibility goes beyond simply financial business to support institutions, initiatives and projects relating to social issues. Therefore, an aspect of Erste Group’s strategy and business model is to provide financial services to socially vulnerable people, small enterprises and social organisations (hereafter referred to as Social Banking clients), including those who would otherwise be excluded from access to financial services, positively impacting those effected. Initiatives supporting the financial health, transparency and inclusivity of these groups are key to its value proposition and helps build long-term relationships while improving their financial autonomy and subsequent wider social impact through capacity building for small enterprises and subsequent job creation and retention. Furthermore, Group Social Banking engages with various social organisations to ensure the effectiveness of its impact throughout the regions it operates in. These efforts ensure a strong socio-economic environment to form the basis for sustainable success.

## S3-1 – POLICIES RELATED TO AFFECTED COMMUNITIES

Impacts, risks and opportunities	Strategy / Policy	Actions	Targets
By ensuring that financial education programmes, as well as all banking products and services are accessible to marginalised individuals as well as underserved starting enterprises and social organisations/projects, Erste Group promotes their autonomy, social and professional integration and active participation in community life.	Social Banking Strategy	Social organisations	
		Microfinancing	Target on Social Banking financing volume
		Time Bank	
		FLiP (Erste Financial Life Park)	Target on FLiP (Erste Financial Life Park)
		Financial Literacy Workshops	

### SOCIAL BANKING

Social banking in Erste Group aims to generate an economic, social and environmental return as well as to support generating jobs by financing social organisations, micro clients/starting entrepreneurs, private individuals and special impact projects with tailor-made solutions and preferential offerings. Financing activities shall directly or indirectly aim to achieve the primary objectives:

- \_ Improving financial stability and inclusion for people on low incomes,
- \_ Enabling job creation and self-employment and
- \_ Fostering social innovations and enlarging the impact of social organisations.

Social banking at Erste Group seeks to strengthen and support communities in the regions where the Group operates in (Austria, Czechia, Slovakia, Hungary, Romania, Croatia, Serbia), focusing on vulnerable groups who might otherwise experience social exclusion and/or are at risk of poverty. This is achieved indirectly by supporting social organisations such as NGOs and social enterprises in increasing their impact and directly by improving access to financial goods and services for vulnerable groups and underserved enterprises. Indirect support focuses on enabling social organisations to deliver essential services and address social

challenges more effectively. To achieve this, Erste Group provides them with financial instruments such as bridge and investment loans and capacity-building programs. These measures help social organisations enhance their operational resilience, expand their reach and amplify their social impact. Direct support targets individuals and small businesses such as starting entrepreneurs that face financial exclusion.

This support contributes to the overarching goal of fighting poverty and increasing prosperity. In order to support sustainable and inclusive/social investments, innovation and job creation, Social Banking benefits from support programs such as EIF guarantees funded by the European Union under the InvestEU Programme. These overarching objectives are linked to specific targets that Group Social Banking has set related to financing and job creation and retention. Further information on these targets can be found under '[S3-5 - Targets related to advancing positive impacts](#)'.

Group Social Banking, which reports to the CEO is responsible for the overall implementation of the Social Banking Strategy. In its impact report, Erste Group Social Banking publishes information related to its activities as well as the direct and intended outcomes of its clients once every two years (the previous version of the Impact Report having been published in 2023). Data in the 2025 impact report was collected through 1,266 (1,190 in the 2023 Impact Report) interviews within its client base. Information about the overarching Social Banking Strategy as well as the Impact Report are publicly available on Erste Group's website.

## **S3-2 – PROCESSES FOR ENGAGING WITH AFFECTED COMMUNITIES ABOUT IMPACTS**

### **SOCIAL BANKING**

Erste Group engages with affected communities through a combination of indirect engagement via social organisations and direct engagement with vulnerable individuals and underserved enterprises on an ongoing basis. These processes aim to identify needs, assess impacts and continuously improve the effectiveness of financial and non-financial support. Social Banking departments are established in all core markets with dedicated full-time employees. The Management Board is entrusted with the responsibility for engaging with affected communities with regards to social banking.

#### **Indirect engagement through social organisations**

Social organisations such as NGOs and social enterprises act as key partners in reaching vulnerable groups and addressing social challenges. Engagement occurs through partnership programs and advisory exchanges to understand emerging needs and to co-design solutions. Capacity-building initiatives, including the High-Impact Enterprises Scaling Programme (Marc), launched in 2024, provide mentoring, training and technical support to strengthen business models and ensure financial sustainability for social enterprises. Feedback mechanisms are integrated into the programs to ensure continuous improvement. The 2025 Social Banking Impact Report includes findings from participating organisations, confirming the relevance and value of non-financial support in improving operational resilience and social impact.

Erste Group is also a member of multiple national organisations, such as the Social Entrepreneurship Network Austria (SENA).

#### **Direct engagement with vulnerable clients and underserved enterprises**

Engagement with individuals and micro-entrepreneurs occurs through advisory and mentoring sessions in branches and online which promotes active customer engagement and financial health. Financial education and readiness programs, including bespoke counselling and training, promote financial literacy and strengthen the participants' resilience.

#### **Impact Assessment and Continuous Improvement**

Erste Group monitors the effectiveness of its social banking activities through a structured impact assessment process. Every two years, a comprehensive social impact assessment is conducted, including ex-post client surveys, to evaluate the outcomes of financial and non-financial support. The results are published in the Social Banking Impact Report, which serves as a key tool for transparency and accountability.

In 2025, the assessment included 1,266 (1,190 in the 2023 Impact Report) client interviews, which influences product design, risk management and strategic priorities. For example, identified gaps in business know-how led to the development of the High-Impact Enterprises Scaling Programme (Marc), which addresses capacity-building needs among social enterprises.

This ongoing evaluation process ensures that Erste Group's social banking activities remain relevant and effective, while client feedback indicates necessary steps to maximise positive impacts for customers and communities.

## S3-4 – TAKING ACTION ON MATERIAL IMPACTS ON AFFECTED COMMUNITIES AND MANAGING THE EFFECTIVENESS OF THOSE ACTIONS

Social Banking identifies necessary and appropriate actions in response to actual impacts on the affected communities through structured processes, with loan origination and monitoring strictly following Erste Group’s standards, as tailored in the Group Social Banking Risk Policy.

Social Banking exists as a separate department within the group and is assigned a budget based on a proposal to the management board. The following actions are taken in the reporting year and are also planned to continue in the future to bring a continuous positive impact. The effectiveness of the following actions are tracked through the 2025 Social Banking Impact Report, including feedback from the intended recipients in the form of surveys and interviews.

Sub-topic	List of key-actions	Policy
S3 - Social Banking (entity-specific)	Social organisations	Social Banking Strategy
	Microfinancing	Social Banking Strategy
	Time Bank	-
	FLiP (Erste Financial Life Park)	Policy Framework
	Financial Literacy Workshops	Social Banking Strategy

### Social organisations

Erste Group supports social organisations such as NGOs and social enterprises through financial and non-financial measures aimed at strengthening their capacity and impact in the communities where the Group operates. Social banking provides tailored financial solutions to social organisations, including working capital loans, bridging loans and investment loans as part of the ongoing operations. These offerings are supported by portfolio guarantees from the European Investment Fund (EIF) under the InvestEU Programme, enabling preferential terms for eligible organisations. In addition, ERSTE Foundation provides a complementary guarantee, allowing Erste Group to finance social organisations that are not covered by EIF guarantees.

Beyond financial products, Erste Group offers free non-financial support such as bespoke counselling, mentoring, training and technical assistance for social and sustainable entrepreneurs. In 2024, Erste Group launched the High-Impact Enterprises Scaling Programme (Marc), a capacity-building initiative designed to strengthen and scale social businesses across key markets, including Austria, Croatia, Czechia, Hungary, Romania, Serbia and, starting next year, Slovakia. The Marc program addresses gaps in business know how and funding by helping social enterprises develop sustainable operating models. It also fosters an ecosystem for growth through knowledge exchange, networking opportunities and access to markets. The program’s objective is to enable high-impact enterprises to achieve financial sustainability while amplifying their social impact.

### Microfinancing

Erste Group’s social banking initiative includes financing entrepreneurs to fund starting enterprises and micros that are not covered by regular retail business, specifically targeting clients who do not meet the eligibility criteria of the regular Retail Lending Policy, as part of its ongoing operations. This initiative ensures that these individuals have access to necessary financial resources, contributing to the economic stability and growth of their businesses.

Specific programmes include ‘Der Mikrokredit’ in Austria, which focuses on currently unemployed individuals and dedicated financing initiatives in Slovakia, Romania, Croatia and Serbia. For example, in Romania, BCR Social Finance supports financially excluded micros. In Serbia, the ‘Naše selo’ programme, in cooperation with Delta Holding, is dedicated to the restoration and modernisation of villages.

### Time Bank

Time Bank – the volunteering portal of Erste Group - makes a meaningful contribution to civil society by involving employees in various forms of volunteer engagement, such as in-kind donations, collection campaigns, ad hoc aid initiatives, the implementation of charitable ideas and marketing support for NGOs. Donating time has a tangible impact: it allows people to connect with others, gain new experiences and improve the lives of those in need. It is a valuable and positive contribution to the well-being of civil society and this engagement is continuously taking place in Austria.

### FLiP (Erste Financial Life Park)

FLiP is a financial education project that offers a broad range of options aiming to promote access to products and services as well as financial health with a focus on adolescents and young adults. In light of the rising levels of debt among young people, the need for financial education initiatives is becoming increasingly evident. FLiP has played a leading role in the field of financial education in Austria since 2016 and advocates on a socio-political level that financial education be included in the national curriculum. Furthermore, FLiP played a key role in the development of the National Financial Literacy Strategy. Since April 2023, FLiP has been a non-profit limited liability company and a wholly owned subsidiary of Erste Social Finance Holding GmbH, 49% of which is owned by Erste Group and 51% by Erste Foundation. This step laid the foundation for the development of a social franchising

system, which by 2025 included six social franchise partners. In 2025, the first FLiP locations operated by social franchise partners were opened in Graz and Klagenfurt. For the purposes of CSRD reporting, FLiP is considered as a part of Erste Group's value chain.

FLiP guided tours convey the importance of a successful financial life for people's personal lives in a fun and interactive way. Since FLiP opened its doors in October 2016, more than 109,000 (96,000 in 2024) 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 55,000 (44,000 in 2024) visitors on its tours across all of Austria. The success of the FLiP app can be measured using session tracking with the figure for 2025 sitting at 45,000 (20,648 in 2024). In 2025, the FLiP app even received the eAward. The eAward is an Austrian business award that has been presented annually by Report Verlag since 2005 and honors outstanding IT projects. The number of downloads of FLiP's teaching materials also provides an indication of its reach as well as an alignment with its goal of advancing the field of financial education. This number has gone up continuously since FLiP was first opened and has amounted to a total of 7,200 (6,900 in 2024) downloads in 2025. The blog articles focusing on financial literacy from the 'Geld und so' series was viewed a total of 9,124 (8,813 in 2024) times in 2025.

FLiP provides the colleagues responsible for financial education in countries in which Erste Group is active with all the content of the FLiP app and supports them in developing a new language version. FLiP has not only expanded geographically in recent years; the target groups reached by FLiP measures are also constantly being expanded. In addition to pupils, students, people in education, refugees and migrants, FLiP is developing workshops, special tours and teaching materials for girls and women. In addition, FLiP is the coordinator of FinEd4NPOs, an initiative aimed at improving financial literacy among women. The project supports NGO workers, community leaders and volunteers by equipping them with the knowledge and tools to provide financial education in their communities.

### Financial Literacy Workshops

Erste Group promotes financial literacy and education in all its markets through structured workshops tailored to diverse target groups as part of its ongoing operations. Delivered both online and in-person, these programs strengthen financial literacy and equip individuals with practical tools for managing personal finances. The following are just a few examples of these initiatives.

In **Croatia**, Erste Bank's School of Smart Finance offers free workshops for adults and school-aged students. Sessions last up to 120 minutes and are held in small groups to ensure effective learning. Participants gain hands-on experience with budgeting tools, saving strategies and responsible spending habits.

In **Romania**, the Money School provides financial literacy education from kindergarten to adulthood. Supported by a dedicated website, the program offers accessible resources to help users improve their financial health. LifeLab, a complementary initiative, integrates financial literacy into school curricula and is available at [www.lifelab.ro](http://www.lifelab.ro).

### Financial Literacy Workshops for Children and Youth

In **Slovakia**, the FinQ program has been active since 2019, helping primary and secondary students develop financial competencies alongside critical and systemic thinking. Structured around a competency framework (A1-B2), FinQ integrates financial education with broader cognitive development across subjects.

In **Serbia**, Erste Bank runs both online and offline workshops for youth, alongside the four-year Money School project in partnership with the Ministry of Education. The initiative includes a book, game and theatre play titled Guardians of the Dragon's Treasure, designed to make financial concepts accessible and entertaining.

Launched in 2025 in **Romania**, Zbor HUBs – community centres in nine locations nationwide – offer financial literacy classes for youth. For schoolchildren, the Money School provides workshops and classes, particularly during the national 'Different Week' initiative. Complementary materials include the Kids and Money financial health game and a three-part storybook series titled Well-Raised Money School Book, which introduces concepts of money and entrepreneurship in an engaging format.

In **Croatia**, a new Financial Literacy Program for Students is being developed, with the first workshops expected to launch in Q1 2026. The curriculum includes modules on personal finance, budgeting, debt management, investment and digital safety.

## S3-5 – TARGETS RELATED TO ADVANCING POSITIVE IMPACTS

### SOCIAL BANKING

#### Target on Social Banking financing volume

Erste Group is committed to promoting social banking to improve access to products and services those who would otherwise be excluded. The set targets directly support these objectives and contribute to the economic stability of communities. The targets for social banking financing, job creation and retention as well as education support initiatives are related to measuring the effectiveness of Erste Group's Social Banking initiatives. The targets focus on Erste Group's core markets (Austria, Czech Republic, Slovakia, Hungary, Romania, Croatia and Serbia).

The target of social banking financing volume focuses on increasing access to financial services for individuals across all core markets. This is achieved by financing social enterprises, micro companies, start-ups and individuals that do not meet regular retail lending criteria. The target related to education support participants aims to increase capacity building abilities of organisations, financial education and knowledge of employees and private individuals. These educational activities are organised and conducted in all core markets. The target of job creation and retention refers to the number of jobs created or retained as a result of social banking financing. This is assessed through regular surveys and reports. These targets are continuously monitored and evaluated to ensure their effectiveness and positive impact through the performance indicators shown below. Targets were determined by analysing historical performance and extrapolating future developments, taking into account the available resources and operational capacities.

By promoting social banking and achieving these targets, Erste Group contributes to the financial health and economic stability of its customers, ultimately leading to a better quality of life and a stronger market position.

	Metric	Baseline 2017	2024	2025	Target 2025	Target 2030
Social banking financing	in EUR million, cumulative	115	713	814	650	1,000
Education support participants <sup>1</sup>	Number in thousand, cumulative	7	90	111	—	80
Job creation and retention	Number in thousand, cumulative	20	—	110	—	200

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

#### Performance indicators

Erste Group has developed social banking yearly performance indicators. Part of them serve as a measure to track the progress of the social banking targets, which have been set.

The individual yearly social banking performance indicators shown below measure the progress and summarise the social banking targets. Social banking financing includes private individuals, microfinance, start-up financing and financing for social organisations. The volume of social banking financing is reported quarterly by local entity departments to Erste Group.

The target for education support participants is based on the number of participants in educational activities organised or initiated by social banking each year. The number of educational support participants is reported annually by local entity departments.

Job creation and retention are assessed through the social banking impact report, performed every second year based on a representative sample of social banking clients. Due to this data only being collected once every two years, the figure in the table represents a cumulative number of both this year and the previous year. The number of created or preserved jobs is calculated using survey results from the previous year and is therefore estimated data.

The financing provided to financial individuals in difficulty (as a part of the total of the sum of social banking financing volume) is presented in '*S4-5 Targets related to managing negative impacts and advancing positive impacts*'.

#### Calculation of indicators

The number of newly created or preserved jobs is calculated in two steps. First, the average number of jobs per client based on survey responses is determined. Then this average is multiplied by the total number of new financed clients within each segment, country, and timeframe. The data is not validated by an external body.

The overall number of created and preserved jobs is determined using the following formula: *Jobs created or preserved = Jobs created or preserved through 2023 + Average jobs created or preserved by interviewed clients X all new financed Social Banking clients in 2024-2025*

## Social Banking yearly performance indicators

	2024	2025
New social banking financing in EUR million	97.7	101.4
New social banking financing in number of new clients	2,078	2,208
Microfinance and start-up finance in EUR million	55.4	53.4
Microfinance and start-up finance in number of new clients	1,879	1,712
Social organisation finance in EUR million	42.3	44.6
Social organisation finance in number of new clients	199	182
Number of education support participants	18,367	20,930
Number of preserved and created jobs (cumulative)	—	110,531

### Target on FLiP (Erste Financial Life Park)

FLiP is a financial education project that offers a wide range of options for promoting financial literacy, with a focus on teenagers and young adults. The success of this initiative can be measured by the reach achieved among these groups. The goal of reaching a total of 15,000 visitors in 2025 was achieved and even exceeded with over 17,000 visitors (16,302 in 2024). The goal for the FLiP app was to reach 20,000 sessions. In 2025, over 45,000 (20,648 in 2024) sessions were recorded, exceeding the set goal by twice as much.

# Consumers and end-users

This chapter focuses on Erste Group’s impacts on consumers and end-users. The scope of this chapter covers the impacts that Erste Group has identified towards the company’s retail customer base. As part of Erste Group’s commitment to transparency and sustainability, Erste Group places the interests and needs of its customers at the core of its business activities.

Erste Group identified a positive impact on the financial health of its vulnerable customer base. Furthermore, Erste Group recognised a potential negative impact on the topic of privacy that will also be disclosed in this chapter.

## S4 SBM-3 – MATERIAL IMPACT AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
S4-Financial health (entity specific)	Positive impact	Through educational programs, financial advice and tools Erste Group has a positive impact on the financial health of customers contributing to customers overall economic stability, leading to a better quality of life.	Portfolio	All time horizons
S4-Privacy	Potential negative impact	Data breaches or cyberattacks could lead to compromised sense of security and privacy for individuals, leaking private and financial data of affected customers.	Portfolio	All time horizons

### FINANCIAL HEALTH (ENTITY SPECIFIC)

Financial Health serves as an aspect of Erste Group’s strategy, positively impacting financially vulnerable customers through offering financial services to individuals that would otherwise be excluded as well as access to financial literacy programmes. These ongoing programmes develop a combination of financial awareness, knowledge, skills, attitudes and behaviours necessary to achieve individual financial well-being. Examples of financially vulnerable clients include those who are unable to meet debt repayments as well as those who experience financial exclusion and a lack of financial literacy. The outcomes of actions to improve the financial health of customers continuously influence Erste Group’s strategy and business model. Further information regarding actions and outcomes can be seen under ‘[S4-4 - Taking action on material impacts](#)’.

### PRIVACY

Handling customer data is a crucial part of Erste Group’s business model. As such, the company is dedicated to protecting this data and must be vigilant about potential data breaches or cyberattacks. Examples of this are identity theft, fraud and financial loss. Such incidents could compromise the security and privacy of customers by exposing their private and financial data. Data breaches and cyberattacks can potentially affect all customers whose personal data is processed by the bank. The outcomes of actions to address data breaches and cyberattacks continuously influence improvements to Erste Group’s strategy and business model. Further information regarding actions and outcomes can be seen under ‘[S4-4 - Taking action on material impacts](#)’.

## S4-1 – POLICIES RELATED TO CONSUMERS AND END-USERS

Impacts, risks and opportunities	Strategy / Policy	Actions	Targets
Through educational programs, financial advice and tools Erste Group has a positive impact on the financial health of customers contributing to customers overall economic stability, leading to a better quality of life.	Social Banking Strategy	Private Individuals	Target on Social Banking financing volume (see S3-5 - Targets for affected communities)
	Zweite Sparkasse Strategy	Zweite Sparkasse	
			Financial Literacy
Data breaches or cyberattacks could lead to compromised sense of security and privacy for individuals, leaking private and financial data of affected customers.	Group Security Strategy	Cyber Security and Data Protection,	No target
	Group Data Protection Policy	Employee Trainings	
	Group Cybersecurity Policy		

## FINANCIAL HEALTH (ENTITY SPECIFIC)

Erste Group improves the financial health of its vulnerable customers by providing access to financial goods and services for groups who might otherwise be excluded, offering them financial products, sound financial advice as well as mentoring. As part of its Social Banking strategy, Erste Group supports individuals currently in financial difficulty by providing these customers with the essential tools, such as financial literacy programmes and debt counselling to enhance their knowledge. The Group then guides them through important decisions that allow them to improve their financial health. This support contributes to the overarching goal of fighting poverty and increasing prosperity. Further information related to the Social Banking Strategy can be found under '[S3-1 - Policies related to affected communities](#)'.

The Zweite Sparkasse strategy focuses on financial inclusion and providing services to people without access to regular banking, and is directly tied to the defined positive impact of improved accessibility, which promotes autonomy, social/professional integration and participation. Zweite Sparkasse is a fully-fledged Austrian credit institution with an established strategy and policy framework. The institution is governed by a dedicated Managing Board, which holds full responsibility for the strategic direction and policy oversight. This governance structure ensures that Zweite Sparkasse operates in alignment with its social mission and regulatory obligations. Information about the Zweite Sparkasse Strategy is publically available on its website.

## PRIVACY

Erste Group prioritises the protection of customer data, recognising that the right to data protection is enshrined in the EU Charter of Fundamental Rights. The Group Security Strategy outlines the Group Security Principles that serve as a foundation for reasoning and decision making regarding the direction of Group Security. These five principles are as follows:

- **Security as a part of Erste DNA** to involve and train key business areas to integrate 'security and resilience by design' in major critical processes and trends.
- **Striving simplicity** to reduce interfaces, roles involved, approvals/reviews required, data sources and user interactions in the security process.
- **Data Driven Security** to govern security maturity and compliance that is supported by the collection and analysis of real raw data directly from Group security solutions rather than information interpreted and delivered by key people.
- **Risk integration** to prioritise the implementation of new/enhanced controls, using the group's Cyber Risk Profiles for decision making.
- **Customer orientation** to provide improved customer experience across key security processes and tools as well as in the execution of key operations.

These principles rest on collaboration within the group through in-person and online channels as well as an emphasis on the responsibility for security being shared by all employees. The Group Security Strategy is approved by the Management Board and aligned with regulatory standards, specifically the objectives of international instruments such as the GDPR, which aims to protect individuals in regard to their personal data.

Additionally, many security policies and procedures govern security-related requirements and controls for systems, infrastructure and Erste Group's own employees to protect the data of its customers. Compliance with these policies is mandatory for Erste Group Bank AG, their relevant security entities as well as all subsidiaries of the Group. Further details on the specifics of these policies as they relate to Data Protection and Cybersecurity are outlined below under the relevant sub-heading.

Erste Group places significant emphasis on providing customers with clear and comprehensible information regarding the processing of their personal data. Where necessary, prior consent for the processing of personal data is obtained. Further information related to data protection is made available to Erste Group's customers on the website. This includes the rights of its clients regarding their data as well as whom to contact in case of any concerns related to data processing or potential breaches.

Erste Group ensures that employees are well-informed about the implementation of Group policies related to privacy through yearly trainings. This comprehensive understanding enables Erste Group's staff to better serve its customers by adhering to high standards of service and data protection. Consequently, these policies directly support Erste Group's commitment to meeting the needs and rights of its customers, while mitigating the potential negative impact of any cyberattacks or data breaches.

### Group Data Protection

Erste Group's Group Data Protection Policy, along with its associated procedures, aim to ensure and sustain the appropriate safeguarding of all personal data in alignment with both regulatory requirements and business needs. This objective is focused on achieving compliance with the General Data Protection Regulation (GDPR). In alignment with the GDPR, the focus of the Data Protection Policy is the personal data of natural persons. Additionally, personal data pertaining to natural persons acting for or on behalf of a legal person are included within the scope of this policy. The relevant local Data Protection Management department is

responsible for monitoring data breaches while the Group Data Protection Officer ensures a consistently high level of data protection throughout Erste Group at both local and group levels.

In addition to the Data Protection Policy, the following mandatory requirements ensure that data protection governance is effectively implemented across the Group:

- **Data Controller Responsibility Procedure:** The Data Controller Responsibility Procedure aims to ensure the adequate protection of all personal data and information assets to meet regulatory and business requirements in data processing. The standards require data privacy by design and by default, records of processing activities, technical and organisational security requirements (including data secrecy), responses to data breaches, data protection impact assessments and awareness and training programmes.
- **Data Protection Officer Procedure:** The Data Protection Officer Procedure outlines detailed provisions governing the tasks and other legal functions related to data protection.
- **Data Processing Legitimacy Procedure:** The Data Processing Legitimacy Procedure sets out the fundamental principles for data processing, including data transfer and storage limitations. The standards cover, among other things, key prerequisites for processing personal data, the commissioning of processors, data transfers to third countries or international organisations as well as time limits for data storage and deletion.
- **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 affected individuals.

### Cyber Security

Cyber security of Erste Group operates under a robust set of cyber security policies and procedures. The Group Cyber Security Policy outlines clear objectives, governance structures and technical safeguards to protect customer data and assets. The overarching objective of the cyber security framework is to protect all types of information assets from cyber threats. Additionally, it outlines the organisational structure, related roles and responsibilities as well as definitions and implementation activities to be performed at both group and local levels. Due to the dynamic nature of cyber threats, Erste Group's Cyber Security Policy is annually reviewed and aligned to reflect developing technologies, or changing legal or regulator requirements like the Digital Operational Resilience Act (DORA).

The Group Chief Information Security Officer (Group CISO) is specifically accountable for cyber and information security control and management within Erste Group, including the definition of Erste Group's cyber and information security strategy. A primary task of the Group CISO is to monitor and support the local implementation of cyber and information security, ensuring it follows 'good practices' and is executed effectively, efficiently and consistently in daily operations.

The rules and requirements stipulated by the Cyber Security Policy are binding for all Erste Group employees, contractors or service providers who implement, manage or operate ICT solutions used by or for Erste Group entities, their employees and customers.

## S4-2 – PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

### FINANCIAL HEALTH (ENTITY SPECIFIC)

Both direct and indirect engagement is undertaken by the Group to gain insight into the perspectives of vulnerable retail customers. As detailed in '*S3-2 - Processes for engaging with affected communities about impacts*', the effectiveness of the Group's financial health initiatives are monitored through a Social Banking Impact Report, published every two years (the previous version having been published in 2023), that includes client surveys to evaluate the outcomes of financial support for vulnerable customers. In 2025 the impact report included 158 (162 in the 2023 impact report) client interviews with individuals in financial difficulty that provided insight into how Group initiatives contribute to improving the financial stability of these individuals. The results of this assessment influence product design, risk management and strategic priorities. For further details on the impact report, as well as social banking engagement with clients, refer to '*S3-2 - Processes for engaging with affected communities about impacts*'. Group Social Banking is the department responsible for ensuring engagement with the Erste Group's vulnerable retail customers occurs.

### PRIVACY

The processes surrounding the GDPR are regulated and thus are valid for all customers, regardless of their background. Therefore, Erste Group does not directly engage with its customer base for insight into an already heavily regulated process. For further information please refer to chapter '*S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns*'.

## S4-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

### PRIVACY

Data breaches are defined as breaches of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed. The reasons for a data breach can vary, e.g. from an email sent erroneously to the wrong recipient, to a system malfunction. Data breaches can be detected through internal technical or organisational measures (e.g., through the data leak prevention system or through internal reports from employees that became aware of the data breach) or through external reports (e.g., through a notification from the wrong recipient).

Reported data breaches are handled by expert teams who assess the potential risks using an internally developed data breach risk assessment tool, based on the methodology provided by the European Union Agency for Cybersecurity. Remedial action is taken by active engagement, such as directly contacting the person who reported or caused the data breach and instructing them on how to remediate the threats to the rights and freedoms of the data subjects. The relevant actions range from deleting data to changing passwords or giving general advice on how to secure data or how to adapt processes to make them even more data-protection friendly. Refresher courses and ultimately disciplinary measures are also actions that help to prevent data breaches and mitigate the associated risks. Developing and refining Erste Group’s response to data breaches and cyberattacks is a crucial element of its risk mitigation efforts. This includes clear protocols for identifying, reporting, investigating, lessons learned and mitigating any potential negative impact on customers.

Erste Group’s Contact Centre is the first port of call for instant customer support, playing a crucial role in maintaining strong business relationships. Available 24/7 and reachable by telephone and e-mail, the Contact Centre ensures that Erste Group’s clients receive timely and effective assistance. Complaints raised by the customer base are seen as a crucial in helping to refine and improve upon processes in place. For specific privacy-related matters, contact details are provided online and in the data protection notice. Further reinforcing Erste Group’s commitment to transparency and trust in its business interactions, customer complaints can be reported on an anonymised basis via a whistleblowing platform (for more information, see chapter *GI-1*). In 2025 0.28% (0.33% in 2024) of group customer complaints were related to privacy matters. Furthermore, research is conducted into the levels of satisfaction with the customer complaints processes to determine effectiveness as well as their overall levels of usage and knowledge of the channels available. This information is collected in the form of structured online interviews targeted at those who have submitted complaints. Further trust of these processes is facilitated through reporting on an anonymised basis. Any complaints involving Erste Group’s business relationships can also be made through Erste Group’s call centre and online, with each complaint being treated as important with the aim to resolve them in the best possible way. Information on how to contact the service is publicly available on Erste Group’s website.

## S4-4 – TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS AND EFFECTIVENESS OF THOSE ACTIONS

Erste Group’s various initiatives promote the financial health of vulnerable clients, while also mitigating the potential negative impact of data breaches and cyberattacks. These actions are designed to address the diverse needs of different demographic groups, from individuals facing financial exclusion to clients at risk of data or cybersecurity breaches. Continuous monitoring, regular assessments and stakeholder engagement are integral to ensure the effectiveness and adaptability of these actions. By focusing on education, financial stability and social innovation, Erste Group aims to create a positive and lasting impact on its customer base.

Resources for actions related to financial health and privacy are allocated within the respective teams at both group and local levels. All the following actions are performed on an ongoing basis. In 2025 there were no incidents of severe human rights abuses towards the Group’s retail customer base.

Sub-topic	List of key-actions	Policy
S4-Financial health (entity specific)	Private Individuals	Social Banking Strategy
	Zweite Sparkasse	Zweite Sparkasse Strategy
	Financial Literacy	Overarching group objective
S4-Privacy	Employee Trainings	Group Security Strategy
	Cyber Security and Data Protection	Group Cyber Security Policy, Group Data Protection Policy

## FINANCIAL HEALTH (ENTITY SPECIFIC)

### Private Individuals

Erste Group supports financially vulnerable individuals who might otherwise be excluded from basic financial services, as part of its ongoing operations. The aim is to improve financial inclusion and stability through tailored financial products and complementary non-financial support. Group Social Banking offers specialised accounts, housing microloans and education loans to help individuals manage unexpected financial challenges and gain access to social/affordable housing and education. In Romania and Austria, study loans enable access to higher education, while housing programs in several countries provide solutions for affordable living.

To strengthen financial health and resilience, Erste Group provides debt counselling, financial education and advisory services. For example, Slovenská sporiteľňa offers debt counselling to help low-income customers manage household finances and reduce over-indebtedness. These initiatives aim to empower individuals to take control of their financial situation and improve long-term stability.

The effectiveness of these initiatives are monitored through the Social Banking Impact report based on client feedback. In 2025 the results found that 83% of clients were now able to pay their debt obligations on time as a result of Erste Group's support, based on a sample group that would originally have been unable to do so. This metric is based on a survey provided to 158 (162 in the 2023 Impact Report) clients of Social Banking.

### Zweite Sparkasse

Based in Austria, Zweite Sparkasse seeks to address social challenges and acknowledge the dignity of every individual. The goal of Zweite Sparkasse is to permanently reintegrate its customers into organised economic conditions. This is achieved by providing financial services to anyone who cannot find a partner to take control of their financial life. Customer eligibility is determined by partner social organisations that specialise in providing financial guidance and support to people facing financial difficulties. Zweite Sparkasse has confidence in the expertise of these partners and collaborates closely with them in providing customer service.

Support for vulnerable customers contributes to Erste Group's positive impacts through improving their accessibility to financial products and services which creates a deeper understanding of steps they can take to improve their own financial health and stability. The effectiveness of this action is monitored by the number of new clients that Zweite Sparkasse reaches each year. More information on this target can be found under '[S4-5 - Targets related to managing material negative impacts and advancing positive impacts](#)'.

## Financial literacy

### Financial Literacy Workshops

Erste Group promotes financial literacy in all its markets through structured workshops tailored to diverse target groups as part of its ongoing operations. Delivered both online and in-person, these programs strengthen financial literacy and equip individuals with practical tools for managing personal finances.

In **Austria**, the ongoing financial education initiative 'she invests' offers female customers an opportunity to improve their financial knowledge and make informed decisions. The program addresses persistent gender gaps in financial literacy through targeted workshops and events, including three online and one in-person session annually, along with a monthly newsletter covering relevant financial topics. The initiative ensures unbiased treatment of female customers by providing equal access to financial education resources, regardless of background or financial status.

Erste Group tracks the effectiveness of the 'she Invests' initiative through obtaining qualitative feedback from participants, as well as tracking engagement in the programme, which typically is around 1,000 participants. Resources allocated to this initiative are split between Group Diversity and the Group Communications and Marketing departments.

## PRIVACY

### Cyber Security and Data Protection

Erste Group's proactive approach reflects its deep dedication to have the trust of its customers, partners and stakeholders. It continuously invests in advanced and innovative technologies, robust infrastructure and expert teams to ensure that all the data of Erste Group is handled in a secure and confidential manner. In today's increasingly digital banking world, Erste Group is committed to protect its assets and customer data with state-of-the-art cyber security services and tools. Erste Group's multi-layer security architecture includes, for example, advanced firewall technologies, distributed denial of service (DDoS) protection,

comprehensive endpoint detection and response (EDR) solutions, cyber threat intelligence (CTI), security operation centre (SOC) as well as robust intrusion prevention systems (IPS).

A specific Control Framework is used for the core markets to ensure ongoing adherence to cybersecurity and data protection standards and to identify any areas requiring improvement. The design and execution of the control framework is derived from requirements defined in the Group Cyber Security and Data Protection Policies and Procedures. The scope of the control framework is to monitor the proper implementation of policy and procedure requirements. A self-assessment is done on a local level and afterwards approved on group level. Continuous monitoring also includes the regular reporting of groupwide Key Performance Indicators by Local entities to identify the effectiveness of implemented preventive, detective and corrective measures.

Furthermore, Erste Group publishes current warnings of cyber threats (e.g. social engineering attacks, phishing, fake calls) on different channels, such as the George online banking system, on the website in the 'SicherheitsCenter' and on social media channels. Also, Erste Group supports public private partnership with the Federal Ministry of Interior, Payment Services Austria, Austrian Post and Watchlist Internet to foster a common counterweight against fraudulent activities and to raise public awareness in campaigns such as 'Phishen Impossible' or '10 Tage gegen Phishing'.

In 2025, Erste Group spending on the topic of cybersecurity totalled EUR 67.83 million (2024: EUR 59.68 million). Information on resource management in relation to the topic of privacy can be found under '[S4-1 - Policies related to consumers and end-users](#)'

### Employee Trainings

Investing in customer-centric training programmes ensures all staff members are well equipped with the knowledge and skills necessary to handle customer data securely. In the training material, great emphasis is put on the detection, prevention and handling of data breaches. In addition, Erste Group's employees are then expected to be able to communicate effectively to its customers about the processing of their personal data. By emphasising the importance of data protection, Erste Group aims to not only safeguard its customers' information and maintain their trust in its organisation, but also to foster a culture of responsibility by raising awareness among its employees about potential risks.

Erste Group also invests in cyber security trainings and awareness campaigns to help employees recognise and avoid cyber threats such as phishing campaigns or social engineering attacks. Therefore, Erste Group regularly educates its employees, executives, board members and specific user groups (such as branch office employees, newcomers and trainees) through Erste Group's cybersecurity awareness programme, including mandatory annual web-based training, as well as phishing simulations and security awareness events. In addition to the cyber security awareness program focusing on internal and external personnel, Erste Group also sets activities to help its customers strengthening their cyber security awareness. Erste Group offers best-practice recommendations and cyber security awareness sessions to educate on how to detect, prevent and respond to cyber threats.

Employees are required to undertake the training once a year to ensure that employee's knowledge is always accurate given new developments and threats, while Erste Group monitors the participation rate. The effectiveness of this action can be assessed through the participation rate (98,9%, 2024: 97%) and subsequent dissemination of knowledge about Cyber Security Awareness. The training programmes in Austria is overseen by the Group Data Protection Officer, with dedicated teams per subgroup responsible for organising and conducting the training sessions in their respective entities. The Group Data Protection Officer is in communication with the entities regarding the completion rates of these programmes.

## S4-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS AND ADVANCING POSITIVE IMPACTS

### FINANCIAL HEALTH

#### Target on number of new clients reached in 2025 through Zweite Sparkasse.

The impact on the financial health of Erste Group's vulnerable customer base can be reflected in the number of individuals supported by Zweite Sparkasse, who would otherwise be unable to access financial services. In 2024, Zweite Sparkasse set a new target for an increase in 1,000 new clients for each subsequent year. To this end, Zweite Sparkasse reported 1,794 new clients in 2025, exceeding the target by a significant amount.

#### Target on Social Banking financing for private individuals

The financing of private individuals in financial difficulty (presented below) serve as a component of the total financing target for Social Banking. Information on the target of Social Banking financing can be found under '[S3-5 - Targets related to managing material negative impacts and advancing positive impacts](#)'.

## Social Banking yearly performance indicators for private individuals

	2024	2025
Finance for private clients with difficulties in EUR million	—	3.4
Finance for private clients with difficulties in number of new clients	—	314
Number of new supported private clients in financial difficulties	2,878	7,156

### PRIVACY

Due to the high level of regulation within the fields of data protection and cybersecurity, Erste Group has set no additional quantitative targets. However, Erste Group's aim is continued strict compliance with the GDPR to ensure the highest level of protection for customer data and to prevent regulatory penalties.

# Governance information

## Business conduct

This section focuses on Erste Group’s business conduct and its commitment to ethical behaviour. Erste Group places a high value on ethically correct behaviour, considering it as a fundamental prerequisite for its business activities and strategic priorities. This commitment is reflected in its Statement of Purpose, which requires employees to consider not only the legality and profitability of business decisions but also whether they are the right thing to do. Building on this foundation, Erste Group’s Code of Conduct, approved by the Management Board in 2015 and updated in January 2025, sets forth binding rules and ethical principles for all employees and board members. The Code emphasises responsibility, respect and sustainability in all business activities. Additionally, Erste Group is committed to the principles of the UN Global Compact, which include upholding human rights, labour standards and combating corruption, drawing from key international declarations and conventions.

In the context of the double materiality assessment (DMA), two sustainability matters have been identified within Business Conduct, each with potential negative impact:

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
G1-Protection of whistleblowers	Potential negative impact	The potential lack of protection for whistle-blowers interferes with freedom of expression, potentially leading to retaliation and reprisal, social exclusion and psychological stress for whistle-blowers.	Own operations	All time horizons
G1-Corruption and bribery - Prevention and detection including training	Potential negative impact	A lack of awareness and internal measures could potentially lead to corruption or bribery incidents with legal consequences including labour law sanctions as well as civil and criminal proceedings for employees. (also material for Incidents of corruption or bribery)	Own operations	All time horizons

### Protection of whistleblowers

The established protection mechanisms for whistleblowers at Erste Group play a crucial role in preventing individual risks for whistle-blowers. Without these secure and confidential reporting channels, individuals who expose misconduct could face serious consequences, such as retaliation, professional disadvantages or social exclusion. Such outcomes could also have a lasting impact on trust in the organisation.

The established reporting channels for all stakeholders serve to prevent individual whistleblowers from facing isolation or disadvantage resulting from inadequate protection. They limit potential harm to single cases, as regular audits and transparent processes ensure the effectiveness of the mechanisms.

### Corruption and bribery – prevention and detection including training

Training programs aimed at preventing and detecting corruption and bribery are a key pillar of Erste Group’s anti-bribery and corruption (ABC) strategy. Offered to all employees, these initiatives play a crucial role in fostering awareness and understanding of ethical conduct. Without such measures, a lack of knowledge and sensitivity to conflict of interest (CoI) and ABC risks could result in employees failing to identify corrupt practices or becoming unintentionally involved in them, whether through active or passive participation.

In the event of a corruption-related incident, the consequences can be severe. The resulting loss of trust in the organisation would be difficult to restore and could necessitate extensive and prolonged remediation efforts. Moreover, such incidents may lead to significant reputational damage, financial losses and even criminal consequences for the individuals involved or the company itself.

Ultimately, these preventive initiatives help cultivate a strong business conduct for the sake of zero tolerance to bribery and corruption, reinforcing Erste Group’s reputation as a principled and trustworthy financial institution.

## G1-1 – BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

Erste Group's policies relating to business conduct comprise the Code of Conduct at Erste Group, which fosters its corporate culture by embedding its core values of people, fairness and transparency into every aspect of its operations. Therefore, Erste Group's culture is aligned with its group and business strategy. Leadership plays a pivotal role in Erste Group's culture, guided by its five leadership dimensions: out of comfort zone, servant leadership, performance impact, future orientation and client orientation. The Code of Conduct also serves as a guide for leaders to ensure the organisation is fit for the future while adhering to all relevant ethical standards. Erste Group regularly monitors and refines its culture through exchanges, employee feedback and 360° leadership evaluations to ensure it remains strong and effective. Erste Group enhances its corporate culture through leadership development, employee training on values and ethics and engagement surveys. Erste Group also offers town halls, open forums and onboarding programs. Erste Group's cultural initiatives include diversity and inclusion, social responsibility and sustainability efforts.

To ensure the integrity and trust in the organisation, Erste Group has implemented two key policies: the Group Risk Policy Whistleblowing and the Policy on CoI and Anti-Bribery and ABC. These policies are essential components of its governance structure and contribute to an ethical and transparent work environment.

### Protection of whistleblowers

The Group Risk Policy Whistleblowing at Erste Group establishes group-wide standards to identify, report and investigate concerns about unlawful behaviour, including such behaviour in contradiction to the code of conduct. The policy is based on the EU Directive 2019/1937, the Austrian Whistleblower Protection Act and the Austrian Banking Act §99g.

Erste Group provides various channels for reporting concerns, including an internet portal, mail, telephone and personal meetings. These channels are accessible not only to employees but also to third parties, in accordance with applicable whistleblower protection laws. Information about whistleblowing is provided through Erste Group websites, internal mandatory trainings, annual mandatory information sessions by team and department heads. Whistleblowing officers receive specialised training, particularly in data protection and maintain the independence necessary for their role.

Detailed information regarding the process and protection against retaliation is available in the FAQ section of Erste Group's Whistleblowing platform, Erste Integrity. The 'Erste Integrity' program includes an internal reporting office where employees can report suspected cases or ask questions about possible violations. This office, under the CRO division, is staffed by qualified and authorised employees within the Non-Financial Risk function. Reports are received and processed confidentially according to a standardised process, with all reports being investigated and appropriate measures taken if necessary. The system provides safeguards for whistleblowers, including anonymity protection, protection of involved individuals and protection against false accusations. Correct processing of concerns is ensured through regular reporting to the Management and Supervisory Board, as well as internal and external audits.

The Group Risk Policy Whistleblowing covers all employees, customers and third parties and includes a category for 'Unacceptable behaviour' to address concerns of violence, discrimination, harassment and similar misconduct. The Non-Financial Risk team within the CRO division is responsible for implementing this policy with the involvement and support of employee representatives to ensure better acceptance among employees, facilitated by a specific mutual works agreement.

Whistleblowing policies (group and local) related to employees are available on the intranet, accessible to internal stakeholders. External stakeholders are informed via Erste Group websites and the 'Erste Integrity' Whistleblowing platform on the internet.

### Corruption and bribery – Prevention and detection including training

The Policy on CoI and ABC directly addresses the potential negative impacts identified in the materiality assessment, corruption and bribery - prevention and detection including training. The policy establishes comprehensive standards to prevent and detect conflicts of interest, bribery and corruption. The policy is derived from the Statement of Purpose and the Code of Conduct. Responsibilities and standardised procedures for managing conflicts of interest and anti-bribery and corruption throughout all levels of Erste Group's business are defined in the policy. It aims to prevent legal breaches and protect the company's reputation through a responsible corporate culture, a clear compliance framework and appropriate employee qualifications. This policy is implemented through prevention training offered to all employees. This training effectively counteracts potential corruption and bribery, benefiting the interests of consumers, employees and business partners and promoting a trusting and ethical business environment.

All individuals are considered at risk for bribery and corruption therefore Erste Group does not differentiate between employees. Thus, the Conflict of Interest and Anti-Bribery and Corruption web-based trainings (WBT) are mandatory for all Erste Group employees. The WBT must be repeated every two years. The training provides an overview of different types of conflicts of interest, such as organisational CoI, confidential CoI and CoI regarding procurement or the supply chain. The WBT consists of four

categories: general information, treatment of benefits, treatment of secondary activities and personal and close relationships. It details various terms to ensure a uniform understanding and presents the reporting and approval processes for different types of CoI involving various stakeholders. The trainings are centrally defined in English and German and rolled out to the entities, where they are adapted to local legislation and language. Employees must pass a knowledge test with a rate of at least 80% at the end of the training. All employees are considered at risk of bribery and corruption. However, an additional targeted training course is conducted for those at Erste Group who are particularly exposed to situations where corruption or bribery could occur, in addition to the basic mandatory training for all employees. This training is aimed at members of the Management Board, as well as employees working in sales, sponsorship, cooperation, donations and marketing, due to a risk-based approach.

Monitoring processes include reporting obligations via a reporting tool or email, data analysis by the Group Conduct Compliance unit to detect material gaps for training purposes, impromptu controls when conflicts of interest arise and desk reviews. All relevant Erste Group entities and their staff must implement necessary policies, processes and infrastructure to fully support compliance with the defined minimum standards. The policy applies across all geographies in which Erste Group operates and addresses the needs and concerns of all affected stakeholder groups.

The policy is approved by all members of the Management Board, who are legally accountable and liable for the group-wide ABC policy. The document is owned by Group Conduct Compliance and follows a review cycle of two years, during which contents are reviewed and assessed based on changes in legal acts or recommendations from public authorities. Investigations regarding the prevention and detection of corruption and bribery are carried out by the Conduct Compliance department independently of business units (including staff and management).

The policy is made available through the intranet for all employees and is part of the WBT that all employees must complete. Local process owners define detailed processes and regulations, which are rolled out via the intranet or the communication platform ('Anweisungsportal') to employees. General information about Erste Group's Policy on CoI and ABC is also made available to external stakeholders on its website.

## **G1-3 – PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY**

Internal fraud involving bribery and/or corruption occurs when an employee unlawfully accepts or offers bribes to influence decisions or gain undue advantages. A corruption incident is defined as the abuse of entrusted public or business power, office, or resources for private gain, either by elected government officials or by other private individuals. Bribery, a form of corruption, is defined as the act of receiving a benefit, whether financial or non-financial, that alters the behaviour of the recipient. A bribery incident involves intentionally offering, giving, receiving, or soliciting the benefit, directly or indirectly, or through a third party, to improperly influence a person in the performance of a duty, to obtain or retain a benefit or any undue advantage, or to influence the actions of an official or other person in charge of a public or business duty.

When an incident of internal fraud involving bribery or corruption is suspected, the Internal Audit function is involved to perform a thorough audit on the matter. This ensures that all allegations are investigated independently and comprehensively. The Conduct Compliance department, which operates separately from the chain of management, also plays a crucial role in investigating these incidents according to the 3-Lines-of-Defense Model. This model ensures that responsibility for compliance matters, including breaches of corruption and bribery, lies with Group Conduct Compliance, which reports directly to the Management Board. In case a suspicion on internal fraud occurs for an employee, who has already been dismissed, Internal Audit will perform audit steps on the matter, which might lead to legal actions.

Erste Group has established rigorous procedures to prevent, detect and address allegations or incidents of corruption and bribery. These efforts focus on ensuring compliance with financial sanctions, embargoes, securities compliance and good conduct compliance, which includes anti-bribery and anti-corruption agendas. Regular risk-based monitoring by Compliance units ensures adherence to these procedures and raises awareness of compliance risks among all relevant staff. Critical conflicts of interest, particularly those indicating corruption, are reported to the Board and Supervisory Board of Erste Group Bank AG. Reports are submitted through Group Conduct Compliance to Group Internal Audit, the Management Board and the Supervisory Board.

Compliance officers are provided with specific internal working instructions outlining procedures to prevent, detect and address allegations or incidents of corruption and bribery. An escalation process involving various stakeholders (Internal Audit, Compliance, People & Culture, Non-Financial Risk function) is followed to investigate potential cases of corruption or bribery. Investigations are carried out by the Conduct Compliance department, which operates independently from the chain of management, ensuring unbiased and thorough investigations.

Group Anti-Financial Crime provides a comprehensive and mandatory fraud prevention training to employees. This training educates employees on common fraud schemes, red flags, preventive measures and reporting procedures, including internal fraud

awareness. It includes Erste Group’s legal/regulatory framework around fraud, addressing its Zero Tolerance Policy and elaboration of all types of fraud. The training tackles techniques how to detect fraud, strategies to prevent and how to report fraud. The training is designed for both new and existing employees, with specific formats and frequencies to ensure comprehensive coverage. New employees receive on-site fraud training available in both English and German, conducted regularly at least once a month. All employees must complete the mandatory web-based fraud training available on the internal learning platform every two years.

In 2022, the Policy on Conflict of Interest and Anti-Bribery and Corruption was rolled out to Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG, including their major shareholdings, as well as to CEE banks making it applicable to over 90 entities within the Erste Group and the Austrian savings banks sector. All entities of the Haftungsverbund (cross-guarantee system) implemented the Policy in form of the HV-Rulebook. At the end of 2024, a revised second version of the Group Policy on CoI and ABC was implemented. It places enhanced emphasis on conflicts of interest arising from political mandates held as secondary occupations, as well as on donations and sponsorships in favour of political parties and politically linked groups, aiming to address potential risks more precisely and further strengthen the Group’s integrity. The implementation of the revised second version of the HV Rulebook will be finalised in the beginning of 2026.

Group Conduct Compliance monitors the completion of e-learning modules, supported by the Group People Development & Culture department, which is locally responsible for implementation, oversight and escalation in cases of non-completion. Completion rates vary depending on local factors such as the technical infrastructure of the e-learning platform, assignment dates and logic, escalation processes and the scope and definition of management across entities in Austria and CEE. These discrepancies have led to a comparatively low completion rate of 69,2% (2024: 73,6%) among management bodies (see table ‘[Anti-corruption and bribery training](#)’ for details).

In 2025, significant steps were taken to harmonise training records across the Group. Through the CSRD Manual, key measures related to CoI and ABC were standardised and newly defined at Group level. This provides a consistent foundation for the assignment and tracking of training content.

In addition, Group People Development introduced a new regulatory training framework called RegONE. This framework establishes a uniform, audit-ready and scalable structure that covers all employee groups subject to regulatory training requirements. RegONE standardises processes, ensures ongoing compliance and creates clarity, reliability and controllability across the Group. It encompasses the entire lifecycle of regulatory training, from definition and assignment to escalation, governance and audit readiness - and includes an escalation logic for non-completion. The rollout of the framework will initially begin in Austria.

The following data includes the completion rates for the COI and ABC WBT of staff at risk, defined as all employees including management (but excluding supervisory board members), across all entities within the Group Compliance steering perimeter. This perimeter is basically based on majority stakes and Compliance’s risk-based approach and may therefore differ from the IFRS consolidation scope. For the purpose of this report, all employees are considered staff in risk functions. Nevertheless, the table presents the data in a manner by distinguishing between staff-at-risk (all employees) and management bodies/management board.

Compared to the previous report, the completion rate differs due to the application of a different observation period. The previous reporting cycle applied a longer observation period, whereas the current cycle applies a shorter one.

### Anti-corruption and bribery training

	2024		2025	
	Staff at-risk functions	Management bodies - board members	Staff at-risk functions	Management bodies - board members
Training coverage	92.4%	73.6%	90.4%	69.2%
Total trainings completed	30,101	53	31,199	74

Erste Group implements a comprehensive training concept to prevent corruption, bribery and conflicts of interest. The foundation is a mandatory groupwide WBT on CoI and ABC, which is also available in locally adapted versions. Training data are primarily based on the completion of this groupwide WBT on CoI and ABC or its localised versions.

The training provides practical knowledge on typical forms of conflicts of interest, corruption and bribery, as well as on their prevention and reporting. It is based on Erste Group’s legal and regulatory framework and the group-wide CoI and ABC policy, which establishes a zero-tolerance approach towards any form of corruption and bribery. The total duration of the WBT is approximately 60 minutes, with 45 minutes dedicated to the theoretical part and 15 minutes to a final knowledge check.

Additional trainings are conducted as needed, with content and duration tailored to the specific risks and requirements of the respective local entities.

## G1-4 – INCIDENTS OF CORRUPTION OR BRIBERY

Incidents of corruption or bribery within an organisation can severely undermine its integrity and ethical standards. At Erste Group, such incidents are treated with the utmost seriousness in accordance with the Policy on CoI and ABC. The Group maintains a strict zero tolerance approach towards any form of bribery or corruption.

There have been zero convictions for violations of anti-corruption and anti-bribery laws and the amount of fines for such violations is zero in 2025. This mirrors the situation from the previous year, where both convictions and fines were also zero (2024: zero). The data is not validated by an external body.

Subtopic	List of key-actions	Policy
G1-Corruption and bribery - prevention and detection including training	Training programmes to prevent and detect corruption and bribery	Policy on Conflict of Interest and Anti-Bribery and Corruption

### Training programmes to prevent and detect corruption and bribery

Erste Group has established comprehensive training programmes to prevent and detect corruption and bribery, aligned with the Policy on CoI and ABC. These ongoing actions are designed to raise awareness, prevent corruptive behaviour and address any material gaps, thereby supporting the positive impact of promoting a trusting and ethical business environment (see [G1-1](#) and [G1-3](#) for further details).

An additional implementation of a group-wide compliance platform is in progress. The platform is designed to serve as a central hub for knowledge sharing on key compliance topics; including conflicts of interest, the CoI and ABC policies, relevant points of contact and links to WBT resources. Its objective is to enhance accessibility and promote the consistent dissemination of essential compliance information across the organisation.

The progress of these actions is monitored through evaluations of the web-based training, data analysis of the reporting tool, checks and risk assessments (see [G1-3](#)). Group Conduct Compliance, with support from the department of Group People Development, monitors the completion rates of the e-learning programmes and escalates cases of non-completion.

## G1-5 - POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

Erste Group engages in advocacy activities both on the national as well as EU level. Erste Group priorities during 2025 included the creation of a strong Savings and Investments Union, increasing the EU's and CEE region's competitiveness as well as fostering domestic policies that are conducive for the economy. Additionally, Erste Group also addressed the following sustainability matters, which have been identified as material:

- \_ Climate change mitigation/energy: During the reporting year, Erste Group advocated for a well-balanced simplification agenda, e.g. in the context of CSRD/CSDDD, that aligns with bank's reporting requirements.
- \_ Financial health: In 2025 Erste Group focused on the Commission's recommendation on Savings and Investment Accounts, with a view to strengthening financial health across the EU.
- \_ Gender equality and equal pay for work of equal value: Erste Group contributed ideas on how to effectively implement the EU Directive on Pay Transparency.

Erste Group is a member of several trade associations. Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG do not provide donations to political parties (or their sub-organizations), candidates, active politicians with political mandates at all levels, party-political action committees or for party-political causes. This is in line with the group's Political Engagement Statement, which provides these restrictions and applies to all employees, management board members, representatives and third parties acting on behalf of Erste Group Bank AG and its entities in political or lobbying contexts.

Selected memberships and affiliations are:

- \_ Institute of International Finance (IIF) (international),
- \_ Eurofi (international),
- \_ Austrian Federal Economic Chamber (national – mandatory membership by law),
- \_ Federation of Austrian Industries (national) and
- \_ Austrian Savings Banks Association (national).

Erste Group is registered in the Austrian Lobbying and Advocacy Register under the number LIVR-00179 as well as in the EU's Transparency register under the number 910859715397-14.

Among the Supervisory Board members newly appointed during the reporting period, one member had held a position in public administration within the two years preceding their appointment.

Group Corporate Affairs & Stakeholder Management is responsible for steering the political engagement and responsible lobbying for Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG. Its division reports directly to the CEO.

## Subsequent events after balance sheet date

For events of particular importance after balance sheet date, Erste Group refers to the disclosures in *Note 67 Events after the balance sheet date* in the consolidated financial statements.

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**Management Board**

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Peter Bosek mp, Chairman

Ingo Bleier mp, Member

Stefan Dörfler mp, Member

Alexandra Habeler-Drabek mp, Member

Maurizio Poletto mp, Member

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Vienna, 25 February 2026