

Non-financial Report

One of the fundamental guiding principles in the business of both Erste Group and Erste Bank Croatia (EBC) is the Statement of Purpose, which rests on seven pillars. Expanding and ensuring prosperity, accessibility, independence and innovation, profitability, financial literacy, focus on people, and serving civil society are six out of the seven pillars, and largely cover the aspects of sustainable business that EBC aims to achieve. What makes Erste Group different is the last, seventh pillar of entire Erste Group's business, i.e. the so-called third question. Before every decision, the questions "Is this profitable?" and "Is this legal?" are asked, but the question that makes the difference, both for EBC and for anyone affected by Erste, is "Is this right?" This is the question that drives EBC to develop its services and products to the highest potential, thus making the greatest contribution to the individual and society as a whole.

Through corporate social responsibility, the Bank supports and promotes the development of different social segments through a wide range of activities, aimed at the wellbeing of its clients and the much wider social community in which it lives and operates, through supporting numerous charity and educational institutions, as well as culture and sport institutions across Croatia. In the process, the Bank always takes into account the specific regional characteristics and local social needs. Corporate social responsibility activities are transparently reported through various channels as well as through non-financial report which the Bank has been including in its Annual Report for years in various forms.

Erste Bank Croatia's vision is to be the best bank in Croatia that takes care of the security of its clients and offers highest quality products and services, taking account of the wellbeing of its employees, shareholders and the community. The aim of non-financial report is to better inform all interested parties about this vision and everything EBC does in order to achieve it. Through the segments of business, social and environmental responsibility EBC strives to fulfil its mission, i.e. motivate and support its clients, employees, shareholders and the community in working together to achieve prosperity.

EBC's efforts in this area are accompanied by a commitment to transparent and open communication with the media as mediators between the Bank and the general public. In recent years, these efforts were reflected in the advertising campaign "Believe in Yourself", through which EBC aims to promote positive social and economic values, integration, inclusion and fellowship of all individuals in the society, regardless of age, gender, ethnicity, religious or political affiliation, sexual orientation or marital status.

Implementation of the obligation of non-financial report

As already stated, Directive 2014/95/EU, which entered into the Croatian legislation at the end of 2016, stipulates the obligation of non-financial report for all companies with more than 500 employees. In this respect, the non-financial report of Erste Bank Croatia was issued as part of the Annual Report.

EBC's non-financial report has been prepared in accordance with the Global Reporting Initiative (GRI standard: core option) Guidelines. As a minimum, the report covers the business, social and environmental responsibility of EBC.

Sustainable development goals

The Sustainable Development Goals are also known as the Global Goals and were adopted by the United Nations in 2015. There are 17 in total, and by fulfilling these goals, the society is expected to achieve a more sustainable living and a better life for every individual, as well as peace and prosperity for all. Prosperity for the society and every individual is one of EBC's goals, which it is trying to achieve through its business operations.

In general, Erste Bank Croatia, as well as Erste Group, supports all 17 Sustainable Development Goals. But taking into account its type of business and its impact on society, EBC can significantly contribute by working on and achieving 9 goals through strategic initiatives, by redirecting financial flows and adjusting its operating model:

1. No poverty (SDG 1)
2. Good health and well-being (SDG 3)
3. Quality education (SDG 4)
4. Gender equality (SDG 5)
5. Clean water and sanitation (SDG 6)
6. Affordable and clean energy (SDG 7)
7. Sustainable cities and communities (SDG 11)
8. Responsible consumption and production (SDG 12)
9. Climate action (SDG 13)

Analysis of material topics

The analysis of material topics is the first step to drafting a non-financial report. It provides the organisation with a better insight into the topics that its stakeholders consider relevant and influential. Through talks with some of Erste's stakeholders, the Bank identified several important topics that will be addressed in this non-financial report. In order to make the information as clear as possible, the report is structured in such a way that each of the topics is classified under a specific segment of the interested public, i.e. stakeholders. The following groups have been identified as EBC's stakeholders: clients, employees, investors, society, environment, and suppliers.

Some of the topics, such as Anti-Corruption and Financial Literacy, are relevant to more than one interested groups of the public, but for better organisation of the report, they were included in one section.

In Table 1, Erste Bank Croatia has divided the topics it considers materially relevant to its stakeholders, that is, to the interested public.

Clients

Responsibility in business (SDG 1, 12)

Responsibility in conducting business, especially in relations with clients, represents a fundamental tenet of EBC's business operations which is reflected in offering special products and services aimed at different groups of clients in response to their current and future needs and life situations. Additionally, incentives for small entrepreneurs and incentives for innovation are necessary, and with its socially responsible banking programme, Erste banka strives to enable as many people as possible to access the Bank's financial resources and services. Similarly, EBC has established and applies the fundamental principles, policies and guidelines related to preventing corruption, managing conflicts of interest and resolving reported irregularities and protecting whistleblowers (whistleblowing programme).

Client satisfaction (SDG 4, 6, 7, 11)

EBC is strongly focused on customer experience and strives to be a leading bank in terms of consumer protection and outstanding customer experience. Its strategic goal is to provide excellent, simple, accurate, transparent and timely service. In order to achieve this, in doing business with clients the Bank applies the highest standards, and great attention is paid to the greatest possible transparency. A wide range of products and services adapted to the different life situations of individual clients also serves the purpose of achieving the greatest possible client satisfaction.

Right to personal data protection

The protection of personal data is a fundamental right of every citizen, and in the banking sector it is of extreme importance. Erste Bank Croatia is continuously working to improve its IT systems and educate its employees to ensure the highest standards of personal data protection. In order to protect the IT system from security threats, the Bank continuously works on upholding and improving compliance with the PCI/DSS standard and compliance with the requirements of the Erste Group as well as guidelines for managing IT systems issued by the national regulatory body.

Employees

Diversity and equality (SDG 4, 5)

Gender equality is a global issue that prevents peaceful and stable development and progress of humanity. EBC is investing extensive and systematic efforts to combat gender or any other inequality in the workplace, and for this reason it adopted the Diversity Charter, in which it undertook to implement the diversity and non-discrimination policy in the workplace and business environment. Apart from that, other regulations have been adopted with the aim of combatting inequality.

Training and skill development (SDG 4)

Continuous development of employees is one of EBC's key principles. Upgrading professional knowledge, acquiring new competencies in line with the trends and the market, and continuous personal development are the basic assumptions for the career path of all employees.

Employee work-life balance and health (SDG 3, 5)

The health and well-being of everyone, but primarily its employees, is one of the sustainable development goals identified by EBC as extremely important, especially considering the current circumstances. This sustainable development goal is the cornerstone for meeting all other goals. In this respect, EBC provides numerous benefits for its employees, from free annual physical examinations to organised sports activities. EBC systematically monitors market trends and developments and works to improve its business practices.

Society

Social banking (SDG 1, 11)

Income inequality, geographical inequality, gender inequality, unfair distribution of resources by age – the subject of inequality is reflected in all aspects of life. For EBC, this sustainable development goal can be achieved through social banking, which provides equal opportunities and accessibility of funding through inclusion and offering business opportunities to different social groups. Additionally, increasing financial literacy, which allows everyone to have the same starting point in the knowledge of finance, is one way for laying good foundations for achieving progress towards this goal.

Financial literacy (SDG 4, 11)

Acquiring good education is one of the fundamental rights of every individual, and knowledge is one of the main drivers that pushes society forward. In 2018, the Bank saw a need for increasing financial literacy in the society and launched the programme of free workshops and video training sessions called the School of Smart Finance. By the end of 2022, more than 11,000 participants attended the workshops online and in person.

Social responsibility (SDG 11)

Through its sponsorship and donation activities, EBC is involved and actively supports various initiatives and projects that contribute to the development and improvement of the society as a whole, both locally and throughout the Republic of Croatia. In addition, Erste Bank Croatia endeavours to nurture a two-way communication with the local community and achieve as much transparency as possible.

Environment

Efficient managing of environmental impacts (SDG 6, 7, 12, 13)

Climate change is no longer a projection set in the future but has become a reality in which humanity lives and the consequences of which it has to deal with. More and more companies are realizing their capabilities in managing climate change and responding to the climate crisis, which is why an increasing number of them are introducing more sustainable and environmentally friendly business practices. In the field of ecology and environment, Erste Bank Croatia strives towards highest quality business processes that reduce environmental impact, which is achieved through strategic planning by establishing policies that prescribe relevant standards, but also through day-to-day operations, such as the furnishing of branch offices. The bank is also trying to encourage its customers to adhere to high environmental standards, and it also expects its suppliers to implement best quality business processes that reduce impact on the environment.

Suppliers

Responsibility in selecting suppliers (SDG 6, 7, 12, 13)

Erste Group, including Erste Bank Croatia, sees its suppliers as partners in developing the sustainability of its operations. When selecting suppliers, the Bank takes into account sustainability and corporate social responsibility, and chooses companies that do business in line with international standards that include social and environmental impacts.

Table 1: Analysis of material topics

STAKEHOLDERS	TOPICS OF MATERIAL ANALYSIS	TOPICS OF MATERIAL ANALYSIS ACCORDING TO GRI STANDARDS	CHAPTER IN NON-FINANCIAL REPORT
Clients	Responsibility in operations		Anti-corruption and tax transparency
	Client satisfaction	Anti-corruption (GRI 205-3)	Products and services
	Right to personal data protection	Client satisfaction (additional material topic)	Client experience and contact centre, Right to personal data protection
Employees	Diversity and equality	Diversity and equality (401-3, 405-1)	Diversity and equality and prevention of discrimination
	Trainings and development of competences	Trainings and education (GRI 404-1)	Trainings and education
Society Investors	Employee work-life balance and health	Occupational health and safety (GRI 403-1, 403-3, 403-5), Flexibility in workplace	Safety, Employee work-life balance and health
	Social banking		Dialogue with the local community
	Financial literacy	Anti-corruption (GRI 205-3)	School of Smart Finance
	Social responsibility	Financial literacy programme (additional material topic)	Sponsorships and donations, humanitarian campaigns
Environment	Economic results		Emissions
	Effective management of environmental impacts	Emissions (GRI 305-5)	Waste management
Suppliers	Responsibility in selecting suppliers	Responsible selection of suppliers (GRI 308-2)	Suppliers' responsibility

Clients

Anti-corruption

In order to achieve its vision and mission as well as business goals, Erste Bank Croatia strives towards a high-quality and continuous implementation of the highest ethical standards in corporate management and individual employee behaviour.

Within this framework, EBC has established and implements the fundamental principles of socially responsible business as well as policies and guidelines regulating the prevention of corruption, the management of the conflict of interest and the system for handling reported irregularities and whistleblower protection (whistleblowing programme). The **Bank's Code of Conduct** regulates the basic rules of corporate behaviour of the Bank's employees with the aim of preserving and further developing the reputation of the banking business and the Bank in the society, promoting the idea of professionalism, responsibility and transparency of operations.

The Conflict of Interest and Anti-corruption Policy set out the minimum standards for combating corruption and bribery and standards for managing general types of conflicts of interest. In its operations, Erste Bank Croatia applies the highest ethical standards of corporate governance and individual behaviour. The Bank enters new business areas only if the business is fully in compliance with the positive regulations and is based on integrity and highest ethical standards. The Policy covers principles for managing general and specific conflicts of interest, types of conflicts of interest, general and specific principles for combating corruption and bribery and rules for managing conflict of interest. The Bank works on raising awareness and educating its employees on recognising situations in which a conflict of interest might arise, and on the measures, principles and actions that need to be implemented in everyday business with the aim of preventing and managing conflict of interest. The working environment must be free from any inappropriate influence or behaviour.

Erste Bank Croatia has zero tolerance for any form of corruption and bribery in relation to its employees, Management Board, clients and business partners. Corruption and bribery should also be considered a particular type of conflict of interest in the operations of Erste Bank Croatia and an inappropriate behaviour that leads to violation of law. Based on the Code of Conduct and the Statement of Purpose, Erste Bank Croatia has committed to applying strict and binding rules to combat corruption and bribery and to manage conflicts of interest, which it is aiming to achieve through the principles and rules of the Conflict of Interest and Anti-corruption Policy.

The Bank does not tolerate behaviours that go against the current rules and regulations, Bank's legal acts and ethical principles. Based on the Whistleblowing programme as a part of the **Whistleblowing Policy**, all persons employed in the Bank, regardless of the legal basis of their work for the Bank, are urged to promptly provide information about any behaviour of other employees, clients or third parties that is not in compliance with the valid rules, regulations, Bank's legal acts or ethical principles. The Policy sets out the basic principles, the internal procedure for reporting irregularities, and provides for an efficient protection of people who report irregularities, that is, whistleblowers. The Policy is obligatory for all persons employed at Erste Bank Croatia, regardless of the legal basis of their work for the Bank, and applies to everyone in the working environment.

EBC continuously educates its employees with the aim of raising awareness of the importance of managing conflict of interest and preventing corruption, as well as acting in accordance with ethical standards. Furthermore, through training, the Bank tries to encourage employees to report irregularities such as fraudulent actions, violations of procedures and the Bank's legal acts.

In 2022 Bank employees were receiving regular training on topics related to conflict of interest, combating corruption and the principles of the Bank's Code of Conduct. A total of 2,659 employees were trained on combating corruption and conflict of interest, 182 employees were trained on the topic of combating corruption, while 2,420 employees were trained on the topic of conflict of interest.

Tax transparency

Erste Bank Croatia has always been dedicated to tax compliance as well as the observance and consistent implementation of tax regulations. Since it is dedicated to corporate social responsibility, the Bank takes great care to pay all its dues for the public needs of the country it operates in and to pay a fair tax amount, i.e. the amount the Bank is obligated to pay under tax regulations. The EBC Group Tax Office for Croatia was established in March 2017 in order to ensure this.

Tax transparency (continued)

The activities of the Office include ensuring tax compliance of Erste Bank Croatia and its subsidiaries in Croatia as a whole, coordination of tax policies of affiliate companies and cooperation with tax authorities. The aim of the Office is to provide good and efficient tax risk management for EBC Group, in response to new tax regulations, which include EU directives and local regulations.

In addition to tax compliance, another important task of the Group Tax Office is to support its colleagues in the Bank and subsidiaries to optimise tax requirements related to their everyday operations. The purpose of the Group Tax Office is to support business lines of the Bank and incorporate existing tax know-how and expertise into every segment of the Bank's operations. The Tax Office closely collaborates with other organisational units in the Bank.

The Tax Code of the Bank was adopted and approved by the Management Board early in 2017, regulating the position of the Bank towards tax issues and tax risks. The document is publicly available on the website of the Bank and its purpose is to establish tax principles to be followed by all employees, as well as to raise awareness on the importance of taxes in the Bank and the entire EBC Group. The Tax Office continually organises trainings and workshops for its employees for this purpose.

Products and services

Responsibility in business operations, especially when it comes to how clients are treated, represents a fundamental characteristic of EBC's business operations which is reflected in offering special products and services aimed at different groups of clients in response to their current and future needs and living circumstances. Business with clients is in line with the sustainable development goals set by the Bank, and care for the environment, society and processes is part of our daily operations. In this respect, Erste Bank Croatia is looking to provide products and services that foster environmental sustainability and reduce CO2 emissions, offer financial services to vulnerable groups of clients. It is also striving to be a partner in changing the financial habits, while improving internal processes toward greater efficiency. Also, the Bank's goal is to actively support sustainable projects.

In 2022 the Bank initiated the process of establishing cooperation with businesses offering sustainable products and services, while adjusting the housing "EKO" loans available to residents, for purchasing, building or upgrading homes with the energy rating of A+, A and B. Such loans can be used to improve energy efficiency (by installing equipment for using renewable energy sources, interventions on property helping reduce energy consumption or installing thermal insulation in residential buildings). In 2022, almost EUR 160 million of EKO housing loans was arranged, which exceeded the goal set for last year. In addition, special offers and benefits in cooperation with home furnishing companies are provided for all clients interested in housing EKO loans without a mortgage. Also, a bond was agreed with the International Finance Corporation, used to finance EKO housing loans from 2021 to 2024.

In 2022 the Bank also initiated the process of defining the decarbonisation objectives and adjusting the guidelines accordingly for financing sustainable and green projects.

Last year, Erste Bank Croatia introduced debit cards made of recycled material, aiming to replace all existing cards by the end of 2026.

In addition to our internal processes, we are also trying to reduce use of paper in our business with clients, so we introduced digital account statements and various notifications, while enabling digital activation of products such as loans and savings.

Through the Bank's operation it is strived to take care of vulnerable groups of clients, offering them special tailored products, such as loans with specific terms and lower banking fees for pensioners. The Bank offers a special savings product for children called *Medo Štedo*, which aims to facilitate the first contact between children and the Bank and promote the habit of saving money by offering favourable interest rates and a customised rewards programme. There is also a special programme for young clients - a special current account intended for children and teenagers, including a debit card, which makes it easier for parents to teach them about financial responsibility without having to pay an additional account administration fee.

Products and services (continued)

In 2022, the Bank continued to actively participate in subsidised residential construction programmes (POS) and subsidized housing loans programmes for the purchase or construction of real estate in cooperation with the Croatian Real Estate Agency (APN).

Changes in client behaviour and habits, technology and the regulatory framework continuously require adjustment of the existing business model and the role of individual distribution and communication channels. Branch offices are increasingly becoming centres for consulting and resolving more complex client requests, while clients are increasingly using digital services and self-service devices to perform transactions and resolve simpler requests. In 2022, activities in the branch transformation project continued, which in addition to a new visual identity, is characterised by a new way of working focused on the advisory role of employees and a unique user experience for clients.

In line with the strategic benchmarks of the Bank whose primary objective is to provide for a sustainable operation of clients in the long run and socially sustainable operation in general, two key concepts have been implemented this year – Financial Health and harmonisation with the ESG regulation. For the first time in the Croatian market, the Financial Health concept enables clients to achieve better understanding and transparency in the credit rating, while the implementation of the ESG regulation lays an additional foundation for a long-term sustainable economy.

The main objectives of the Bank in the ESG segment are to support its clients in monitoring and reducing their carbon footprint and generally in their transformation toward more sustainable business and funding of green, sustainable projects. To achieve these objectives, in 2022 we launched ESG training for our employees, initiated the process of defining a clear service model involving ESG for corporate clients, and processes of implementing and defining the guidelines and methodologies for green funding. Additional emphasis was placed on reaching the target 'green' volume (GIR), which was set at EUR 105 million in 2022 and was significantly exceeded.

As in previous years, the Bank continued implementing existing and securing new financial instruments by signing agreements with domestic and international financial institutions (HAMAG BICRO, HBOR, EIF, EIB, EBRD). Financial instruments come in the form of credit lines, guarantees and guarantee schemes, and are available to micro, small and medium-sized companies with the aim of facilitating access to financing to entrepreneurs.

In 2022 we continued with intensive cooperation with special financial institutions on guarantee instruments with the aim to mitigate the negative consequences of COVID-19 and the crisis caused by the war in Ukraine, especially with the European Investment Fund (EIF), the Croatian Bank for Reconstruction and Development (HBOR) and HAMAG-BICRO.

Late last year, the Bank signed a EUR 50 million guarantee agreement with the European Investment Fund (part of the European Investment Bank Group – EIB), as part of the InvestEU Fund to support the sustainability, innovation and digitisation of small businesses in Croatia and the development of the cultural and creative sectors. Since its arrival in Croatia, the EIF has signed more than 40 agreements with local commercial banks, thus supporting some 5,000 businesses and helping preserve 70,000 jobs. Thanks to a wide range of coverage, InvestEU will help Croatian SMEs and mid-caps to introduce more sustainable technologies and operational practices that are less harmful to the climate. EIF funding also supports innovation and digital transformation by improving access to funding for research and technology-oriented businesses. It will also contribute to the development of the cultural and creative sectors, the creation of new business ecosystems and their adaptation to current market challenges.

The Bank also continued its partnership with HAMAG-BICRO and HBOR through the use of existing guarantee instruments, which remain open in 2023. An agreement was signed with the HBOR on a portfolio insurance policy for exporters affected by the Ukraine crisis, worth EUR 20 million. As part of the National Recovery and Resilience Plan (NRRP), negotiations were opened with the HBOR on a guarantee for mid-caps and large clients, along with the talks with the HAMAG-BICRO on interest rate subsidy with a guarantee for SMEs.

By signing the contracts and using these guarantee instruments, the Bank provided continuous support to individual entrepreneurial sectors, and those most affected by the pandemic in particular, in line with its strategic guidelines. As a result, around 60% more transactions were granted with guarantee facilities in 2022 versus 2021, which was already a record-high year in the use of guarantee facilities.

Products and services (continued)

In order to ensure more favourable lending terms for our clients, we also signed new framework agreements with the HBOR for investment loans worth EUR 50 million, as well as NRRP interest subsidies for private and public sectors.

In 2022 we intensified the granting of binding and non-binding letters of intent for funding projects co-funded by the EU. In this context, the Bank also actively participated in consultations with the ministries that published tenders within the NRRP and with the consulting firms that assisted clients in applying to these tenders.

The Bank operates in accordance with Responsible Business Principles which aim to ensure adherence to rules relating to funding, i.e. the provision of services in the areas of energy, defence, arms industry and other sensitive industries. Although the Bank does not focus on financing such industries, acting in line with principles ensures that business activities in these industries are conducted in a manner that is responsible towards clients and society in general.

Over the past two years, Erste Asset Management, a member of the ESB Group in Croatia, has offered several investment funds on the market based on investments related to ESG principles. It is currently the fastest growing segment of investment funds in the EU, and past experiences show great interest from clients in investing in this type of funds.

Digitalisation

The Bank is continuously working to digitise its operations and provide new and improved opportunities to clients.

The KEKS Pay app, which was offered to users by EBC at the end of 2018, registered more than 317,000 users at the end of last year. The app is intended for everyone, regardless of their bank of choice, so 71% of users are clients of other banks, while the remaining 29% have an account with Erste Bank Croatia. The KEKS Pay app initially started providing the service of sending and receiving money between friends, but it developed a number of new services since then, including the purchase of mobile phone vouchers and payment of tolls and parking, making donations, paying in web shops and stores that support KEKS Pay, among others. The latest innovation - receiving and paying digital utility bills has been used by an increasing number of users each month. Last year, intensive work was done to expand the scope of this functionality, so now it is offered by more than 60 different companies and local self-government units. In the second half of 2022, another new feature was added - called KEKS Kasica, or savings feature that proved quite popular among users.

After its introduction in 2020, the pan-European digital platform George continued to develop over the years, providing new, innovative features to its clients. Apart from bringing a better mobile and online banking user experience, George also represents a platform for innovation, so new features are being added and with each new update the platform becomes smarter, more advanced and intelligent. In addition to the already available products, such as opening of current accounts, cash loans, term deposits, credit cards and other, during 2022, developing new products in George was in focus. Clients were offered such services as opening brokerage and custodial accounts or gyro accounts and savings-related products. One of the most important new features that helps increase the speed of arranging new services, contributes to digitisation of services and reduces the use of printing paper is so-called "assisted sale at branch offices", where tellers in branch offices can arrange products for clients through George. In 2022, the app also saw certain adjustments in its interface and the conversion to the new currency. By the end of 2022, George had more than 362,000 active users per month.

Continuous upgrading of EBC's websites, which in 2022 also followed the needs of clients with all the necessary information should be mentioned too.

Client experience and contact centre

Erste Bank Croatia places great attention on client experience and aims to be a leading bank in terms of consumer protection and excellent customer experience. Providing excellent, simple, accurate, transparent and timely service has been set as a strategic objective. In order to achieve this, the Bank operates beyond the framework of what is legally prescribed and, for example, EBC enables the transparent and simple submission and resolution of complaints, with more than 70% of complaints solved within three working days.

Client experience and contact centre (continued)

Therefore, the client experience is managed systematically and continuously, through a process defined in five steps:

- _ By listening to the client's voice
- _ By implementing service quality standard
- _ By educating employees
- _ By measuring client's experience, and
- _ By identifying areas for improvement and defining an action plan of improvement.

The purpose of measuring client experience is understand their expectations and make sure they are satisfied with the service provided. We are measuring how much clients are satisfied with our services, products and processes, as well as the knowledge, expertise, procedures and conduct of employees towards the clients. The measuring results provide specific feedback and the opportunity to improve a client's experience in all contact points with the Bank.

The sources of clients' opinions come from several sides and from several perspectives. There is: *mystery shopping*, which determines whether employees behave and act in accordance with the pre-defined standards and procedures; client satisfaction surveys, which examine client's satisfaction with the provided service or contracted product (the sample is more than 40,000 respondents per year), and clients' complaints, which are collected and analysed on a monthly and quarterly basis in various categories.

All these measurements are carried out continuously, the results are regularly analysed and reported to the executives, and action plans for the improvements are made. At the bank level, the Committee on Service Quality and Client Experience also operates and its permanent members are the Management Board and directors of the second line of management from those sectors that directly communicate with clients, as well as other sectors that have a significant indirect impact on clients' experience. The Committee meets four times a year and determines the objectives of client experience, monitors the level of customer experience and decides on the priorities for improvement.

There are several basic goals which relate to the client experience, and which are aimed to be secured in the coming period. Further development of services and the possibility of contracting products on digital channels, improvement of the efficiency in processes in order to provide customers with a service in the shortest possible time, and continued transformation of the network in a way that puts the client in focus are just some of them.

Changes in client expectations, behaviour and habits, the technological revolution and regulatory frameworks inevitably require a redesign of the current business model and the role of branch offices as distribution channels for products and services of the Bank and its partners, which is why the network has gradually transformed. The bank network transformation project has been ongoing since 2018, and according to the service model, 16 branches of the Bank have been refurbished so far, with some of the branches redesigned for the first time according to the Branch Evolution concept, which is an upgrade of the service model for branch redesign. Other business premises of Erste Bank Croatia have also been reconstructed, and the plan is to continue redesigning branch offices according to the new concept.

EBC is available to clients through multiple channels in order to facilitate access to information and provide clients with the right to issue a complaint at any given time. In addition to standard communication channels (phone, e-mail, chat, video call), the EBC Contact Centre can also be contacted via WhatsApp and Viber, while the EBC digital clients are provided with video identification services.

EBC's long-term focus on excellent client experience in all contact points with the Bank has also been recognised by clients, as is shown in the CXI (Customer Experience Index) results, according to which EBC has been ranked first in the market for years with a significant advantage over other banks. Such a result proves that Erste Bank Croatia has been communicating with its clients successfully, timely and transparently in the uncertain situations we have encountered over the past few years.

Right to personal data protection

Personal data protection is basic right of every citizen. The principles and rules regulating personal data protection ensure the protection of private lives and other human rights and fundamental freedoms when collecting, processing and using personal information. It is guaranteed to every individual regardless of nationality, residence, ethnicity, skin colour, gender, language, religion, political or other affiliation, national or social background, health, income status, birth, education, social position or other characteristics.

a) GDPR (General Data Protection Regulation)

Application of the General Data Protection Regulation has brought new definitions and clearer obligations with regard to data protection and the right of every citizen to security and privacy. More specifically, the regulation added value to EBC in terms of its ability to get closer to its clients through transparent operations, using the GDPR legal framework as an additional opportunity and motive to raise the level of security of the entire security system. The GDPR introduced new definitions, described existing concepts in more detail, strengthened the rights of natural persons and one of the objectives was to raise information security to the highest level in the area of accessing and managing personal data. In relation to the processing of individuals' personal data, EBC is continuously working on improving relevant business processes. The Bank achieves a high level of personal data protection and ensures that clients, employees and contractors can exercise their rights in accordance with positive legal regulations by following best practices and industry standards of information and communication infrastructure management, transparent communication and other technical and organizational protection measures.

b) PCI/DSS (Payment Card Industry Data Security Standard) certificate

To protect the IT system from various security threats, the Bank continuously works on upholding and improving compliance with the PCI DSS standard and the requirements of the international Erste Group as well as guidelines for managing IT systems issued by the national regulatory body.

In 2022, EBC again successfully completed the PCI DSS re-certification, thus confirming the Bank's compliance with this complex international payment card security standard. The compliance, as well as the review of the PCI DSS scope, are extremely demanding and involve continuous collaboration between technical, business and security teams on compliance with the standard's requirements.

Employees

EBC's goal is to be the best bank in Croatia that cares about the security of its clients and provides products and services of the highest quality while taking care of the well-being of its employees, shareholders and the community. Caring for employees is one of the cornerstones of EBC's culture, and is demonstrated through various activities that the Bank undertakes to ensure that all employees are in a comfortable and high-quality working environment, characterised by mutual respect and consideration.

At EBC the individual is appreciated. This goes for the Bank's thousands of clients but also its employees. Excellence is possible only when employees with personality, talent and experience are gathered. For that reason, EBC strives to ensure that its employees work in a motivating working environment by providing career-related benefits, with emphasis on meaningful and purposeful work, opportunities for intellectual advancement and for acquiring new knowledge and skills, good and healthy interpersonal relationships, economic security and stability, and ultimately better care for one's own health. Additionally, special attention is given to gender equality and reduction of inequality, ensuring quality working conditions and social dialogue, preventing human rights violations and discrimination, and striving for maximum transparency and dialogue with the local community.

Diversity and gender equality and prevention of discrimination

EBC has a total of 2609 employees¹, of whom 1899 are women, while 710 are men. Among the Bank's workforce, employees aged 30 to 50 predominate.

Table 2: Employee structure

TOTAL		< 30 YEARS OF AGE		30-50 YEARS OF AGE		>50 YEARS OF AGE	
women	men	number	%	number	%	number	%
1,899	710	326	12%	1,925	74%	358	14%

Women account for 73% of employees while the remaining 27% are men. Regarding women in managerial positions, throughout 2022 their share remained at a similar level as in the previous year. At top management levels, which include the Supervisory Board and Management Board, women account for 17% while at the level of the Management Board and B-1 level, women account for 36% of managers. At the B-1 level, women account for 43% of management while in middle and lower management positions, they account for 64%. The Bank's goal is to maintain the positive trend from the past few years going forward, and continue promoting women leaders so that the percentage of women leaders are stable, growing over time.

The average age of the Bank's employees is 39.8 years, while the average age of employees in management positions is slightly higher at 45.4 years.

Table 3: Structure of managing bodies

SUPERVISORY BOARD	women	men		
	29%	71%		
MANAGEMENT BOARD	women		<30	30-50
	0%		100%	0%
B-1	women		50>	80%
	43%		20%	
B-2, B-3, B-4	64%		36%	
Total Top mgmt, Supervisory board, Mgmt. board	17%		83%	
Total Top mgmt	36%		64%	

¹ The expressed figure is the total number of active employees, regardless of whether they work full-time or part-time.

Diversity and gender equality and prevention of discrimination (continued)

The Code of Ethics regulates the prevention of discrimination, while the Rules of Procedure and Collective Agreement describe the reporting procedure and the steps that must be undertaken by persons authorised to resolve complaints. Through a special decision, the Management Board appointed members of the Legal Affairs and Human Resources teams as persons responsible for resolving complaints related to the protection of dignity and protection against discrimination within EBC.

Special attention is paid to preventing discrimination in the recruitment and selection process – EBC's job postings are open to all interested candidates whose competencies and experience meet the requirements of the workplace, regardless of gender, age, nationality and similar. Managers participate in individual or group counselling in an effort to raise awareness about unconscious bias so they could make quality and impartial decisions regarding the selection of candidates, and the prohibition of discrimination is also a key element in the Employment Policy.

EBC strives to create an environment that supports diversity, respect and appreciation of others, whether they are employees, contractors or clients of the Bank. The principles of diversity and inclusion that the Bank is committed to are defined in the Diversity and Inclusion Policy, available in Croatian and English. This document is regularly updated, and it describes the principles of an inclusive culture for both clients and employees. In 2021, the Policy was significantly revised in cooperation with Diversity Management at the level of the international Erste Group, and the Erste Group Statement on Diversity was added, which applies to the entire international group. At the level of the international Erste Group, Diversity Management is organized as a 'Group Function' and is located within Erste Holding, as part of the Group People & Culture sector.

Long-term goals concerning the demographic profile of top managers have been set at the level of the entire Erste Group, and they are defined for a period of five years and monitored in two steps. When it comes to the proportion of women among top managers (Management Board and B-1 level) in EBC, the goals are: 34% by 2023 and 41% by 2025. Data from 2021 showed that women accounted for 33% of top managers, thus the first goal was almost achieved; in 2022, the proportion of women leaders increased to 36%, thus the goal for 2023 was exceeded. The promotion of women to top management positions is supported by the new successor development process for B-1 positions which was implemented in 2022. Diversity, especially in relation to gender, was one of the key criteria in the process of nominating and selecting successors, so the pool of potential leaders consists of slightly more than 60% women. In this way, EBC wants to contribute to the inclusion of women in top management positions and to breaking the 'glass ceiling'.

In addition to the goals defined in coordination with Erste Group, the Bank also monitors locally defined goals concerning the demographic profile of senior management at the level of the Supervisory Board and the Management Board. At this level these goals are: women accounting for 23% of top managers by 2023 and 31% by 2025. At the end of 2022, this number was 17%, which means that in the next year the Bank will need to appoint one more female leader in these positions in order to achieve the goal.

In addition to supporting women managers, the focus is also on ensuring equal opportunities for advancement and development of employees from different age groups, especially those at either end of the curve (under 30 or over 50 years old), and encouraging successful cooperation in multi-generational teams. Thus, special attention is given to ensuring that lifelong learning is always part of development initiatives and that employees aged 50+ are equally involved in all training activities. In order to facilitate functioning in multigenerational teams, workshops for employees are organized on this topic.

In mid-2020, management began regular reporting on the basic parameters of diversity in the Bank. Data on gender and age distribution among different groups of employees are now part of the monthly employee report compiled for directors. In this way, diversity is monitored through numbers, while at the same time management's awareness of the importance of diversity management is strengthened. In 2021, the report was redesigned and is now easily accessible to management through the internal intranet platform.

EBC responds to a variety of initiatives, panels and lectures on diversity and actively promotes it at all professional conventions outside the bank.

In the past few years, EBC launched and is implementing a number of initiatives and activities under the slogan #različitoplavi, which aim to support diversity in the organization. The main sponsor of these initiatives is the Chairman of the Bank's Management Board, Christoph Shoefboeck, who is sometimes actively involved in some of the activities himself.

Diversity and gender equality and prevention of discrimination (continued)

Throughout the year, educational workshops on the topic of stereotypes, prejudices and unconscious bias are regularly held, adapted to different groups of employees and held in different settings (online, in person, through webinars...)

The bank is also continuously investing efforts in raising awareness about the importance of diversity by using internal communication channels, primarily intranet. Special attention is paid to including diversity as an important topic in the onboarding process. In order to raise awareness of the importance of gender equality, all materials, instructions, and guidelines for new employees are written in the feminine gender, and an explanation is provided as to why this is the case and why diversity is important in EBC. Additionally, the Bank is continuously working on providing benefits that support diverse groups of employees and contribute to work-life balance.

When advertising available job positions, in addition to the usual "ž" and "m" denoting female and male gender respectively, in late 2021 the Bank also introduced a gender-neutral designation - "d" for other. In that way, the Bank wanted to send a message about the importance of respecting diversity not just internally but also externally to the public, thus contributing to breaking stereotypes in our social environment.

During 2022 the Bank redesigned the way it communicates with potential employees, through all contact channels: including the career section of the Bank's website, content on various job websites and listings for open positions. Messages related to appreciating diversity are an important part of the new communication content. Thus, the Bank now uses photos which show people of different genders and ages or people with disabilities, and the text of job advertisements contains a note about diversity as an integral element of the Erste culture.

With the aim of breaking stereotypes, for several years EBC has been encouraging the fathers among its employees to use parental leave by sending a motivational e-mail describing the benefits of participating in taking care of a child and instructions on how to exercise this right. The initiative has had visible positive effects since it was launched - in 2022, around 50% of fathers employed by EBC opted to go on parental leave, while some data indicates that this number is just 7% in Croatia as a whole. Since autumn of 2022, legislation regulating the so-called father's leave is in force, making it mandatory for employers to allow every father to take 10 to 15 days leave. For EBC, implementing this initiative is not a challenge, as the Bank already encourages male employees to actively take on the parental role.

In order to make it even easier for employees to balance their parental role and private life with work obligations, the bank supports flexible work models and working from home when the work organization allows it. These options, although they are also used by men, primarily provide support to women employees due to the still traditional role of women in society, which makes them more involved in taking care of children, family, housework, etc.

Modelled after an event that took place the year prior, in October 2022 the Bank organized a half-day online event on financial literacy and financial health for all employees, and particularly women as more a vulnerable group when it comes to such topics. The event was again organised with the joint participation of local diversity managers from all Erste Group member countries. This year the joint part of the event featured an interesting lecture by financial activist Jacki Zehner who advocates for the equality of women and girls in relation to financial literacy and managing finances, and who calls herself a financial feminist. The local part of the event consisted of a panel discussion on financial resilience, which featured Bank's experts from various fields: macroeconomics, sales and psychology. The entire event garnered a large audience, around 150 employees of EBC Group joined in the online activities and provided very positive feedback about the content.

As part of promoting diversity, in 2022 the Bank participated in a project of providing work training to persons with disability, in cooperation with the Centre for Professional Rehabilitation in Zagreb. The pilot project was successfully implemented, during which a young person with cerebral palsy underwent mentoring with the aim of acquiring new work knowledge and skills, as well as learning to socialize and cope in new situations. In order to ensure that the project is successful, the entire team, which was joined by the person with the disability, first attended a workshop on accepting diversity. After the completion of the mentoring and successful integration into the team, the project ended in the best possible way – the person with the disability became an employee of the bank.

No cases of discrimination were recorded in 2022.

Diversity Charter

The Diversity Charter is a document drafted individually by each country, and the text of the Charter is signed by business and other organisations, thus undertaking to implement diversity and non-discrimination policies in their workplaces and business environment. The project started in 2018, and EBC is one of the signatories of the Charter, with the aim of emphasizing diversity in creating a stimulating work environment.

The Croatian Business Council for Sustainable Development is an organisation promoting the implementation of CSR in Croatia, and the Charter serves as a contribution to social development and the promotion of equal opportunities for all social groups. EBC is an active member of the network of experts in this field at the European Union level.

In addition to that, EBC is a member of the Alliance for Gender Equality, an initiative that brings together companies that advocate for increasing the number of women in management and other positions, equal pay for equal work and equal opportunities for advancement. Every year, the Bank's representatives attend the Alliance's Forum marking the International Women's Day and participate in discussions on relevant issues related to the equality of women.

In the past few years, EBC has been participating in the European project Diversity@Work, coordinated in Croatia by the Diversity Charter. The project includes around 80 organisations from ten EU countries, and its aim is to test tools for promoting diversity in organisations, adapt them to practice and ultimately enable organisations to apply the tools to their needs. In 2022, the Charter organized an online training course entitled "Diversity in the Workplace" in which around ten of the Bank's employees participated, attending several online training modules.

Code of Ethics

The Code of Conduct regulates the basic rules of business behaviour of the Bank's employees for the purpose of preserving and further developing the reputation of banking in society, promoting the idea of professionalism, responsibility and transparency of business. The Code of Conduct is a reference point for all procedures and behaviours and serves as a link in policy documents that regulate the behaviour of employees when performing activities. Similarly, the Code imposes the need for responsible behaviour, with respect for others and sustainability in all aspects of business, which protects the Bank's good reputation and fosters trust in the institution.

By adopting the Code of Conduct, the Bank wishes to ensure a certain standard of quality and business sustainability through the prism of its employees and corporate culture. Abiding by the Code is also a continuous process of development which does not have an expiration date or period of application and is mandatory for all employees. It is available in Croatian and English.

New employees learn about the guidelines from the Code of Conduct through workshops via MS Teams (sales network) and an e-learning training course. Since the Bank introduced a new LMS system at the end of 2021, the e-learning course has been redesigned and is now available to employees on their official mobile devices as well.

The Code of Conduct was updated in 2022, and the e-learning training course that was mandatory for all employees of the Bank was updated alongside it. By the end of the year, more than 2,400 employees, which represents more than 92% of total employees, attended the course and successfully passed the test.

Internal service quality

The process of internal service quality management is one of the ways to establish cooperation between different units of EBC and EBC Group. Through this process, employees have an opportunity to provide open and constructive feedback about cooperation with various organizational units and at the same time they can request feedback on their work, based on which they can improve the ways in which they cooperate with others.

This process also establishes criteria that internal services must meet, in the form of guidelines and standards, but also in the form of key performance indicators (KPI) for the second management line, which are defined based on results of internal research. The internal quality KPIs extend to lower hierarchy levels, as objectives describing certain activities that need to be undertaken in order to improve cooperation with others.

The systematic and continuous work on internal quality is important primarily so the Bank could ensure excellent services for external clients, and also to strengthen corporate culture based on community and teamwork.

Vezica

In the past few years, the “Vezica” (“Connection”) programme was established in the last few years as an additional recruitment channel, to attract new, high-quality IT employees using the network of existing employees. Together with the IT sector and organizations, certain IT positions were singled out, of which the Bank is in shortage, and existing employees are rewarded if they proactively recommend a candidate who becomes an employee at the Bank. In this way, it is ensured that existing employees become promoters of EBC, while also ensuring the selection of candidates who might not have applied through a standard job ad.

Continued and quality cooperation with employee representatives (Workers' Council and Trade Unions)

The Bank continually invests efforts in maintaining good cooperation with employee representatives so that this open communication channel could also contribute to the growth and development of corporate culture, the organisation as a whole, and all its employees. This is achieved through regular monthly meetings, an open-door policy, and quarterly meetings with the Management Board and the Workers' Council. In 2022, the meetings were organized quarterly. The collective agreement was concluded in 2006 and since then it has been renewed successfully and in the spirit of mutual cooperation and good will upon each expiry.

In addition to this, Erste Bank Croatia also actively encourages knowledge sharing between organizational units, sectors and employees. Work-training meetings are regularly organized with all organizational units as an opportunity to share information, attend various workshops etc. Work-training meetings are organized within one organizational unit or several related units and are a part of the Bank corporate culture, with the purpose of advancing the collective knowledge and awareness of employees within different organizational units. Sharing knowledge improves and develops already established processes, but also establishes new ones, with the vision of improving the level of shared direction in operations and corporate culture. In 2022, the Bank went back to organizing the work-training meetings the old way, in person, which contributed to better connections between employees and a sense of community.

Blue elephant

This is a corporate culture platform that was launched with the purpose of actively managing ECB's corporate culture. It is a common denominator for all activities, values, and behaviours through which corporate culture is defined and supported. The name and identity of the Blue Elephant are manifested through a shared and systematic description of all activities of the Bank, the values, behaviours, and characteristics that define and support corporate culture and its development.

The concept, vision and mission of Blue Elephant are defined through the following segments of corporate business and employee involvement: recruitment, collaboration, impact and development management, consequence management and innovation.

Blue Elephant activities and all related communication are based on the principles established by the Statement of Purpose, a strategic document of the international Erste Group, which gives priority to promoting and ensuring prosperity, serving the civil society and people, as well as prioritizing correct procedures over profitability.

#radimpametno

Prompted by the changes in the way of working, communication and cooperation caused by the pandemic, in mid-2020 the Bank launched the initiative #radimpametno (#worksmart) – a platform aimed at enabling smarter and better work and focus on the real values that are important for both employees and clients of EBC. The idea behind the name of the initiative was to encourage reviewing, adapting and changing everything that is not in accordance with common sense, and which relates to the future of work.

The initiative is conceived as a platform through which a future organisation of work is created, with a focus on the adaptation of culture, processes and infrastructure used in work in EBC. During 2021, a series of activities were carried out focused on these aspects, and the first phase of the project was completed at the end of the year.

#radimpametno (continued)

#radimpametno activities are divided into three areas and significant achievements have been achieved in each of them:

- Infrastructure
 - complete technical requirements for #radimpametno mode ensured for all bank employees: 1,200 mobile devices and 700 laptops distributed, mobile data plans improved, headphones distributed to everyone, network and Wi-Fi infrastructure improved
 - tools created for employees to facilitate successful use of technical equipment
 - MS Teams implemented as a collaborative tool with instructions and training provided to all employees
 - adaptation and renovation of business premises completed in Bjelovar and initiated in Zagreb
 - rental of additional business premises abolished and significant savings were achieved
- Culture
 - flexible work models introduced where possible, primarily the remote work model according to the "3:2 or 2:3" system
 - guidelines for "smart" meetings and communication via e-mail defined and implemented
 - "Development Friday" promoted – Friday as a day without meetings, dedicated to personal and team development
 - Erste Flexi Leader and Erste Flexi Employee model defined and promoted and development activities organised in support of these models
 - new LMS system implemented supporting #radimpametno values – modern, easy to navigate, accessible via mobile devices
- Processes
 - key company processes, recruitment and onboarding, redesigned in accordance with #radimpametno principles
 - #radimpametno principles defined as development goal for all employees in 2021
 - entire organisation encouraged to reflect and redefine critical processes in the context of #radimpametno principles

In 2022 the project continued, and it included several important activities:

- Infrastructure
 - after mobile devices and laptops were provided to employees, all unnecessary landlines were cancelled
 - through further refurbishment of office space, desk-sharing was introduced in a part of the organization
- Culture
 - flexible work models continue to be supported where possible, and a new work-from-home work model, involving monthly scheduling of work-from-home days, was introduced for IT and Digital part of the organisation
 - based on the Erste Flexi Leader model, the Bank launched the process of planning successors for top management positions, future leaders were identified, and a development programme for them started at the end of the year
- Processes
 - the so-called Erste PUNKT was introduced with the aim of increasing efficiency, a central point for internal services related to office work

Trainings and education

Continuous employee development is one of EBC's key principles. Upgrading professional knowledge, acquiring new competencies in line with the trends and the market, and constant personal development are the basic assumptions for the career path of all employees.

As in the previous year, online activities (webinars, online workshops, e-learning materials) accounted for a significant part of training activities, but the amount of "live" training sessions and workshops has been increasing and in 2022 they accounted for 35% of all training activities. In 2022, the emphasis was on development programmes for managers – for that group of employees, the number of training hours increased compared to the previous year.

Trainings and education (continued)

Table 4: Number of hours and average number of hours of training at EBC

	WOMEN	MEN	MANAGERS	EMPLOYEES
Number of hours	71,669	27,846	22,248	77,267
Average number of hours	38	39	57	35

Development needs are determined using the Training Needs Analysis (TNA) which analyses strategic competence needs, the existing level of knowledge in the organisation, as well as competence trends for a particular business area in the coming period.

According to the TNA results, educational activities are created and organised and the optimal form of training is defined — webinar, online workshops, e-learning, coaching, mentorship, internal knowledge transfer, in-house rotations, project work, etc.

The main focus of development activities is divided into:

- a) Expertise — functional-specific professional training — professional seminars and workshops, certifications, conferences, etc.
- b) Personal development — training organised to develop personal competences such as presentation and communication skills, negotiation, conflict management and others.

An important part of development activities relates to leadership skills for managers — including motivation and team management, situational leadership, empathetic leadership, using leadership models and tools, and instructions for managing virtual and remote teams that has gained great importance over the past two years. In 2022, several development programs for managers were implemented that were adapted to the specific challenges in certain business areas (processing, retail sales, sales in the corporate segment, IT).

Another category of personal development that culminated during the pandemic is the protection of employees' mental health and coping with uncertainty. Employees were offered content related to the challenges of working from home, work-life balance during lockdowns imposed due to the pandemic, coping with stressful events and psychological empowerment. The topics concerning both mental and physical health continued to be very important in 2022, which can clearly be seen from the kind of training that employees were most interested in. Webinars that had more than 200 employees participating in them were: "How to prevent stress," "School of good posture," and "Integrative approach to health." Training was available to employees in the form of video materials and written content on the intranet, webinars and online workshops and e-learning courses.

All employees are offered the opportunity to sign up for a certain number of training courses at their own initiative, regardless of the type of work they do or their job position. They are offered a number of open training content in the form of shorter webinars or online workshops, which they can register for in accordance with their individual needs and interests.

One important training channel is Erste Guru, a local online learning system that provides access to various training topics in the form of videos, presentations, etc. Erste Guru is also a place where employees receive all mandatory, regulatory training — such as training on current product offers, sales skills, GDPR, competition rules, cyber security topics, etc. In this way, the reach of development activities in the organization is also greatly accelerated and expanded. Through 2022, training related to leadership skills, as well as training focused on mental and physical health, was in particular demand.

Last year, development activities covered 95% of the training needs defined through TNA. A significant part of these activities was organized and held by the Bank's internal trainers from business organizational units or by Human Resources employees, which shows that the internal knowledge base and the potential of internal trainers are still being used very intensively.

The average number of training days per active employee stood at 4.75 in 2022.

Table 5: Average number of training days per active employee

	2019	2020	2021	2022
	5.08	4.25	5.20	4.75

Employee programmes

Due to business line needs, various tailor-made programmes for specific groups of employees continued in 2022:

- *Erste Start* – a modular programme for the development of leadership skills and soft skills for newly appointed managers,
- *Erste Forward* – a modular programme for upgrading and refreshing leadership and soft skills for managers
- *HR Refresh* – a programme for line managers on practical examples and solutions related to operational staff management (labour legal issues, managing working time, performance management, etc.)
- *UP* - programme for the development of managerial and sales skills in the corporate banking sectors
- *Retail Leadership Academy* – programme for the development of managerial skills in the retail banking sectors
- *Processing Leadership Academy* - programme for the development of managerial skills in the Processing sector
- *How to Survive the Euro Year* – support programme for IT managers
- *Henry programme* – development of business and soft skills in the corporate banking support sector
- *E-Leadership Academy* – program for the highest level of line managers for the development of modern leadership skills and adoption of new trends and strategic competences
- *ROAD programme* – development activities for successors to B-1 positions
- *Tips & Tricks* – online programme for line managers with tips related to most important leadership areas (feedback, stress management, taking responsibility, etc.) tailored to meet the needs of individual organisational units
- Specific targeted programmes for individual organisational segments, depending on identified development needs

Erste Bank Croatia employees also have the possibility to attend various specialized training courses organized by the owner, Erste Holding. These training courses meet the needs for specialized training which is needed but not available on the market or the number of experts is too low to organize an in-house program. In 2022 the following were implemented:

1. Mastering Leadership Programme
2. Group Graduate Programme (GGP) 2022
3. Sales Training Programme
4. Project Risk Management Workshop
5. Power BI (storytelling)
6. License-to-lend
7. ALM - Fundamentals
8. ALM - Expert
9. Tagetik Webinar
10. Ethics Global Code
11. FLiP Capital Market Tour

A special emphasis is also placed on identifying and developing talents, i.e. employees who show a lot of potential. International programmes are organised for them at the level of Erste Holding, as well as at the local level.

Development programmes are organised in cooperation with local and international educational institutions and experts, but largely also via internal transfer of knowledge, through internal trainers and educators.

Employee work-life balance and health

In recent years, EBC has been putting emphasis on employee wellbeing, and all activities and initiatives are grouped under the name Well.being.

The goal of Well.being is to develop a culture in which employees take care of themselves and each other. It is in line with the purpose and priorities of the international Erste Group and forms the basis of common value – for the employer, for the employee and for the wider society.

Existing activities and initiatives are merged, structured and improved, and new ones are introduced, in line with employee interests.

Employee work-life balance and health (continued)

The elements of wellbeing cover five interrelated areas that impact each other:

1. a work environment culture that encourages employees to look after their **health** is fostered;
2. on the other hand, **financial benefits** are those which enables economic security for employees and their families;
3. meaningful and purposeful work is an important tool for **career development**;
4. personal **intellectual progress** is ensured through opportunities to acquire new knowledge and skills;
5. good quality interpersonal relationships are an important part of the **social aspect** of private and business life.

In different life situations, the importance of certain elements changes, and it is necessary that all elements are represented and that there is a balance between them. EBC pays special attention to the needs of different groups of employees and creates occasional initiatives precisely for them, thus integrating the care for one another into daily operations.

For EBC employees, this means being in good health, enjoying security for themselves and their family, feeling a sense of fulfilment and satisfaction, a sense of growth and development through work and fun.

In 2022, the platform Zdrava glava (Healthy Head) also became available to employees. This platform arose from a need for psychosocial support, which has continuously been provided to employees since 2020. The initial idea behind the psychosocial corner in 2020 was to facilitate adaptation to working from home, dealing with the long-term situation of the pandemic and the consequences of devastating earthquakes, by talking to the expert team and reading articles published on the intranet about current topics. In this way, employees were encouraged to be proactive in taking care of their psychological health. Launching the Erste phone line for psychological support, supported by in-house experts, turned out to be very useful after the earthquakes that struck Zagreb area and Sisak-Moslavina County.

Today the Zdrava glava platform is a logical result of employer's concern and employees' interest in the topic of mental health. The platform's fundamental goals are: break taboos and destigmatize the topic of mental health, talk about it more clearly and loudly, foster a culture in which *it is okay to say that we are not okay*, and connect physical and mental health, which together form an inseparable whole.

The Zdrava glava platform deals with a wide range of topics and is present on several internal communication channels available to all employees. In addition to the active work of the in-house psychosocial support team, which is available to employees via e-mail, telephone and anonymous questionnaires, specially designed workshops and webinars led by top experts are also organized. Furthermore, the Erste Guru online learning platform offers educational materials in the form of videos, expert articles, quizzes and quick help tips. The topics covered are vital and of great importance for the business and private environment: stress and burnout, depression, gratitude, empathy and many others.

Content offered by Zdrava glava platform has responded well to employee's needs, which is reflected in the large number of employees that have participated in webinars and training sessions. On average more than 150 employees participate in webinars on mental health topics.

Alongside caring about their physical and mental health, in 2022 EBC also focused on the financial health of its employees. The international Erste Group launched WeShare, a program for distributing shares to employees, in which all Erste Group subsidiaries could participate, including EBC and its subsidiaries in Croatia. In addition to the distribution of shares, employees were also given the opportunity to further invest in Erste Group shares at their own choice and capabilities, and received additional shares as a return for the purchase. It is planned to continue the program in the coming years.

In addition to this program, midway through the year the Bank undertook another move with the aim of strengthening the financial health of employees, adjusting their salaries in order to reduce the impact of inflation on employees' financial resilience. At the end of 2022, the bank decided to take advantage of the legal increase of the maximum amount of tax-free income and thus provide additional financial support to employees.

Employee work-life balance and health (continued)

To achieve Well.being goals, EBC have the following benefits at their disposal.

- training and development programmes focused on professional growth and development, and additionally lectures and workshops that are not closely related to business topics;
- internal job openings available to all;
- annual awards depending on the results achieved, bonuses (Easter, Christmas bonus, recourse, Christmas gift for a child, jubilee awards in accordance with years of work spent in the Erste Group, solidarity allowance for e.g. birth or adoption of a child, death in the family...), reimbursement for meal expenses, reimbursement for travel expenses, payments to a closed voluntary pension fund;
- flexible working hours where the work process allows such organisation of working hours (flexible working hours, shorter Friday, different work start and end schedules, possibility of part-time work);
- private health insurance policy at a polyclinic with free annual physical examination, with a cheaper price for indicated examinations, voluntary health insurance policy at the employer's expense, 24-hour accident insurance, preventive flu vaccination at the employer's expense; Covid-19 vaccinations organised in the largest cities and Bank locations;
- Multisport – a co-financed membership fee for using various activities in sports facilities throughout Croatia, participation in sporting events (banking games, humanitarian races, football league, etc.);
- paid leaves to perform a physical examination, blood donation, relocation, birth of a child, the first day of school and kindergarten, wedding, for educational purposes, corporate volunteering, participation in cultural, sports and other activities organised by the employer, etc.;
- unpaid leave in other life situations which require more time devoted to private obligations and solidarity;
- cheaper products of the Bank and subsidiaries and additional benefits in terms of cheaper prices of services and products provided through a wide and stable network of external partners in several categories (e.g. culture, sport, health, beauty, entertainment, travel, education...);
- various initiatives that provide entertainment for employees and their children during their workday, such as marking Ugly Christmas Sweater Day by wearing Christmas sweaters on a given day in December, or organising appropriate activities for children (art competitions, collecting Christmas gifts for children living in homes without parental care).

All health benefits are available equally to all employees.

Table 6: Total number and rate of new employees during the reporting period

WOMEN		MEN		< 30 YEARS OF AGE		30-50 YEARS OF AGE		>50 YEARS OF AGE	
number	%	number	%	number	%	number	%	number	%
164	67%	79	33%	120	49%	118	49%	5	2%

Table 7: Total number and rate of employee fluctuation during the reporting period

WOMEN		MEN		< 30 YEARS OF AGE		30-50 YEARS OF AGE		>50 YEARS OF AGE	
number	%	number	%	number	%	number	%	number	%
131	7%	51	8%	41	13%	115	6%	26	7%

Table 8: Rates of return to work and retention for employees who have used the right to maternity leave

2021				2022			
WOMEN		MEN		WOMEN		MEN	
number	%	number	%	number	%	number	%
115	88%	9	100%	203	100%	19	100%

Safety

In order to ensure the integrity of its business processes and thus to protect the personal data of its employees, clients and associates, EBC is making continuous efforts to raise the level of security - a key area for the regular operation of the Bank. Raising awareness and educating EBC employees is one of the key foundations for successful and continuous operations. All employees are required to attend safety training on an annual basis, and special attention is also paid to new employees who are required to pass a set of initial trainings, which include the topics of security.

Safety at work is an important part of the Bank's daily operations, and over the past few years, due to Covid-19, monitoring the development of the disease and producing adequate guidelines, this segment has become extremely important.

Occupational safety as a system prescribes a range of organisation measures in work processes with the aim of protecting employees from injuries, work-related illnesses as well as securing their ability to work throughout their careers. In implementing occupational safety, EBC uses basic, special and approved rules, and the primary legal framework is set through the Occupational Health and Safety Act. Employees within the Bank are trained in different segments. They receive theoretical and practical training, depending on the type of training required. Since the employer is responsible for all persons employed, each new recruit will be assigned a mentor before safe working practice training. The purpose of the training is to inform workers of all the facts and circumstances which affect or are likely to affect their safety and health (relating to the organisation of work, risks, safe work procedures, etc.), to clarify and train workers for the practical application of the occupational safety measures they are required to apply during work, in accordance with the Risk Assessment. Safe working practice training is conducted in accordance with all applicable regulations of the Republic of Croatia. Upon completion of the training process, a document is issued as evidence of qualification, a uniform "ZOS form" — Record of evaluation of a workers' ability to apply safe working practices.

The occupational safety system includes the development of a Risk Assessment, which includes all risks related to tasks in all job positions at the Bank. After analysing the type and level of risk intensity, the resulting plan of measures provides proposals for the application of basic and specific occupational safety rules, i.e. the application of the principles of occupational safety (elimination or risk mitigation, de-risking of workforce, ring-fencing employees from risk and vice versa, use of personal protective equipment) and implementation deadlines, persons responsible and control methods in the implementation of established occupational safety measures.

Occupational safety also covers fire protection training and insistence on evacuation in case of emergency. In addition, by maintaining facilities based on SLA (Service Level Agreement within the maintenance agreement) and the legal obligations, direct attention is paid to employees' health through regular cleaning of ventilation ducts, air conditioners, office cleaning and disinfection, DDD measures (disinfection, disinsectisation, deratisation) and other preventative space maintenance. The field of occupational safety also includes occupational medicine, which provides employees with pre-employment medical examinations and pre-employment, periodic and extraordinary medical examinations and control check-ups for jobs with special working conditions, in accordance with the applicable occupational safety regulations, at the employer's expense.

EBC has delegated three occupational safety experts whose task is to provide professional assistance to the employer and its representatives, employees and workers' representatives in charge of occupational safety for the implementation and improvement of occupational safety. In addition, the occupational safety expert participates in the risk assessment process, performs internal supervision over the application of occupational safety rules, encourages and advises the employer and his representatives to remedy occupational safety deficiencies identified by supervision, and also performs a number of other tasks related to the coordination and management of training of workers related to safe working practices.

Salaries

EBC's salaries and benefits policy is guided by the principles of transparency (information about all pay grades is publicly available to all employees), the market and the safety and stability of employees and their families. Compliance with these principles is one of the cornerstones of decision making when it comes to salaries and benefits. More information has been available on EBC's website since last year, which also greatly contributes to the transparency of the salaries and benefit policy. Also, as noted above, during 2019, the Erste standard of benefits was defined, which EBC undertook to follow during both good and difficult times.

Society

Social banking

EBC sees entrepreneurship as a positive model for addressing social issues or situations. From the Bank's perspective, supporting a sustainable entrepreneurial project instead of a one-off sponsorship and donation can be a long-term solution. Erste's social banking initiative encourages the financial inclusion of start-up entrepreneurs, non-profit organisations and social entrepreneurs, offering them access to financial products, financial consulting and ongoing mentorship tailored to their needs. So far, more than EUR 11.9 million have been allocated for this purpose with more than 525 clients supported.

In 2022, EBC provided EUR 1.4 million to support start-up entrepreneurs, a special group of clients, persons who are self-employed, i.e. start-up entrepreneurs who have started their own business, craft or family farm in the last two years. This programme encourages self-employment and the development of entrepreneurship, and, in addition to funding, supports the design and realisation of a business idea by implementing free online education on relevant entrepreneurial topics and providing consultation services. In 2022, 257 business plans were drawn up, 7842 users participated in the e-learning programme and a total of 1047 hours of consultations took place.

In addition to supporting start-ups, EBC is also implementing a programme to support and finance non-profit organisations and social entrepreneurs that were supported with EUR 1.6 million in 2022. In addition, 300 participants participated in various programmes and 3142 hours of consultations were provided.

In 2022, Erste Bank Croatia, in cooperation with its partners ACT Group, Panda Communications and Erste Foundation, started implementing the 'Leave a Good Trace' programme. It is a programme that aims to improve financial resilience through the improvement of fundraising capacity. The idea was born from the long-term experience of inclusive banking that the bank implements with start-up entrepreneurs and non-profit organizations, support in transferring ideas 'from theory to reality' and understanding the administrative burden and the involvement of the non-profit sector in the race for EU funds. It consists of two parts - educational and mentoring, through which all participants are provided with individual support for the development of a social business canvas, fundraising strategy, storytelling along with instructions for adapting digital channels as a prerequisite for the successful implementation of a fundraising campaign. A total of 41 associations applied for the programme.

Financial literacy

School of Smart Finance

For more than 20 years, EBC has been working in Croatia to improve its processes, products and services, all in order to respond to the clients' wishes and needs in the best possible way. Also, due to the fact that knowledge is a driver of the society and social changes, Erste Bank Croatia as a financial institution has a responsibility in the field of financial literacy development at every age.

Five years ago, the Bank launched a pilot project entitled the School of Smart Finance, which includes free educational workshops on personal finance management and interactive video training. It was motivated by a survey showing that 87% of citizens recognise the importance of financial literacy.

Due to the Covid-19 pandemic, the workshops for all interested citizens, businesses and educational institutions were adapted to the online channel, through MS Teams. Since such a workshop format was very well accepted, online workshops continued in 2022, when we also started organising them in bank branches, in several Croatian cities (Rijeka, Split, Osijek and Zagreb). In order to bring the financial literacy programme closer to as many young people as possible, the Bank held more than 40 workshops in primary and secondary school and universities, with nearly 1,000 participants. Overall, more than 90 workshops with 2,200 participants were held in 2022. Since the School programme was first introduced in 2019, it has had more than 11,000 participants.

Because of the importance of this programme, especially for children and youths, in 2023 the Bank is planning to focus more on organising workshops in primary and secondary schools, as well as universities and student organisations.

Other

In addition to the comprehensive project of the School of Smart Finance, it is worth mentioning some of the other initiatives of EBC and its employees in the field of increasing financial literacy.

This is especially emphasised on Savings Day, which is marked in the Bank by the arrival of kindergarten and elementary school children to the branch offices, where they have the opportunity to talk with cashiers, advisers and personal bankers and ask anything they want to know. EBC's savings mascot Medo Štedo is especially interesting to children and also plays a large role in promoting financial literacy.

Also, EBC has supported and participated in the traditional celebration of World and European Money Week for many years.

Employees of EBC are happy to respond to the invitations to participate in other workshops, lectures and events organised to increase financial literacy.

Due to the specific circumstances, and depending on the epidemiological situation and recommendations, some of these activities took place in-person, while some were held online.

Social responsibility

Dialogue with the local community

EBC endeavours to nurture a two-way communication with the local community and achieve as much transparency as possible.

This is also fostered through partnerships with numerous associations, faculties, exhibitions and presentations at fairs, conferences and conventions throughout Croatia. In 2022, the following was successfully implemented:

- Participation in the Career Week organised by the Faculty of Organisation and Informatics in Varaždin (employer exhibition booth, presentation to students, lecture from IT experts given to the students of the Faculty)
- Participation in the Career Day organized by the Faculty of Science in Zagreb (exhibition booth, presentation to students, providing information about opportunities for placement)
- Several guest lectures for students given by IT experts at the Bjelovar University of Applied Sciences (exhibition booth at the conference organized by the University – B:IT.con) and at the Faculty of Organisation and Informatics in Varaždin
- Career Day at the University of Rijeka (exhibition booth, presentation to students)
- Career Day at the Polytechnic of Rijeka (exhibition booth)
- Participation in the RIT Career Day as part of a panel discussion

A total of 33 students completed their placements at Erste Bank Croatia in 2022, which the students carry out to fulfil their university course requirements or gain basic knowledge of the business area that interests them.

With its student programmes, EBC joined the Youth Initiative back in 2018. Youth Initiative was launched by the Croatian Employers' Association and the European Bank for Reconstruction and Development with the aim of helping young people enter the labour market, and EBC wants to contribute to increasing young people's opportunities for acquiring good first work experiences and for potential further employment.

Also worth noting are non-profit organisations which participated or continue to participate in programmes for novice entrepreneurs which the EBC facilitates. The Bank supports their work not only financially, but also in various other ways, such as by hiring them for marketing purposes, promoting their activities on the bank's communication channels, etc.

Scholarships

As in previous years, in 2022 students could apply for the "Best of South East" scholarship programme, launched by Steiermärkische Bank and Sparkassen AG (Sparkasse Bank) in cooperation with the University of Graz. It is aimed at graduates and students with very good grades and pronounced characteristics like dedication, developed communication skills as well as analytical and practical economic thinking. The programme comprises of a one-year internship at Sparkasse Bank or another Styria-based company for graduates and one year of studying at the University of Graz for students.

In 2022 the Bank again participated in the "Step into Life" campaign by granting scholarships to children without adequate parental care to enable them to attend university. Along with the Rotary Club Zagreb Kaptol, EBC is the largest individual sponsor.

In the fall of 2019, the ECB introduced the practice of providing scholarships for high school and university students with disabilities within the framework of hiring persons with disabilities within the quota. This practice was continued in the last, fourth consecutive school year (2021/2022) when 20 high school and university students received regular monthly scholarship. In addition to this, cooperation agreements on the purchase of marketing materials have been concluded with two protective workshops which mostly hire persons with disabilities. In autumn 2022, contracts on scholarships for pupils and students with disabilities were signed with a total of 17 students for the school year 2022/2023.

Sponsorships and donations

Through its sponsorship and donation activities, EBC is involved and actively supports various initiatives and projects that contribute to the development and improvement of the society as a whole, both locally and throughout the Republic of Croatia. Aware of the needs of the community, as a socially responsible enterprise, EBC continued to support numerous cultural, scientific, health, educational, sports and humanitarian projects during 2022.

Nearly EUR 2.1 million was allocated through the sponsorship and donation programme in 2022. The Bank supported around 600 projects and institutions of a humanitarian and educational nature, as well as clubs, associations, institutions and projects of sports and cultural and artistic nature, through sponsorship or donation.

Through sponsorships, in 2022 EBC supported the DA2 festival of documentary film, Ulysses Theatre, Austrian Culture Forum – exhibition entitled "Body and Territory: Art and Borders in Contemporary Austria" at the Museum of Contemporary Art, Cinema Cinema children's film festival, Youth Salon at the Croatian Association of Artists and Zlatan Vehabović's exhibition at the Museum of Arts and Crafts. The Bank also supported the International Festival of Small Scenes, Ballet Ensemble of the Ivan pl. Zajc National Theatre in Rijeka as well as the Rijeka Carnival and the Little Prince exhibition held in Rijeka; Špencirfest festival, Varaždin National Theatre, Varaždin Baroque Evenings, BOK festival in Bjelovar, DOKUart festival of documentary film which, in addition to its regular programme, encourages children and young people from all over Croatia to create their own documentaries, and the Christmas outdoor jazz concert in Bjelovar. Support was also provided to Samobor Carnival, Samobor music festival, International Children's Festival in Šibenik and the Croatian Home in Split.

Erste Bank Croatia also supports numerous conferences held across Croatia; in 2022, these included the Sustainable Development Conference, Entrepreneurial Mindset conference held in Lauba, Good Wind Days in Dubrovnik, Support the Sustainable, Better Education, Better Croatia...

Sponsorships and donations (continued)

EBC has also supported a number of other cultural events which contribute to the promotion of local customs and culture, as well as tourism, such as the traditional Alka Tournament in Sinj, International Lace Festival in Pag, Lubenice Music Festival in Cres, Matulji Evenings in Matulji, Kastav Cultural Summer in Kastav, and many other traditional events specific to a certain region or city in Croatia.

Through the creative platform Urbanka powered by Erste, various international exhibitions were supported, projects such as the Graffiti na gradele, an international festival bringing together world-known graffiti artists, Crtani romani šou, a comic book festival, DA2 film festival dedicated to design, art and architecture, Gallery Rally as an interactive cultural event that connects ten galleries in Zagreb and actively includes visitors in their tour.

Sponsorships and donations (continued)

The 18th consecutive competition for young artists – Erste Fragments – was held in 2022. More than 100 applications from young artists were received, works of art were purchased and exhibited in EBC's business premises and branch offices across Croatia. In addition, scholarships were awarded to the best young artists. Erste fragmenti exhibition was held in autumn last year at the Lauba People and Art House.

When it comes to supporting the social community through donations and sponsorships, the Bank supported the Nazorova Children's Home and the SOS Children's Village for orphaned children. Donations were made to the Special Orthopaedics Hospital in Biograd na moru, Bjelovar General Hospital, Zadar General Hospital, Zadar County Health Centre, Croatian Association for Paediatric Surgery in Klaićeva, and the Croatian Thyroid Disease Association.

As part of a broader strategy that promotes, among other things, the integration, inclusiveness and fellowship of all individuals in society, EBC supported the activities of the Zagreb Pride organisation.

Knowledge is one of the drivers of creation, progress and growth. Therefore, through donations and sponsorships the Banks aims to include as many initiatives, organisations and events that concern educational activities. For that purpose, EBC is also collaborating with various schools, for example, Student Union faculties at the University of Rijeka, Academy of Dramatic Art and the Academy of Fine Arts in Zagreb, Rijeka Faculty of Economics, Faculty of Electrical Engineering and Computing and Faculty of Science at the University of Zagreb, and Centre for Student Support and Career Development at the Faculty of Organisation and Informatics Varaždin.

Alongside the above, EBC promotes the importance of sports projects and sponsorships that emphasise the importance of promoting sports, and especially promoting awareness of the importance of physical activity in children. Two major projects that are focused on this goal are the Erste Blue League and Erste Handball League which were merged into the children sports platform named Erste First League in 2020.

Erste Blue League is a project intended for Croatian primary school students enrolled in grades 1 to 6 and is designed to help children develop an athletic spirit and to encourage them to get involved in sports. The 10th competitive season was held last year, in which a total of 4138 children participated, which is a new record for this competition. The 60 Minutes GO campaign included renowned athletes, coaches, teachers and institutions with the aim of contributing to and raising equal opportunities and conditions for doing the daily sixty minutes of physical activity for interested children. Competitions were held in nine cities (Rijeka, Zagreb, Osijek, Makarska, Zadar, Pula, Knin, Vukovar and Čakovec, with the final taking place in Zagreb).

The Erste Handball League is a unique children's handball league intended for primary school students enrolled in grades 2 to 7. This league aims to show that everyone needs physical activity to grow up healthy and happy, while giving children the opportunity to participate in competitions, socialize and have fun. World-renowned handball players Ivano Balić and Petar Metličić and their handball club are involved in the organization of the League. They are role models to all competitors of the league and represent additional motivation for the children and clubs to take part in the competition. In the fifth season of the Erste Handball League, competitions were held in ten cities (Rijeka, Rovinj, Split, Zadar, Šibenik, Dubrovnik, Labin, Poreč, Umag and Pula, and the final in Split), and a total of 4720 children participated in it.

Through sports sponsorships, EBC traditionally supports the Croatian Table Tennis Association, the Erste Beach Volleyball Club from Zagreb, Primorje Rijeka Water Polo Club, Croatian Football Club in Rijeka, Croatian Olympic Committee, the traditional Fiumanka sailing regatta in Kvarner in which more than 200 sailboats participate, Biograd Boat Show, the largest boat fair in Croatia, Velika Gorica Football Club and a number of other regional sport clubs to promote different types of sports and sports activities among the young generations of athletes. EBC also supported the Terry FOX Charity Run which was held in 2022 in its original form. The funds were donated to the Croatian League Against Cancer and Solidarna association.

It is also worth nothing initiatives launched by different sectors of the Bank and employees themselves. Since 2013, the Bank has been running the HOPE donation fund, whose mission is to collect employee donations with the aim of helping orphaned children, living in children's homes across Croatia. Participation in this initiative, as well as the size of donations, is entirely voluntary and can consist of a one-time donation or regular monthly payments made through a open payment order. The initial idea was to collect small monthly donations from a larger number of employees in order to help children's homes to procure equipment and other necessities that children need.

Sponsorships and donations (continued)

There is also the AZIL initiative, a cashiers' solidarity fund, i.e., a special purpose, voluntary fund for covering cashiers' shortages and financial damages suffered by clients as a result of cashiers' mistakes when working with clients. All employees may join the fund, regardless of their job position, but it benefits only the employees in positions that include working at the cash register, vault and cash centre. The membership fee is HRK 15 a month for cashiers and is collected from members' salaries, while other members that join the fund in solidarity donate any amount they want, which they specify in the membership application created specifically for this purpose.

Last year, EBC once again supported and actively participated in the project of the Erste Group titled *Kontakt. The Art Collection of Erste Group and ERSTE Foundation*. The collection was founded in 2004 and includes more than many works of art made from different countries, focusing on Eastern, South-Eastern and Central Europe.

Humanitarian campaigns

Erste challenge

For the fifth consecutive year, in the campaign that lasted from January to December 2022, EBC Group employees in Croatia undertook to reach a mileage target by engaging in a sport or recreational activity with the aim of securing a charity donation. The target was set at 120,000 kilometres and the final mileage reached was above the target, therefore the bank donated a total of HRK 20,000 to the association Down Syndrome Centre Pula.

Corporate volunteering – “Pay It Forward”

Corporate volunteering is more than a one-off campaign at the Bank level and has been organised for years. It is a process of volunteering and providing help by setting aside employees' time to help others. With the aim of further encouraging employees, for the fourth consecutive year all interested employees were offered the possibility to volunteer during working hours. They can use one working day per year for this purpose, during working hours, as individuals or in a group.

Through various projects throughout the year, employees helped and worked together to do good. This may have included socialising with elderly or sick retirement home users, improving homes for children, caring for the poor and the homeless, cleaning the environment, etc.

In 2022, volunteer work was carried out in the following institutions and organisations: Business Skills Academy, Friends shelter in Čakovec, Lug Centre for Upbringing and Education, Australian Football Association in Croatia, and Noah's Ark. A total of 22 volunteering days were carried out.

Volunteering was carried out in such a way that employees were informed about different volunteering options via intranet or they themselves found such opportunities. Additionally, sometimes Human Resources provides assistance with organizing it by proposing a volunteering location and helping with everything required for volunteering to take place.

Since 2015, EBC has been a signatory of the Charter Recognising Competences Acquired by Volunteering, and since 2019 the Bank has been a signatory of the Employee Volunteering Charter. The best acknowledgement of the efforts and engagement of Erste volunteers are the many thanks they received from various institutions and associations in 2022.

Happy Hour

Employees of the Bank, as well as other subsidiaries, regularly organise annual campaigns of selling cakes and other sweet or savoury products, which they made themselves, to raise funds that they donate to associations or individuals in difficult life circumstances. After a two-year break, Happy Hour was once again held this year, in Zagreb and in Rijeka. Collected donations were divided into three sums and donated to three organisations. Happy Hour was also held at Erste Card Club, which sent its donation to the Vladimir Nazor Centre for Providing Community Services.

Environment

In the last few years, the subject of environmental protection has become increasingly important for the sustainable development and viability of companies and people. As climate change has started to affect almost every country on every continent and change the way people live and work, the battle for environmental protection has become a global preoccupation. The importance of these topics is reflected in numerous summits, agreements and initiatives of the world's leading powers which aim to find the best possible solutions through joint efforts. The last such conference was held in Egypt in late 2022 where it was confirmed that efforts made so far will be increased, and all globally involved parties were invited to gradually reduce the production of energy from coal with unabated emissions and abolish inefficient fossil fuel subsidies as well as strengthen efforts to mobilize funds to support climate action. The goal of a global commitment to mobilize USD 100 billion annually by 2025 to help developing countries face the effects of climate change was also adopted.

By deciding to finance environmentally neutral companies and pursue "green" and sustainable projects, banks and other financial institutions have an indirect impact on the environment and its conservation. Additionally, in its internal processes, EBC strives to employ environmentally friendly solutions of the highest quality, thus, for example when renovating branches and when communicating with customers, the aim is to achieve the highest possible environmental standards. The immediate impact on the environment has been determined through energy consumption and paper consumption.

Managing environmental impacts

Erste Bank Croatia has an established Environmental Policy, which defines environmental objectives that aim to contribute to reducing energy and water consumption and minimising environmental pollution, thereby contributing to the community in which the bank operates. Some of the goals EBC is committed to are:

- _ Protection of natural resources through their responsible use, systematic increase of energy efficiency and compliance with all applicable legal regulations
- _ Use of recycled paper and continuous reduction of waste paper
- _ Introduction of a waste sorting system and promotion of responsible waste management among employees
- _ Reduction of harmful emissions through the selection and use of electricity from renewable energy sources

To achieve its goals, EBC has implemented an environmental management system that complies with the requirements of ISO 14001:2015. The Environmental Management System according to the ISO 14001 standard was extended (recertified) at the end of 2020 and integrated with the Energy Management System according to the ISO 50001 standard, which will allow more advanced monitoring of electricity consumption and its rational use in the coming years, which should ultimately result in certain savings. The next recertification is planned for 2023.

The active involvement of our employees is crucial for achieving these goals. In this regard, EBC conducts training of all employees on rational energy and paper consumption, and proper waste separation, as well as systematic training on the ISO 14001:2015 standard, with all its elements and goals. Since early 2020, training on environmental protection and rational use of energy is mandatory for all new employees, and all employees underwent this training in 2022.

As in the previous years, the yearly external audit was performed by a licenced certification company in 2022 to ascertain that the Environmental Management System functions in accordance with the international standard ISO 14001: 2015. The Bank has completed all necessary activities to extend the ISO 14001:2015 certificate for another year. Some of EBC's subsidiaries (Erste Card Club, Erste Leasing and Erste Bank A.D. Podgorica) did the same.

EBC has set Strategic Environmental Objectives for the period from 2022 to the end of 2024. Compared to the reference year 2019, they are:

- _ Maintain electricity consumption at +/- 3% (2019: 10.98 GWh, 2,489 FTE)
- _ Maintain heat consumption at +/- 3% (2019: 4.09 GWh)
- _ Reduce CO2 emission 0-3% (2019: 2,251 tCo2/ FTE)

Managing environmental impacts (continued)

Based on the Strategic Objectives, the Operational Objectives for next year were also defined.

- _ implement internal educational campaigns on environmental protection, electricity and thermal energy savings for new employees
- _ further installation of UV protective foils on the premises
- _ production of 64,000 kWh ($\pm 5\%$) of green energy from photovoltaic cells installed on the office building in Zagreb

Energy

Energy is needed for everyday life, both for individuals and the entire economy. In that process, energy needs to be transferred from the initial location to the end-user, which of course causes pollution. Monitoring electricity consumption allows for better management of this segment of sustainable business. Erste Bank Croatia has several initiatives in the area of electricity savings.

When designing branch offices and other business premises, the Bank takes into account all aspects of environmentally friendly and sustainable business, uses software and technical solutions to optimise energy consumption, regularly maintains equipment to increase its durability and reduce waste, uses energy-saving light bulbs and energy-saving LED panels for advertisements, etc.

EBC wants to encourage its clients to think about energy efficiency and, consequently, to act in that direction. Thus, the Bank has designed and offered several products for the purpose of financing energy efficiency, the so-called eco loans, both for citizens and companies, which encourage the use of ecological forms of energy, the use of renewable energy sources, energy efficiency, etc., thus further promoting the development of sustainability and energy efficiency in society.

As part of Erste Group, EBC is committed to providing financial services in the energy sector because it believes that electricity supply is a key element for economic and social development, especially when it comes to Central and Eastern Europe. At the same time, in this area there is a need for reasonable management of environmental and social impacts, and better management of environmental risks. This is precisely why guidelines have been set in Erste Group's corporate financing segment with the aim of implementing the principles of sustainability and regulating Erste Group's participation in this industry.

In 2022, the instalation of sun protection foils continued. Apart from providing much better working conditions for employees in summer, they also reduce the electricity consumption of air conditioning. Last year, foils were installed on glazed surfaces in branch offices – two in Split and in branches in Koprivnica and Našice.

The Bank constantly controls and works to reduce energy consumption, and in order for this to be done as efficiently as possible, all employees and users of the premises need to be trained, which was carried out throughout the year. Employee training on the rational use of energy became mandatory for all new employees as of 2020. The trainings brought results, so the consumption of thermal energy was reduced by almost 20% compared to the reference year 2019, while the consumption of electricity was reduced by almost 5%.

After the coronavirus pandemic in the past two years brought a drop in energy consumption in fuel consumption for official vehicles, fuel consumption increased after the end of the pandemic, which was expected.

Significant progress in the use of renewable energy sources was made in June 2021, when photovoltaic cells were installed on the roof of the Erste office building in Zagreb. The goal was to produce 64,000 kWh of green energy, but the power plant exceeded the goal and in 2022 more than 75,500 kWh of electricity was produced. In 2023, it is planned to start producing electricity in Bjelovar and to expand the power plant in Lučićeva in Zagreb.

Emissions

In 2021, EBC continued to use 100% renewable electricity, which means that, in addition to maintaining low CO₂ emission levels, EBC contributed to, i.e., participated in the implementation of national energy efficiency projects through the ZelEN fund.

Emissions (continued)

At Erste Group-level, CO2 emissions are monitored in all member states and are calculated using data on energy consumption and consumption of photocopier paper. EBC continues to record a constant decline in CO2 emissions:

Table 9: CO2 emission

	2020	2021	2022
tCO2e	1,936	1,916	1,563

In 2021, EBC procured and put into service five electric cars, and due to undeveloped EV-charging infrastructure in Croatia, the Bank developed its own charging network by installing fast and slow charging stations near office buildings in Zagreb, Rijeka and Bjelovar. A total of 10 charging stations have been installed during last two years and there are plans to install three more in 2023.

Waste separation and reduction of unselected municipal waste

It has been identified that paper consumption accounts for the largest proportion of waste generated by the Bank. For that reason, the Bank uses environmentally-friendly, recycled printing paper across all its operations in Croatia, and intends to continue doing so in the future too. In addition, due to environmental reasons, as well as ease of use, the Bank's clients are encouraged to do business online as much as possible. For that reason, clients can submit applications for the Bank's products digitally, and in the bank's branch offices General Terms and Conditions are available on tablets instead of on paper. Posters in the branches have largely been replaced by digital displays wherever possible. Instead of the classic notices sent by mail to clients' homes, EBC strives to send emails to clients as much as possible, and individual campaigns for switching from paper monthly statements to electronic ones are often carried out. Also, centrally operated digital filing folders are used, thus saving paper.

The Bank constantly controls and works to reduce the consumption of photocopier paper across all its segments, and training courses have been organised for this purpose. Already in 2019, the reduction in consumption was significant (23%), and in 2020, it was even more pronounced, amounting to nearly 40%. This decline continued in 2021, but it should be noted that the coronavirus pandemic and specific working conditions also had a major impact on reducing paper consumptions. This can be seen in the fact that in 2022 the average number of used reams of photocopier paper per employee increased to 13.45.

Table 10: Consumption of photocopier paper

	2020	2021	2022
Ream/FTE	11.18	10.77	13.45

In order to reduce the negative impact on the environment in the future and further reduce the amount of unseparated municipal waste, in late 2018 the Bank replaced paper hand towels in sanitary facilities with linen towels. As part of this initiative, employee training was organised. By using linen towels, EBC reduced the amount of unseparated municipal waste by 70-90% every year compared to previous years when paper hand towels were used. However, with the emergence of the coronavirus pandemic in 2020, the use of paper towels (mainly for disinfecting work surfaces) increased again, and this trend continued in 2021. However, as pandemic restrictions were being loosened, with the majority of them being lifted in 2022, the procurement and distribution of paper hand towels was stopped as well.

In addition, in 2018 the Bank installed containers for separate disposal of waste in all office buildings and branch offices across Croatia, establishing waste disposal procedures and organizing training for employees on this subject. In addition to separate disposal of paper, plastic, metal and glass, special containers for disposing of waste batteries were set up in office buildings in Zagreb, Rijeka and Bjelovar. Considering that there are no data available at the level of the Republic of Croatia on the amount of individual types of disposed waste, only special categories of disposed waste are registered. Data shows that in 2022 the Bank disposed of: 3.76 tonnes of bulk waste and nearly 40 tonnes of electronic waste.

Other activities

A few years ago, prompted by employees, the Bank launched the praiseworthy "Project for PET", which continued being implemented last year as well. As part of the project, the Bank organized the collection of plastic packaging waste in Erste business centres in Zagreb and Bjelovar, which is carried out in cooperation with the Association for the Promotion of Inclusion. Bank employees collect plastic soda bottles, which the users of the association take to be recycled, and the funds raised thusly are used to co-finance their needs.

By organising the collection of plastic packaging, EBC helps the community in which it operates in two ways: aside from recycling large quantities of plastic bottles, which is in itself an environmentally beneficial act, the Bank supports the entrepreneurial activities of a socially disadvantaged group – people with intellectual disabilities who are otherwise hard to employ. Additionally, the Bank contributes to the reduction of waste PET water bottles across its entire network by introducing a device for the production of drinking water obtained from the water supply network by reverse osmosis. The drinking water available to employees in this way is not in plastic packaging. Additionally, by providing more glass cups in kitchenettes, the Banks aims to reduce the use of disposable plastic water cups, at least as far as its employees are concerned.

Additionally, in the office buildings in Zagreb, Rijeka and Bjelovar, Erste Bank Croatia organised an ecological and charity project of collecting plastic caps from PET bottles for the purpose of raising funds for the Association of Leukaemia and Lymphoma Patients of the Republic of Croatia. This type of campaign is carried out by Erste Card Club.

When designing branch offices in accordance with the new service model concept which, in addition to the mode of operation also includes EBC's visual identity, green walls made of living plants are standardly installed, which have proved to contribute significantly to creating a pleasant work environment for our employees and their coexistence with nature. In addition to the administrative building in Zagreb, so far green walls have been installed in office branches in Pula, Makarska and Zagreb (in Masarykova Street and Dubrovnik Avenue), Zadar, Šibenik, Vinkovci, Viškovo, Buzet, one branch office in Split, on Rab island and two branch offices in Zagreb. In addition, indoor plants contribute to a natural increase of humidity in heated spaces during winter, thus reducing the need to use energy for artificial humidification.

The Bank is also a member of the non-governmental organisation Croatia Green Building Council and actively participates in discussions and projects concerning green construction projects, discussions on new trends in this field, etc.

EU Taxonomy related disclosures

The Taxonomy Regulation is a regulation that establishes a classification system that helps determine whether an economic activity is environmentally sustainable, while sustainable economic activity is defined as contributing to one or more of the six defined environmental objectives - climate change mitigation, climate change adaptation, sustainable use and water protection and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems. In addition, the EU Taxonomy Regulation requires that none of the above environmental objectives be significantly damaged and implemented in accordance with minimum safeguards (according to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, International Organization (ILO) for Fundamental Principles and Rights at Work and the International Charter of Human Rights).

From 2022, institutions participating in the financial markets are obliged to publish information related to the first two goals, whereby taxonomically acceptable economic activities are more closely defined by Commission Delegated Regulation (EU) 2021/2139 for the first two goals. The criteria for the other environmental targets are still being worked out. For the financial year 2022, for financial institutions, the simplification provisions from Delegated Regulation (EU) 2021/2178 (Article 10, paragraph 3) continue to apply, which states that it is necessary to publish part of the exposure to taxonomically acceptable and taxonomically unacceptable economic activities in total assets, share of exposure to states, central banks and supranational issuers in total assets, share of derivatives in total assets, share of exposure to companies that do not prepare non-financial reports, share of trading portfolio in total assets and share of short-term interbank loans in total assets.

In order to comply with the requirements of the new regulation, Erste Bank Croatia used information from the portfolio screening conducted by the international Erste Group for all members of the Group.

Taxonomy-eligible and non-eligible activities are defined according to the European Industrial Classification System (NACE), which serves as a basis for defining economic activities in taxonomy.

EU Taxonomy related disclosures (continued)

The exposures set out in item 1 include the following categories of financial assets, including loans and advances, debt securities, equity investments and repossessed collateral: (a) financial assets at amortized cost, (b) financial assets at fair value through other comprehensive income in other comprehensive income, (c) investments in subsidiaries, (d) joint ventures and associates, (e) financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss (f) real estate collaterals obtained by credit institutions by taking possession in exchange for the debt cancellation.

Only contractual partners that are themselves subject to the EU Non-Financial Reporting Directive (NFRD) are to be included in the disclosure of taxonomy-eligible assets. Essentially, there are listed companies that meet certain size criteria and have more than 500 employees on average per year, as well as banks and insurance companies with more than 500 employees. Private households and local authorities are not subject to comparable size criteria. With regard to the assets described in points 2 to 6, the legislator does not provide for the disclosure of the taxonomy-capable or non-taxonomy-capable portion. The regulatory scope of consolidation in accordance with Regulation (EU) No. 575/2013 applies to all disclosures.

The key figures determined by ERSTE Group are based on the total balance sheet as the denominator. Foreclosed properties as collateral were added to the total balance sheet.

According to the interpretation in the Frequently Asked Questions (FAQ) published by the European Commission in December 2021, the disclosure of taxonomically acceptable exposures must be based on actual information provided by a financial or non-financial entity. For the calculation of taxonomically acceptable assets, only financing from the field of commercial real estate financing, private mortgage financing, renewable energy sources and corporate financing with a clearly defined ecologically sustainable financing purpose was used.

The proportion of taxonomically eligible assets fell to just over 16% in the 2022 financial year compared to the previous year, with the main reason for this decline being changes in the calculation method.

Table 11: EU Taxonomy Disclosures

Taxonomy related disclosures (EC 2021/4987, Article 10)	2021	2022
Mandatory taxonomy-related disclosures		
Central governments, central banks, supranational issuers and derivates/ Total assets	44.70%	49.02%
SME's and NFCs not subject to NFRD disclosure obligations/ Total assets	16.80%	15.77%
Trading portfolio/ Total assets	0.20%	0.18%
On-demand interbank loans/ Total assets	0.50%	0.60%
Taxonomy - eligible activities/ Total assets*	25.10%	16.60%
Taxonomy non - eligible activities/ Total assets*	45.70%	83.40%
*compared to previous year denominator has been changed from GAR assets to total assets		
Voluntary taxonomy-related disclosures		
Estimated green assets/ Total GAR assets	3.00%	6.62%

Suppliers

Suppliers' responsibility

Erste Group sees its suppliers as partners in developing the sustainability of its operations. When selecting suppliers, Erste Group takes into account sustainability and corporate social responsibility, and chooses companies that do business in line with international standards that include social and environmental impacts.

Erste Group Procurement (EGP) is Erste Group's company specialised in procurement. Its main objective is to ensure a transparent and fair procurement and supply and such contracts. Meeting the needs of Erste Group for national and foreign goods and services, delivered in time and in accordance with quality requirements, under the best possible conditions, is the key element.

The suppliers of Erste Group are required to meet the stipulated standards in the fields of business ethics, environmental protection and human rights.

In the fulfilment of the contractual obligations, Erste Group expects the following from the suppliers of materials, equipment and services chosen as partners: respect of national and local laws and regulations, the fulfilment of all legal obligations regarding the health and safety of their employees and contractors, strict compliance with environmental regulations, compliance with and application of the fundamental principles of corporate social responsibility, protection of basic human and workers' rights, environmental protection, the promotion of health and safety, and decisive fight against corruption.

These principles are also expressed in the Supplier Code of Conduct, which is publicly available on the Erste Group Procurement website.

Erste Group Procurement carries the "CIPS Corporate Ethics Mark". This certificate is provided by the Chartered Institute of Procurement and Supply (CIPS). This certificate is issued to companies that have been dedicated to high standards of ethics and have proven that their employees are trained and do business in line with them. Employees are fully certified with respect to ethical conduct while 95% of suppliers, chosen by EGP, have undergone ethical audit in accordance with EG standards.

In the process of selecting suppliers at a strategic and operational level, sustainability is also taken into consideration. Along with an initial assessment, suppliers' operations are regularly reviewed, covering the most important or most vulnerable suppliers. The audit questionnaire refers to areas such as the existence of an environmental management system, participation in the Carbon Disclosure Project (CDS), the existence of a written environmental policy, methods of measuring CO₂ emissions, the existence of environmental targets, information on fines and penalties for violations of environmental regulations and description of the suppliers' supply chain.

In the case of the procurement of goods, the audit questionnaire is supplemented with questions on potentially hazardous chemicals, product recycling possibilities, end-of-life recovery, and *Energy Star* or similar standards.

Erste Group, including Erste Bank Croatia, is pleased to point out that no actual or potential negative environmental impacts have been detected in the supply chain of Erste Group and no contract with a supplier has been terminated as a result of significant actual or potential negative environmental impact.

When selecting suppliers, Erste Group also addresses social aspects, and the questionnaire covers questions such as child labour, elimination of all forms of forced labour, elimination of discrimination in the employment process, freedom of association and the right to collective negotiation, reasonable working hours and fair compensation, health care, work safety, job restructuring, salary, appropriate working conditions, and other important social criteria in the supply chain.

Erste Group also encourages social responsibility through the selection of suppliers and the type of goods and services it uses, including promotional marketing materials. Among other things, Erste Group often chooses products that have an ecological certificate or are the final product of a socially responsible project involving marginalised groups of the society.

GRI Content Index

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Reference to Annual Report 2022	Comment/Reason for omission
GRI 102 General Disclosures 2016					
1. Organisational profile					
GRI 102	General Disclosures	102-1	Name of the organisation	4	Erste&Steiermärkische Bank d.d.
GRI 102	General Disclosures	102-2	Activities, brand, products, and services	86	Annual report: General information
GRI 102	General Disclosures	102-3	Location of headquarters	86	Rijeka, Jadranski trg 3a, Republic of Croatia
GRI 102	General Disclosures	102-4	Location of operations	86	General information
GRI 102	General Disclosures	102-5	Ownership	86	General information
GRI 102	General Disclosures	102-6	Markets served	86	General information
GRI 102	General Disclosures	102-8	Information on employees	39	Non-financial report: Employees
GRI 102	General Disclosures	102-9	Suppliers	60	Non-financial report: Suppliers
GRI 102	General Disclosures	102-10	Changes in the supply chain	60	No significant changes
GRI 102	General Disclosures	102-11	Precautionary principles	29	Non-financial report: Code of Conduct of the ESB Group; Statement of Purpose
GRI 102	General Disclosures	102-12	External initiatives	33, 55	Non-financial report: Customers, Environment
GRI 102	General Disclosures	102-13	Membership of associations	n.a.	Croatian Banking Association, Croatian Chamber of Economy
2. Strategy					
GRI 102	General Disclosures	102-14	Report of the Chairman of the Management Board	6	Report of the Chairman of the Management Board
GRI 102	General Disclosures	102-15	Key impacts, risks and opportunities	32	Non-financial report: Materiality analysis
3. Ethics and integrity					
GRI 102	General Disclosures	102-16	Values, principles, standards, and norms of behaviour	39	Non-financial report: Employees
4. Governance					
GRI 102	General Disclosures	102-18	Governance structure	66	General information: Supervisory Board, Management Board
5. Stakeholders					
GRI 102	General Disclosures	102-40	List of stakeholders	32	Non-financial report: Materiality analysis
GRI 102	General Disclosures	102-41	Collective bargaining agreements	39	Non-financial report: Employees
GRI 102	General Disclosures	102-42	Identifying stakeholders	32	Non-financial report: Materiality analysis
GRI 102	General Disclosures	102-43	Approach to stakeholder engagement	32 at seq.	Non-financial report: Materiality analysis
GRI 102	General Disclosures	102-44	Key topics and concerns	32	Non-financial report: Materiality analysis
6. Reporting practice					
GRI 102	General Disclosures	102-46	Defining report content	29	Non-financial report: Materiality analysis
GRI 102	General Disclosures	102-47	List of material topics	32	Non-financial report: Materiality analysis
GRI 102	General Disclosures	102-49	Changes in reporting	32	No changes were made.
GRI 102	General Disclosures	102-50	Reporting period	4	From 1.1.2022. to 31.12.2022.
GRI 102	General Disclosures	102-51	Date of most recent report	n.a.	Annual report for the year ending on 31.12.2021.
GRI 102	General Disclosures	102-52	Reporting cycle	4	Annual
GRI 102					
GRI 102	General Disclosures	102-54	Claims of reporting in accordance with GRI standards	29	EBC's non-financial report was prepared in accordance with the requirements of the Global Reporting Initiative (GRI standard: core option)
GRI 102	General Disclosures	102-55	GRI content index	61	Non-financial report

GRI Content Index (continued)

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Reference to Annual Report 2022	Comment/Reason for omission
GRI 103 Management Approach 2016					
GRI 103	Management Approach	103-1	Explanation of the material topics	30	Non-financial report: Materiality analysis
Material and additional topics					
Material topic: Anti-corruption (GRI 205 Anti-corruption 2016)					
GRI 205	Anti-corruption	205-3	Confirmed incidents of corruption	33	Non-financial report: Anti-corruption There were no confirmed incidents of corruption in 2022
Material topic: Emissions (GRI 305 Emissions 2016)					
GRI 305	Emissions	305-5	Reduction of emissions	56, 47	Non-financial report: Emissions
Material topic: Responsible criteria in the supply chain (GRI 308 Negative environmental impacts in the supply chain and actions taken 2016)					
GRI 308	Negative impact on the environment by the suppliers	308-2	Negative impact on the environment by the suppliers	60	Non-financial report: Suppliers
Material topic: Health and work-life balance (GRI 401 Employment 2016)					
GRI 401	Employees	401-1	New employees	48	Non-financial report: Employees New employees: 243; Fluctuation: 182
GRI 401	Employees	401-3	Parental leave	48	Non-financial report: Employees
Material topic: Health and work-life balance (GRI 403 Occupational health and safety 2018)					
GRI 403	Occupational health and safety	403-1	Occupational health and safety management system	49	Non-financial report: Employees
GRI 403	Occupational health and safety	403-3	Occupational health services	49	Non-financial report: Employees
GRI 403	Occupational health and safety	403-5	Prevention and mitigation of occupational	49	Non-financial report: Employees
GRI 403	Occupational health and safety	403-7	Worker training on occupational health and safety impacts directly linked by business relationships	49	Non-financial report: Employees
Material topic: Training and education (GRI 404 Training and education 2016)					
GRI 404	Training and education	404-1	Number of hours of training	45	Non-financial report: Employees
Material topic: Diversity and equality (GRI 405 Diverity and Equal Opportunity 2016)					
GRI 405	Diversity of managerial bodies and employees	405-1	Structure of managerial bodies and employees	39	Non-financial report: Employees
Material topic: Diversity and equality (GRI 406 Non-discrimination 2016)					
GRI 406	Anti-discrimination	406-1	Total number of incidents of discrimination	n.a.	Non-financial report: Employees There were no incidents recorded during 2022
Material topic: Customer satisfaction					
Information on customer satisfaction					36, 37 Non-financial report: Clients
Material topic: Financial literacy					
Information on activities implemented in the area of raising financial literacy					50-54 Non-financial report: Society