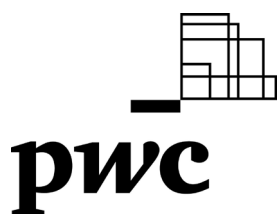


# Report

Erste Group Bank AG,  
Vienna

Independent Limited Assurance Report on the  
“Erste Group Allocation and Impact Reporting  
as of December 31, 2024”





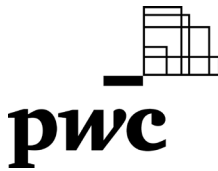
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To the  
Management Board of  
Erste Group Bank AG  
Am Belvedere 1  
1100 Vienna

## Independent Limited Assurance Report on the “Erste Group Allocation and Impact Reporting as of December 31, 2024”

We have performed a limited assurance engagement on the sustainable bond allocation and impact report for the period ended December 31, 2024 (the “Erste Group Allocation and Impact Reporting as of December 31, 2024” or the “Allocation and Impact Report”) of Erste Group Bank AG (the “Company”), Vienna.

### Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that

- the Allocation and Impact Report has not been drawn up, in all material respects, in line with the Erste Group Sustainable Finance Framework, version dated December 2024 (“the Framework”),
- the loan portfolio allocated to the sustainable bonds does not meet the eligibility criteria defined in the Framework as measured in accordance with the methodology described in the Allocation and Impact Report,
- the information provided with respect to the loan portfolio allocated to the sustainable bonds does not agree, in all material respects, to underlying data,
- the impact indicators are not measured, in all material respects, in accordance with the methodology disclosed.



### **Emphasis of Matter – Updated Framework**

As outlined on page 5 of the Allocation and Impact Report the Framework was updated in December 2024 introducing in particular additional eligibility criteria in the asset class categories *Green Buildings (Residential and Non-Residential)* and *Renewable Energy* in comparison to its predecessor version from April 2021. Only the updated Framework is applied to all subject sustainable bonds, irrespective of whether these were issued before or after the update of the Framework. Our conclusion is not modified in respect of this matter.

### **Emphasis of Matter – Non-Alignment with EU Taxonomy**

As outlined in paragraph “Application of eligibility criteria referring to the EU Taxonomy” on page 11 of the Allocation and Impact Report, the eligibility criteria defined in the Framework are not equivalent to the technical screening criteria and minimum safeguards set out in EU Regulation 2020/852 (the “**EU Taxonomy**”). Therefore, loans allocated to sustainable bonds may not be EU Taxonomy-aligned. Our conclusion is not modified in respect of this matter.

### **Inherent Limitations**

The accuracy and completeness of environmental impact indicators are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. Our assurance report should therefore be read in connection with the Erste Group Bank AG’s methodology on environmental impact indicators reporting described on pages 25 and 26 of the Allocation and Impact Report. The absence of a significant body of established practice on which to draw on to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques. In addition, quantification of avoided CO<sub>2</sub>-emissions are estimates, based on assumptions, and is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors. This leads to significant management judgments and may affect comparability between entities.

### **Other Matters – Disclaimer of Liability Towards Third Parties**

The contractual relationship underlying our work is exclusively between us and Erste Group Bank AG, Vienna. This report is addressed to the Management Board and is intended solely to inform the Management Board of the result of the engagement. The report may therefore not be suitable for any other purpose than the purpose named above and is not intended to serve as basis for any (investment) decisions by third parties. No legal claims of third parties can be derived from it, and any liability towards third parties other than Erste Group Bank AG, Vienna, is excluded.

### **Management’s Responsibility**

Erste Group Bank AG’s management is responsible for preparing the Allocation and Impact Report in accordance with the criteria described in the Framework.



Erste Group Bank AG's management is also responsible for determining the appropriateness of the measurement and reporting criteria selected under the Framework in view of the intended users of the Allocation and Impact Report and for ensuring that those criteria are publicly available to the report users. This responsibility includes adequate documentation as well as design, implementation and maintenance of internal control relevant to the preparation of the Allocation and Impact Report that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express a limited assurance conclusion based on the procedures performed and the evidence obtained as to whether any matters have come to our attention that cause us to believe that the Allocation and Impact Report does not comply, in all material aspects, with the Framework. In detail, this comprises:

<b>Subject matter</b>	<b>Applicable criteria according to the Framework</b>
Content and overall presentation of the Allocation and Impact Report	Framework
Allocation of loan portfolio to proceeds	Eligibility criteria: Framework Measurement of eligibility criteria: methodology described in the Allocation and Impact Report / Drees&Sommer
Indicators describing the allocated loan portfolio (size, number, geographical distribution, total)	Framework, underlying accounting records
Impact indicators – estimated ex ante annual primary energy consumption (in KWh), annual energy generation (in MWh) and estimated annual avoided carbon emissions (in t CO <sub>2</sub> )	Indicators: Framework, ICMA The Green Bond Principles – Handbook-Harmonised Framework for Impact Reporting (June 2024) Measurement of indicators: methodology described in the Allocation and Impact Report / Drees&Sommer / CEVRE Consultants s.r.o.

We have performed our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than the Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. These standards require that we comply with ethical requirements, including rules on independence, and that we plan and perform the engagement to obtain limited assurance within the limits of materiality.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures that were performed in response to the assessed risks. The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The selection of the procedures lies in the sole discretion of the auditor.



The procedures we have performed were based on our professional judgement and include inquiries, observation of processes, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we

- inquired with Erste Group Bank AG's staff involved in the preparation of the Allocation and Impact Report to obtain an understanding of the process for selecting loans to be allocated to the bonds, including the methodology applied to measure eligibility criteria, how reporting of the allocated portfolio is derived from underlying records as well as the methodology applied for estimating the impact indicators and the presentation in the report;
- inspected the Framework as well as principles and guidelines referred to in the Framework and comparing identified practices of management of proceeds and reporting to those principles and guidelines;
- inspected the documentation provided by management's external expert regarding the methodology for measuring and determining eligibility criteria, evaluating the management's expert's competence, capabilities and objectivity and, at a very high level, evaluated the management's expert's approach and conclusions;
- reperformed, on a sample basis, the application of the eligibility criteria provided by management's expert to the allocated loans by corroborating documentation with underlying evidence;
- traced indicators describing the allocated loan portfolio to the information recorded in the underlying lending systems and checked mathematical accuracy;
- inspected the documentation provided by management's external experts regarding the methodology for estimating impact indicators, assessed accordance of the indicators chosen with the Framework and, at a very high level, evaluated the methodological approach to measurement provided by management's experts;
- reperformed the application of the methodological approach to measurement of impact indicators to the allocated loans, traced, on a sample basis, to underlying documentation, and checked mathematical correctness.

### **Ensuring the Auditor's Independence and Quality**

We are independent of the Company in accordance with Austrian Generally Accepted Auditing Principles and professional requirements, and we have fulfilled our other ethical responsibilities, in particular the requirements for quality assurance, in accordance with these requirements.



## **General Conditions of Contract**

Our report is issued based on the terms of engagement agreed upon with Erste Group Bank AG, Vienna, which also apply towards third parties and is governed by the General Conditions of Contract for the Public Accounting Professions (AAB 2018) in its current applicable version enclosed to this report.

Vienna  
May 15, 2025

PwC Wirtschaftsprüfung GmbH

Dorotea-E. Rebmann  
Austrian Certified Public Accountant



## Appendices





# Allocation and Impact Reporting

As of 31 December 2024

**#believeinsustainability #believeinyourself**



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# Introduction and Key Figures

As Erste Group, all our actions also have an impact on the environment. This starts with the financial services we offer to our retail and corporate clients and extends to the way we run our own business – from the energy efficiency of our offices to the way our employees get to work. Due to the enormous negative effects of the climate crisis on the environment and people, we are focusing more intensively on environmental protection, conscious usage of resources and CO<sub>2</sub> emissions avoidance to ensure that future generations have a future worth living. This future we want to shape together with our customers. Because we believe not only in our customers, but also in a better tomorrow.

In our annual allocation and impact report for the year 2024, we are presenting aggregated figures for all sustainable finance instruments issued by Erste Group Bank AG or entities directly or indirectly controlled by Erste Group Bank AG, (together "Erste Group"), in line with the Group's Sustainable Finance Framework (SFF):

In the reporting year 2024, the volume of issued sustainable finance instruments increased by €537m and amounts to €5,050m as of 31 December 2024 (€4,513m at 31 December 2023). €5,170m have been allocated to green finance (€4,164m in 31.12.2023) and an avoidance of CO<sub>2</sub> emissions of 235,587 tonnes has been enabled (2023: CO<sub>2</sub> emissions of 206,356 tonnes).



EUR €5,050m of sustainable bonds issued



EUR €5,170m of proceeds allocated to sustainable green finance



Avoidance of CO<sub>2</sub> emissions of 235,587 tonnes

**ERSTE**  
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**SPARKASSE**   
Oberösterreich

**SLOVENSKÁ**   
sporitelňa

**ERSTE**   
Bank

**ERSTE**   
Bank



# Erste Group's Sustainable Finance Framework

Prosperity, equal opportunities, fairness and social wellbeing are at the heart of Erste Group's values and business objectives. It is also very clear that the accelerating level of environmental degradation and the urgency of climate change are threatening the most vulnerable sections of our societies. Reflecting the importance of social wellbeing in the CEE region, Erste Group is committed to the United Nations Sustainable Development Goals ("SDGs"), as well as to meeting the targets set by the Paris Agreement on climate change of limiting global warming to well below 2, preferably 1.5, degrees Celsius, compared to pre-industrial levels.

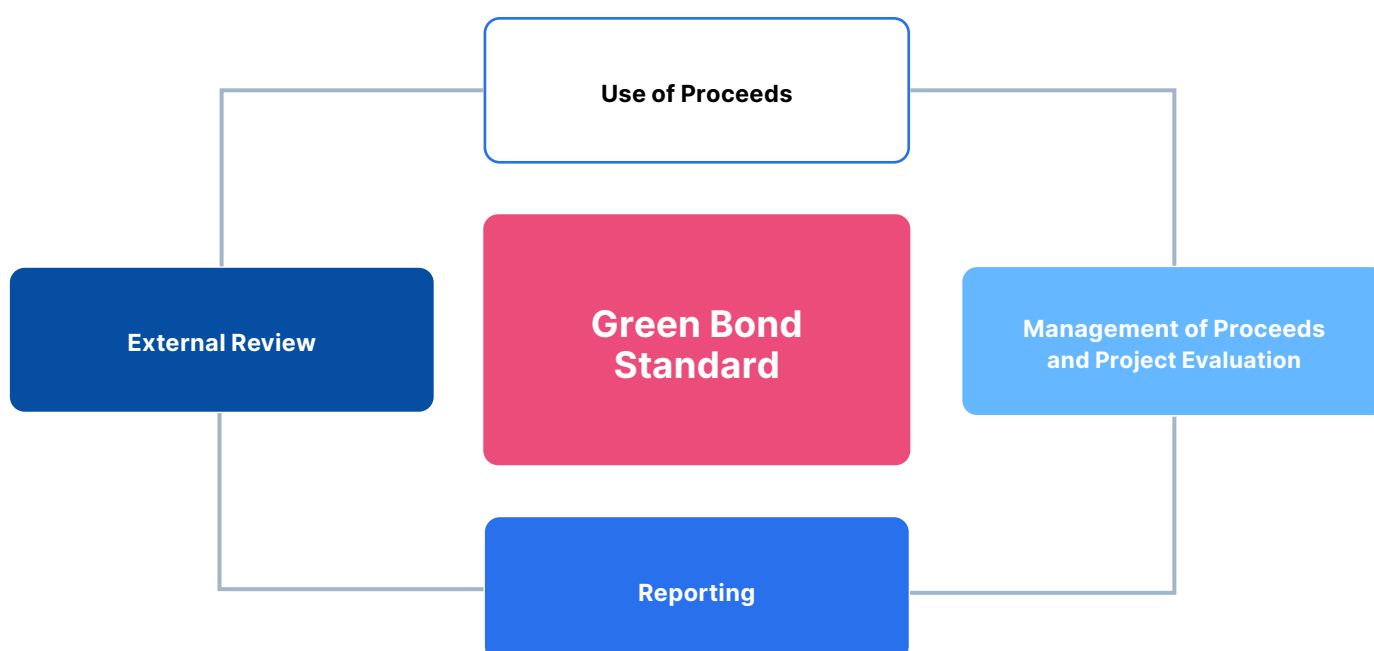
Erste Group's Sustainable Finance Framework is designed as an umbrella framework that will allow Erste Group and its subsidiaries to issue sustainable finance instruments to finance new and/or refinance existing loans to its clients for projects with environmental and/or social benefits.



## ERSTE GROUP'S CURRENT SUSTAINABLE FINANCE FRAMEWORK AS UPDATED DURING THE REPORTING PERIOD ("SUSTAINABLE FINANCE FRAMEWORK 2024") ADHERES TO THE:

- International Capital Market Association (ICMA) Green Bond Principles ("GBP") 2021 (with June 2022 Appendix I);
- International Capital Market Association (ICMA) Social Bond Principles ("SBP") 2023;
- International Capital Market Association (ICMA) Sustainability Bond Guidelines ("SBG") 2021.

The GBP, SBP and SBG are voluntary guidelines that promote transparency, disclosure and integrity in the development of green and social bond markets. In alignment with these, Erste Group's Sustainable Finance Framework is based on the following key pillars:





A dedicated Sustainable Finance Committee (the "SFC") has been established to create and manage, amongst other topics, the Sustainable Finance Framework.

ISS-Corporate Solutions, Inc. issued a Second Party Opinion, which can be found on the Erste Group website, concluding that the use of proceeds description, the process for project evaluation and selection description, the management of proceeds and the allocation and impact reporting provided by Erste Group's Sustainable Finance Framework are aligned with the GBP, SBP and SBG.

The updated Sustainable Finance Framework 2024 is applied to all issuances under the Erste Group' Sustainable Finance Framework. Thus, all issuances under the Erste Group' Sustainable Finance Framework - including those which were issued under the prior SFF - are now allocated and the impact calculated in accordance with the updated SFF 2024.

**2024 updates to the Sustainable Finance Framework comprise:**

- update to references to ICMA standards, as above
- Green Buildings asset class to comprise buildings with EPC label A
- Refinancing (compared to previously only financing) of Green Buildings

- Eligible project types added to "renewables" segment:
  - Co-generation of heat/cool and power from geo-thermal energy
  - Bioenergy
  - Electric heat pumps
  - Transmission and distribution of electricity
- Clean transportation added as an eligible asset class

The eligibility criteria, minimum requirements and ESG-related matters are continuously developed further and renewed in Erste Group's external and internal policy frameworks. Erste Group's environmental and social policies can be found on: <https://www.erstegroup.com/en/about-us/sustainability>.

Erste Group entities strive, within 24 months of issuance of each bond, to reach a level of allocation of the eligible loan portfolio that at least matches the net proceeds from its outstanding sustainable finance instruments.

The full document can be found in the Annex, section IV Sustainable Finance Framework.





# Bonds Issued

Issuance Year	Banca Comercială Română S.A.	Česká spořitelna, a.s.	Erste Group Bank AG	Erste Mortgage Bank (Hungary)	Slovenská sporiteľ'na, a.s.	Sparkasse Oberösterreich AG	Erste & Steiermärkische Bank d.d.	Total
2021	100,516,656	500,000,000	500,000,000		154,000,000			1,254,516,656
2022	141,125,384		45,500,000		579,865,723	92,417,900		858,909,008
2023	719,251,131	500,000,000	750,000,000	73,130,240	331,000,000	99,372,900		2,472,754,271
2024					50,000,000	13,531,800	400,000,000	463,531,800
Total	960,893,171	1,000,000,000	1,295,500,000	73,130,240	1,114,865,723	205,322,600	400,000,000	5,049,711,734

Until 31 December 2024, Green and Sustainability Bonds have been issued across Erste Group's entities amounting to €5,049,711,734 (at 31 December 2024 F/X rates<sup>1</sup>) (4,513,535,829 in 2023).

In May 2021, Erste Group issued its first Sustainability Bond as a benchmark bond of €500,000,000 in line with Erste Group's strategy to be an active issuer of sustainable finance instruments, which opened the door for several issuances of sustainable bonds under the Sustainable Finance Framework.

This report provides an overview of the impact and allocation of proceeds from these bonds issued across various Erste Group's entities under Erste Group's Sustainable Finance Framework, covering in particular the following bonds.

<sup>1</sup> Euro foreign exchange reference rates (europa.eu)



Issuing Bank	ISIN	Type of Bond	Currency	Notional in Local Currency	Amount in EUR	Issuance Date	Issuance Date
Erste Group Bank AG	AT0000A2RAA0	Sustainability	EUR	500,000,000	500,000,000	17/05/2021	17/05/2028
	AT0000A303B8	Sustainability	EUR	45,500,000	45,500,000	03/10/2022	03/10/2027
	AT0000A32562	Green	EUR	750,000,000	750,000,000	16/01/2023	16/01/2031
Česká spořitelna, a. s.	AT0000A2STV4	Sustainability	EUR	500,000,000	500,000,000	06/09/2021	13/09/2028
	XS2676413235	Sustainability	EUR	500,000,000	500,000,000	30/08/2023	08/03/2028
Banca Comercială Română S.A.	ROMU2ND4VHC6	Green	RON	500,000,000	100,516,656	14/10/2021	14/10/2028
	ROPC9F84ZSG4	Green	RON	702,000,000	141,125,384	14/06/2022	14/06/2027
	AT0000A32YQ4	Green	USD	20,000,000	19,251,131	07/03/2023	15/12/2029
	AT0000A34CN3	Green	EUR	700,000,000	700,000,000	19/05/2023	19/05/2027
Slovenská sporiteľ'na, a.s.	SK4000019337	Green	EUR	154,000,000	154,000,000	16/06/2021	16/06/2028
	SK4000021242	Green	USD	57,000,000	54,865,723	13/07/2022	13/12/2029
	SK4000021820	Green	EUR	500,000,000	500,000,000	05/10/2022	05/04/2028
	SK4000021994	Green	EUR	25,000,000	25,000,000	20/10/2022	20/10/2025
	AT0000A377W8	Green	EUR	331,000,000	331,000,000	04/10/2023	04/10/2028
	SK4000025250	Green	EUR	10,000,000	10,000,000	10/05/2024	10/05/2027
	SK4000025367	Green	EUR	25,000,000	25,000,000	29/05/2024	29/05/2029
	SK4000025458	Green	EUR	15,000,000	15,000,000	10/06/2024	10/06/2027
Sparkasse Oberösterreich AG	AT000B101456	Sustainability	EUR	15,300,000	15,300,000	27/01/2022	27/01/2034
	QOXDBA049125	Sustainability	EUR	5,000,000	5,000,000	04/02/2022	04/02/2037
	AT000B101464	Sustainability	EUR	20,200,000	20,200,000	09/03/2022	09/03/2032
	AT000B101514	Sustainability	EUR	46,917,900	46,917,900	25/10/2022	25/10/2027
	QOXDBA049315	Sustainability	EUR	5,000,000	5,000,000	27/04/2022	27/04/2037
	AT000B101522	Sustainability	EUR	71,813,000	71,813,000	14/04/2023	14/04/2027
	QOXDBA050495	Sustainability	EUR	5,000,000	5,000,000	14/04/2023	14/04/2038
	AT000B101555	Sustainability	EUR	22,559,900	22,559,900	18/09/2023	18/09/2028
	AT000B101670	Sustainability	EUR	13,531,800	13,531,800	23/07/2024	23/07/2030
Erste & Steiermärkische Bank d.d.	AT0000A39UM6	Sustainability	EUR	400,000,000	400,000,000	31/01/2024	31/01/2029
Erste Mortgage Bank (Hungary)	HU0000653589	Sustainability	HUF	29,989,980,000	73,130,240	22/02/2023	30/04/2030
					5,049,711,734		



Since the reference cut-off date is the year-end (31 December), additional bonds may, at the point of publication, have already been issued but not been included in this report.

The report covers Sustainability and Green Bonds issued under the Sustainable Finance Framework and the strict rules that are adhered to for these issuances:



#### BOND PRINCIPLES

- Erste Group adheres to regular reporting as provided for under the ICMA Green Bond Principles or Sustainable Bond Principles.
- Erste Group's entities act under a common framework (Sustainable Finance Framework) within which issuance is allowed. The management of proceeds and reporting on impacts is predefined within a common ruleset.
- The net proceeds from the sustainable finance instruments issued under the Sustainable Finance Framework are managed by Erste Group taking a portfolio approach.
- Erste Group commissioned ISS-Corporate to assist with its Sustainable Finance Framework by assessing three core elements to determine the sustainability quality of the framework.

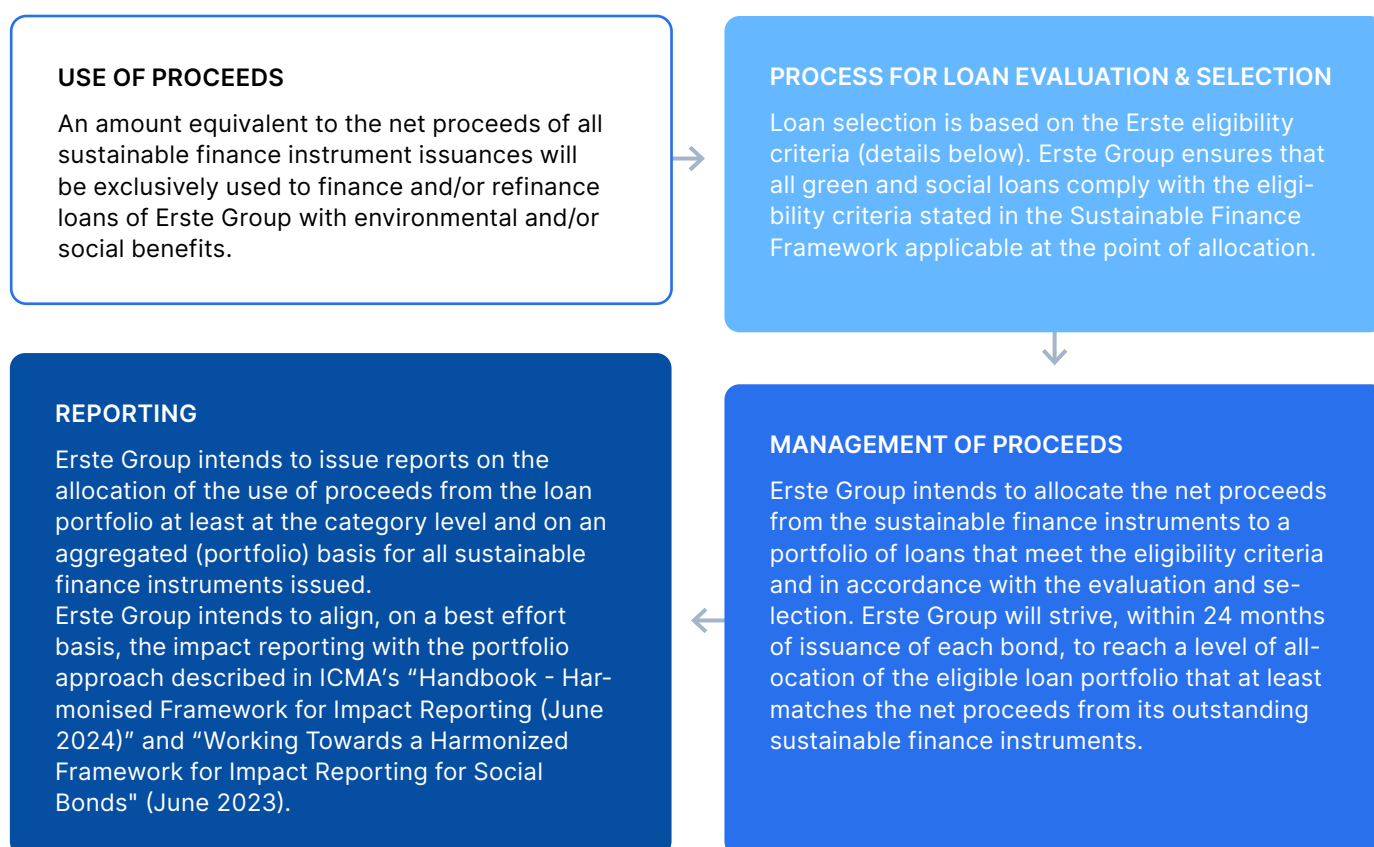




# Allocation and Allocation Reporting

As defined in the Sustainable Finance Framework, Erste Group entities will strive, within 24 months of issuance of each bond, to reach a level of allocation of the eligible loan portfolio that at least matches the net proceeds from its outstanding sustainable finance instruments.

## The process of proceeds management and reporting








The allocation process is based on selecting projects which are in line with Erste Group's SFF. For Erste Group's issuances in 2024, €4,848m (2023 €3,952m) have been allocated to loans for the construction, acquisition or major renovation of buildings that comply with the Sustainable Finance Framework eligibility criteria (see below). Besides Green Buildings, renewable energy projects account for some of the bonds' use of proceeds amounting to €322m (€212m in 2023).



## Minimum Allocation Criteria

The Group Sustainable Finance Framework sets eligibility criteria for eligible projects. Thus, the criteria stated in the SFF form a minimum requirement for allocation. Detailed descriptions of eligible green categories, as defined in the SFF, and their respective eligibility criteria can be found in the following table<sup>2</sup>:

Green Category	Definition	Eligibility Criteria	UN SDG	EU Environmental Objective
<b>Green Buildings (Residential)</b>	Loans and/or investments to finance or refinance new or existing residential buildings	<ul style="list-style-type: none"> <li>Buildings that are within the top 15% low-carbon performing in the respective country, or at least have a Class A Energy Performance Certificate (EPC)</li> <li>Buildings that have undergone major renovations which comply with the applicable requirements or refurbishments resulting in an increase in energy efficiency of at least 30% against a baseline performance of the building before renovation (when using EPC labels, an increase of at least three label steps compared to original built quality)</li> <li>New buildings or refurbishments for which the energy performance of the building resulting from the construction is 10% below the threshold set for the nearly zero-energy building (NZEB) requirements in national measures</li> </ul>	  	Environmental Objective (1): Climate Change Mitigation
<b>Green Buildings (Commercial)</b>	Loans and/or investments to finance or refinance new or existing non-residential buildings	<ul style="list-style-type: none"> <li>Buildings that are within the top 15% low-carbon performing in the respective country, or at least have a Class A Energy Performance Certificate (EPC)</li> <li>Buildings that have undergone major renovations which comply with the applicable requirements or refurbishments resulting in an increase in energy efficiency of at least 30% against a baseline performance of the building before the renovation</li> <li>Where applicable, minimum certification of BREEAM "Very Good", LEED "Gold" or any other equivalent certification</li> <li>New buildings or refurbishment for which the energy performance of the building resulting from the construction meets the threshold set for the nearly zero-energy building (NZEB) requirements in national measures</li> </ul>	  	Environmental Objective (1): Climate Change Mitigation
<b>Renewable Energy &amp; Energy Efficiency</b>	Loans and/or investments to finance or refinance generation and transmission of energy from renewable sources and manufacturing of the related equipment	<ul style="list-style-type: none"> <li>Onshore and offshore wind energy</li> <li>Solar (photovoltaic)</li> <li>Electricity generation from hydropower</li> <li>Geothermal energy with life cycle assessment emissions <math>\leq 100\text{g CO}_2\text{e/kWh}</math></li> <li>Cogeneration of heat/cool and power from geothermal energy</li> <li>Bioenergy</li> <li>Electric heat pumps</li> <li>Transmission and distribution of electricity</li> </ul>	 	Environmental Objective (1): Climate Change Mitigation

<sup>2</sup> Green Buildings (Commercial): in case of RO, energy label A is considered to be within Top 15%



Green Category	Definition	Eligibility Criteria	UN SDG	EU Environmental Objective
<b>Clean Transportation</b>	Loans for electric/hybrid vehicles and loans or investments of public transportation and infrastructure contributing to low carbon transport	<ul style="list-style-type: none"> <li>– <b>Passenger cars:</b> <ul style="list-style-type: none"> <li>– Zero direct emission vehicles (incl. hydrogen, fuel cell, electric)</li> <li>– Vehicles with direct emission intensity of max. 50 g CO<sub>2</sub>/km (WLTP) (until 2025 only)</li> </ul> </li> <li>– <b>Passenger interurban rail transport:</b> <ul style="list-style-type: none"> <li>a) the trains and passenger coaches have zero direct (tailpipe) CO<sub>2</sub> emissions</li> <li>b) the trains and passenger coaches have zero direct (tailpipe) CO<sub>2</sub> emissions when operated on a track with necessary infrastructure, and use a conventional engine where such infrastructure is not available (bimode).</li> </ul> </li> <li>– <b>Freight transport:</b> <ul style="list-style-type: none"> <li>a) vehicles of category N1 have zero direct (tailpipe) CO<sub>2</sub> emissions;</li> <li>b) vehicles of category N2 and N3 with a technically permissible maximum laden mass not exceeding 7.5 tonnes are 'zero-emission heavy-duty vehicles' as defined in Article 3, point (11), of Regulation (EU) 2019/1242;</li> <li>c) vehicles of category N2 and N3 with a technically permissible maximum laden mass exceeding 7.5 tonnes are one of the following: <ul style="list-style-type: none"> <li>i. 'zero-emission heavy-duty vehicles', as defined in Article 3, point (11), of Regulation (EU) 2019/1242;</li> <li>ii. where technologically and economically not feasible to comply with the criterion in point (i), 'low-emission heavy-duty vehicles' as defined in Article 3, point (12), of that Regulation.</li> </ul> </li> <li>d) the trains and wagons have zero direct tailpipe CO<sub>2</sub> emissions;</li> <li>e) the trains and wagons have zero direct tailpipe CO<sub>2</sub> emissions when operated on a track with necessary infrastructure, and use a conventional engine where such infrastructure is not available (bimode).</li> </ul> </li> <li>– <b>Infrastructure enabling low-carbon road transport and public transport</b></li> </ul>		

### Application of EU Taxonomy-related eligibility criteria



Eligibility criteria are aligned to the extent practicable with the Substantial Contribution ("sc") criteria of Regulation (EU) 2020/852 (the "**EU Taxonomy**") and more specifically with those of the first EU environmental goal ("**climate change mitigation**") as defined in Art. 10 of the EU Taxonomy. In contrast to the EU Taxonomy, assessment of appropriate economic activity and the other SC criteria of specific economic activity, Do No Significant Harm criteria ("**DNSH**") and Minimum Safeguards ("**MS**") is not part of the interpretation for allocation purposes.

Further, the top 15% low-carbon performing buildings in the respective country ("**top 15 approach**") are not aligned and interpreted in terms of the EU Taxonomy but estimated based on

- available studies and data of the respective national building stock
- local building standards or distribution of EPC labels.



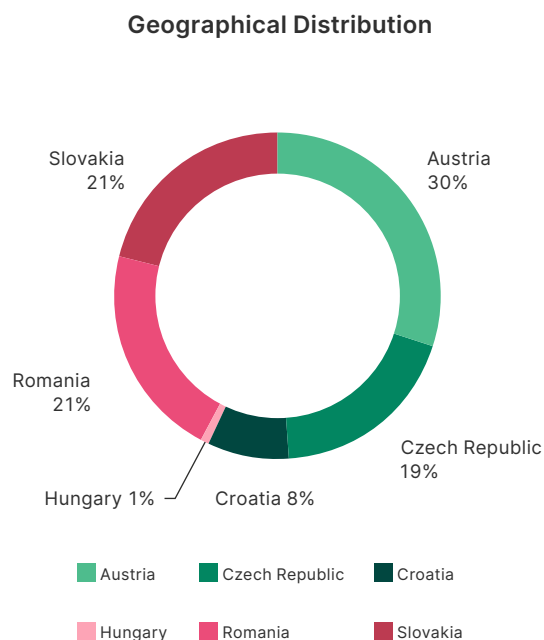
According to the SFF, social projects are eligible too. A description of eligible projects and the necessary prerequisites are outlined in the following table.

Social Category	Definition	Eligibility Criteria	UN SDG
<b>Access to Subsidised Housing ("Gemeinnütziger Wohnbau") / Affordable Housing</b>	Loans and/or investments to finance or refinance existing or new subsidised housing projects, including projects meeting the relevant statutory definitions	<ul style="list-style-type: none"> <li>Financing of "gemeinnützige Bauvereinigungen" (GBV) and following the statutory definitions of the Wohnungsgemeinnützigkeitsgesetz (WGG), (e.g. cap on rental expenses for tenants, income caps, cost coverage principle with limitation on profits)</li> <li>Construction of new affordable housing and improving of existing affordable housing via own subsidiaries all over Austria, which are subject to the WGG rules</li> <li>Rental Microcredits (Zweite Sparkasse)</li> </ul>	  
<b>Financial and Social Inclusion</b>	Loans and/or investments to finance or refinance start-ups, microfinance businesses or subjects of social economy	<ul style="list-style-type: none"> <li>Financing must be part of the following activities programs: <ul style="list-style-type: none"> <li>Financing of social micro-enterprises and SMEs</li> <li>Microcredit program: financing of microenterprises and unemployed who start businesses – cooperation with Ministry of Social Affairs</li> <li>Agriculture start-up loans in rural areas</li> </ul> </li> <li>Financing of social infrastructure projects like kindergartens, cultural centres, orphanages or workshops for job integration of people with disabilities or sports facilities</li> </ul>	  
<b>Access to Essential Services</b>	Loans to finance or refinance projects related to essential services	<ul style="list-style-type: none"> <li>Operation of public healthcare facilities: <ul style="list-style-type: none"> <li>Public hospitals</li> <li>Elderly care facilities with a health focus</li> <li>Other healthcare facilities (e.g. dental clinics and primary healthcare centres)</li> </ul> </li> <li>Construction of public healthcare facilities: <ul style="list-style-type: none"> <li>Public hospitals</li> <li>Elderly care facilities with a health focus</li> <li>Other healthcare facilities (e.g. dental clinics and primary healthcare centres)</li> </ul> </li> <li>Construction of primary and secondary schools (public) and related infrastructure <ul style="list-style-type: none"> <li>Operation of primary and secondary schools (public) and related infrastructure</li> <li>Learning materials, furniture and other equipment</li> </ul> </li> </ul>	   

The SFC manages any future updates of the Sustainable Finance Framework, including amendments to the list of eligible categories, oversees their implementation, and meets at least once a year. Loan selection is based on the eligibility criteria defined in the tables above. It is part of Erste Group's transaction approval process to ensure that all its activities comply with internal environmental and social directives, regulations and laws.



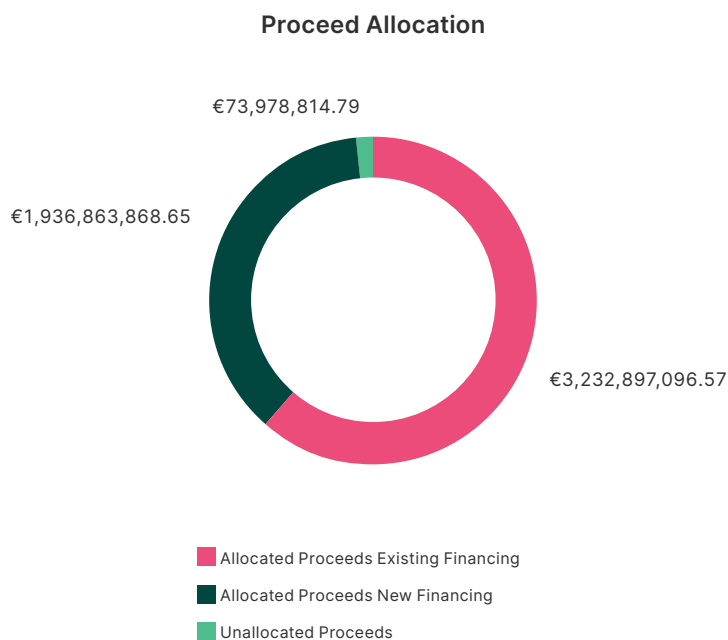
## Geographical Distribution of the Loan Portfolio



**Figure 1** Geographical distribution of loan portfolios of sustainable finance instruments amount in EUR

The geographical distribution is split based on the location of the property or the renewable energy plant and calculated as a percentage of the outstanding net financing amount attributed to the respective property/plant compared to the total allocation. Currently 30% (31% in 2023) of green finance properties and plants are located in Austria, 21% in Romania (22% in 2023), 19% in the Czech Republic (22% in 2023), 21% in Slovakia (24% in 2023), 1% in Hungary (1% in 2023) and 8% in Croatia.

## Proportion of Proceeds Allocated



**Figure 2** Proceed allocation distribution

Around €3,2bn of the sustainability bonds' proceeds have been allocated to projects existing at issuance and €1,937m (€822m in 2023) of proceeds have been allocated after the issuance date of the bonds. On an aggregated level, currently 1% (8% in 2023) of all bond proceeds have not yet been allocated.



## Allocation Report

### Erste Group Bank AG Sustainable Bond Allocation Report

#### Green Buildings - Eligible Loan Portfolio

Geographical Distribution	Number of Loans	Size of Loan Portfolio
AT	2538	€1,495,963,231.89
CZ	3032	€874,092,804.00
HU	1646	€60,921,037.25
HR	1679	€381,702,646.58
RO	9640	€950,576,837.17
SK	12864	€1,084,606,272.10
Total	31399	€4,847,862,828.99

#### Renewable Energy - Projects

Geographical Distribution	Number of Loans	Size of Loan Portfolio
AT	3	€54,310,682.13
CZ	61	€93,553,534.92
HR	18	€55,688,641.17
RO	5	€117,501,778.01
SK	1	€843,500.00
Total	88	€321,898,136.23

#### Green Funding

ISIN Code	Issue Date	Maturity Date	Amount
QOXDBA050495	14/04/2023	14/04/2038	€5,000,000
QOXDBA049315	27/04/2022	27/04/2037	€5,000,000
QOXDBA049125	04/02/2022	04/02/2037	€5,000,000
AT000B101670	23/07/2024	23/07/2030	€13,531,800
AT000B101555	18/09/2023	18/09/2028	€22,559,900
AT000B101522	14/04/2023	14/04/2027	€71,813,000
AT000B101514	25/10/2022	25/10/2027	€46,917,900
AT000B101464	09/03/2022	09/03/2032	€20,200,000
AT000B101456	27/01/2022	27/01/2034	€15,300,000
AT0000A34CN3	19/05/2023	19/05/2027	€700,000,000
ROPC9F84ZSG4	14/06/2022	14/06/2027	€141,125,384
ROMU2ND4VHC6	14/10/2021	14/10/2028	€100,516,656
AT0000A32YQ4	07/03/2023	15/12/2029	€19,251,131
AT0000A377W8	04/10/2023	04/10/2028	€331,000,000
SK4000019337	16/06/2021	16/06/2028	€154,000,000
SK4000021242	13/07/2022	13/12/2029	€54,865,723
SK4000021820	05/10/2022	05/04/2028	€500,000,000
SK4000021994	20/10/2022	20/10/2025	€25,000,000
SK4000025250	10/05/2024	10/05/2027	€10,000,000
SK4000025367	29/05/2024	29/05/2029	€25,000,000



SK4000025458	10/06/2024	10/06/2027	€15,000,000
AT0000A2STV4	06/09/2021	13/09/2028	€500,000,000
XS2676413235	30/08/2023	08/03/2028	€500,000,000
AT0000A32562	16/01/2023	16/01/2031	€750,000,000
AT0000A303B8	03/10/2022	03/10/2027	€45,500,000
AT0000A2RAA0	17/05/2021	17/05/2028	€500,000,000
AT0000A39UM6	31/01/2024	31/01/2029	€400,000,000
HU0000653589	22/02/2023	30/04/2030	€73,130,240
Total			€5,049,711,734

Allocated Proceeds	Percentage of Allocated Proceeds	Unallocated Proceeds	Percentage of Unallocated Proceeds	Amount of New Financing	Percentage of New Financing
€5,169,760,965.22	100%	€73,978,814.79	1%	€1,936,863,868.65	37%

Allocation of proceeds is managed at single entity level. Because of the aggregated depiction of group data, an overall full allocation at group level may be achieved while at the individual level unallocated proceeds may exist. More details can be found in the section containing the individual country reports.

Approximately 500 loans included in the allocated portfolio of Česká spořitelna a.s. for the 2023 Allocation Report, amounting to roughly €200m as of 31 December 2023, were excluded in the 2024 Allocation Report. The most frequent reason was an update to EPC label data on the collateral. Second, preference was given to loans where Česká spořitelna a.s. has the most precise carbon footprint data based on the internal carbon footprint calculation methodology. Third, some assets for which additional manual checks would be necessary were excluded. All of these exclusions were done to add a margin of conservatism to the reported impacts.



# Impact Reporting

Impact reporting quantifies the contribution made on the UN's Sustainable Development Goals (SDGs). In line with the ICMA's harmonised framework for impact reporting<sup>3</sup> as of 2024 Erste Group has defined a methodology for assessing the impact of our sustainable bonds which is mandatory across the group.

Disclosure of the benchmarks used, the GHG accounting methodology and underlying assumptions, as well as using the methodology applied for reporting avoided emissions, are described in the "Measurement and Benchmarks" section below.



1,548,581 MWh  
financed annual generation



235,587 tonnes CO<sub>2</sub> emissions avoided

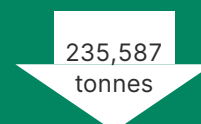
In comparison: Europe<sup>4</sup> on average had a CO<sub>2</sub> emission of 5.37 tonnes of CO<sub>2</sub> per capita  
An avoidance of 235,587 tonnes would equal the CO<sub>2</sub> emissions of around 44,000 European citizens.



Green bond  
effect equivalent



44,000



<sup>3</sup> Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf (icmagroup.org)

<sup>4</sup> Europe – Countries & Regions - IEA 2023



# Common Reporting Indicators

To ensure a common group-wide approach to assessing the effects of the financed projects, Erste Group's Sustainable Finance Framework provides a list of impact indicators per category to be used for the assessment in the impact report.

GBP/SBP Category	Potential Impact Indicators
<b>Green Buildings (Non-residential)</b>	<ul style="list-style-type: none"> <li>– Estimated ex-ante annual energy consumption in KWh</li> <li>– Estimated annual avoided carbon emissions (in tCO<sub>2</sub>eq)</li> <li>– Overview of sustainable labels and certificates of eligible buildings</li> </ul>
<b>Green Buildings (Residential)</b>	<ul style="list-style-type: none"> <li>– Estimated ex-ante annual energy consumption in KWh</li> <li>– Estimated annual avoided carbon emissions (in tCO<sub>2</sub>eq)</li> </ul>
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>– Installed renewable energy capacity (GW or MW)</li> <li>– Estimated annual avoided carbon emissions (in tCO<sub>2</sub>eq)</li> </ul>
<b>Clean Transportation</b>	<ul style="list-style-type: none"> <li>– Annual passenger-kilometres or annual tonne-kilometres of transportation</li> <li>– Number of annual tonnes or passengers</li> </ul>
<b>Access to Subsidised Housing ("Gemeinnütziger Wohnbau")</b>	<ul style="list-style-type: none"> <li>– Number of units built</li> <li>– Number of beneficiaries (if possible)</li> </ul>
<b>Financial and Social Inclusion</b>	<ul style="list-style-type: none"> <li>– Number of projects/facilities financed</li> <li>– Volume allocated to projects</li> <li>– Number of beneficiaries</li> </ul>
<b>Access to Essential Services</b>	<ul style="list-style-type: none"> <li>– Number of projects/facilities financed</li> <li>– Volume allocated to projects</li> <li>– Number of beneficiaries</li> </ul>

Additionally, the impact reporting is guided by the ICMA's harmonised framework for impact reporting<sup>5</sup> to ensure comparability with green and sustainable bonds across markets.

<sup>5</sup> [Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf \(icmagroup.org\)](#)



# Methodology (Allocation of Impacts to Funding Provided)

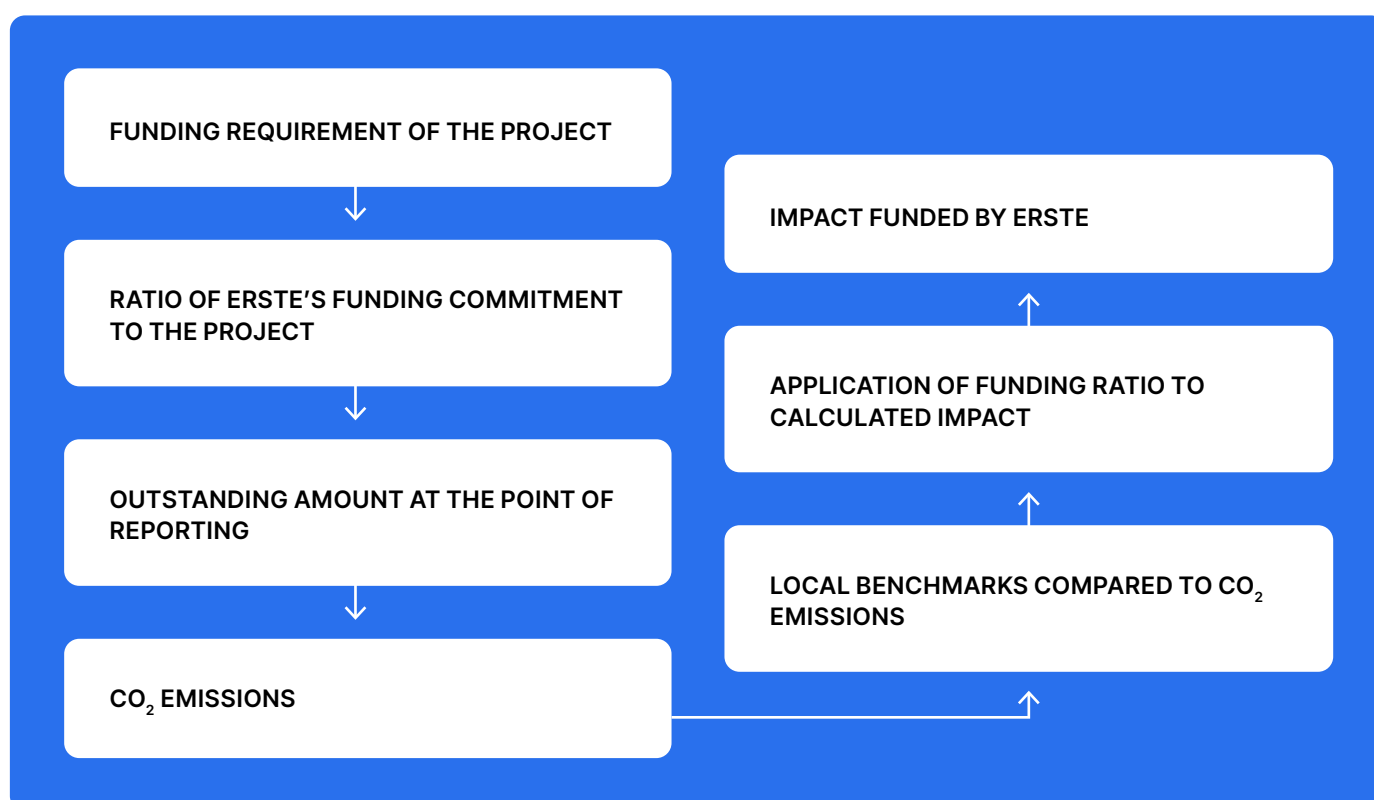
To properly assess the impact of the eligible financing on the abovementioned indicators, the following factors have been taken into account:

- What is the overall project funding need?
- How much of it is funded through Erste Group?
- What are the benchmarks applicable for the respective project?
- What are the factors that make the impact quantifiable for the specific project?

In a first step, the funding required is assessed to understand the full extent of the project. For the specific impact report, the actual amount drawn plays the main role. The amount drawn is compared to the full funding requirement to assess Erste's contribution to the impact. The project's impact is provided only after applying the ratio of amount drawn and funding need to the calculated impact, assuring a clean depiction of the actual impact and avoiding any form of double counting.

Here the Erste approach follows ICMA's principles very closely and assures comparable benchmarks through the inclusion of Second Party Opinions and use of centrally available benchmarks.

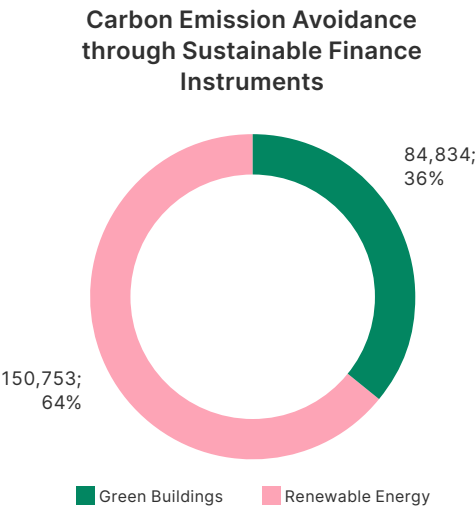
**For any given project sector, the following concept is adhered to:**





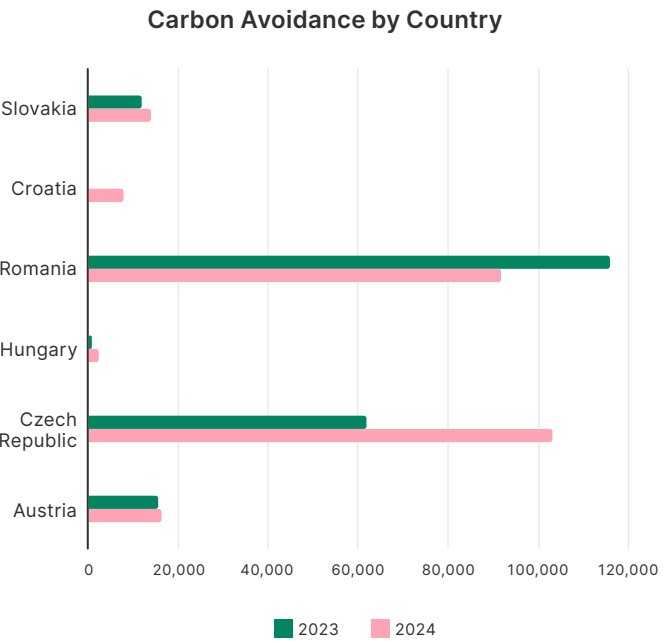
# Impact Overview

One of the key impact measurements for sustainable bonds and green bonds is the avoidance of carbon emissions. Through project financing provided, carbon avoidance of 235,587 tonnes CO<sub>2</sub> (206,356 in 2023) has been enabled. This has been achieved by financing projects providing renewable energy (€322m in 2024 (€212m in 2023)) and building or acquiring Green Buildings (€4,848m in 2024 (€3,952m in 2023)).



**Figure 3** CO<sub>2</sub> avoidance enabled by Erste Group’s sustainable finance instruments in tonnes of CO<sub>2</sub>

The CO<sub>2</sub> avoidance was split in the following way across the countries:



**Figure 4** Erste Group’s avoidance in tonnes of CO<sub>2</sub> emissions split by the countries of the projects

The lifetime (calculated as time to maturity) of the funding projects ranges from 3.1 to 25.2 years, leading to an average lifetime of 18.2 years for projects in Erste Group’s eligible loan portfolio.



## Distribution of Sustainable Investments According to Project Category

The tables show the distribution of financed amounts per country and project category. Additionally, information on the share of financing in relation to total costs is given. Total costs represent the full amount a project would have been required to be completed. By comparing the total costs to the financing amount (Share of Total Project Financing), an understanding can be gained of the issuer's contribution to the overall impact of the project in question. In case of renewable energy projects, the signed amount and the share of project financing are reported.

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Building Type
AT Green Buildings	€3,686,512,832.05	€1,315,489,918.33	36%	Multi Family
	€84,441,866.64	€43,975,561.20	52%	Office Building
	€306,431,193.03	€143,656,291.27	47%	Single Family
RO Green Buildings	€613,936,000.00	€91,433,148.99	15%	Retail/Sales Building
	€199,376,775.83	€124,144,668.00	62%	Single Family
	€753,079,930.55	€518,083,043.27	69%	Multi Family
	€1,744,581,288.00	€315,217,412.02	18%	Office Building
SK Green Buildings	€65,507,000.00	€10,915,000.00	17%	Retail/Sales Building
	€885,215,290.36	€531,869,142.20	60%	Single Family
	€799,449,618.69	€558,647,931.41	70%	Multi Family
	€510,970,000.00	€177,233,500.00	35%	Office Building
CZ Green Buildings	€602,398,406.61	€332,304,086.00	55%	Office Building
	€455,633,836.00	€357,367,576.00	78%	Single Family
	€152,322,509.23	€122,451,990.00	80%	Retail/Sales Building
	€235,645,738.00	€182,869,277.00	78%	Multi Family
HR Green Buildings	€439,580,201.36	€283,201,096.87	64%	Multi Family
	€33,366,906.77	€26,705,882.89	80%	Single Family
	€85,526,098.49	€49,166,732.43	57%	Hotels/Hospitality Buildings
	€57,081,691.00	€28,371,000.00	50%	Office Building
	€104,262,906.20	€56,026,601.63	54%	Retail/Sales Building
HU Green Buildings	€73,025,315.82	€18,943,221.58	26%	Single Family
	€130,908,785.88	€49,116,243.20	38%	Multi Family
	€12,019,254,190.49	€5,337,189,324.29		

Portfolio	Signed Amount	Share of Total Project Financing
RO Wind Energy Projects	€327,400,950.00	21%
SK Solar (Photovoltaic) Energy Projects	€1,860,000.00	58%
CZ Solar (Photovoltaic) Energy Projects	€42,204,800.95	100%
CZ Wind Energy Projects	€29,479,103.04	100%
CZ Small-scale Hydro Energy Projects	€22,477,135.40	100%
HR Bioenergy	€6,328,229.56	67%
HR Solar (Photovoltaic) Energy Projects	€5,719,439.34	66%
HR Wind Energy Projects	€62,780,668.28	19%
AT Wind Energy Projects	€54,134,700.18	100%
	€552,385,026.75	



## Distribution of Sustainable Investments According to Project Lifetime

The tables below show the average remaining term of the allocated loans per category of projects. The Project Lifetime is a volume-weighted average of remaining time to maturity of each combination of green category and country, with the weighting based on the Allocated Amount.

Portfolio	Allocated Amount	Project Lifetime in Years	Gross Building Area	Building Type
AT Green Buildings	€1,310,986,840.23	24.22	2,151,608	Multi Family
	€43,772,671.61	18.21	52,923	Office Building
	€141,203,720.04	24.07	138,596	Single Family
RO Green Buildings	€88,066,801.89	3.13	423,264	Retail/Sales Building
	€108,721,889.09	21.20	214,349	Single Family
	€446,054,967.59	21.01	663,936	Multi Family
	€307,733,178.60	4.95	1,044,860	Office Building
SK Green Buildings	€8,184,165.83	3.39	55,713	Retail/Sales Building
	€442,883,839.05	22.64	744,647	Single Family
	€465,562,757.23	22.83	672,739	Multi Family
	€167,975,509.99	4.24	169,353	Office Building
CZ Green Buildings	€313,664,369.00	3.50	231,236	Office Building
	€310,792,483.00	24.68	361,442	Single Family
	€90,276,792.00	3.56	130,172	Retail/Sales Building
	€159,359,160.00	25.15	79,070	Multi Family
HR Green Buildings	€239,474,328.38	16.27	221,478	Multi Family
	€24,024,596.17	20.33	43,244	Single Family
	€41,565,499.02	12.57	34,533	Hotels/Hospitality Buildings
	€27,755,510.37	6.46	32,915	Office Building
	€48,882,712.64	7.87	62,537	Retail/Sales Building
HU Green Buildings	€16,639,693.95	19.12	85,007	Single Family
	€44,281,343.31	18.58	106,215	Multi Family
	€4,847,862,828.99	18.67	7,719,836	


Portfolio	Allocated Amount	Project Lifetime in Years
RO Wind Energy Projects	€117,501,778.01	12.85
SK Solar (Photovoltaic) Energy Projects	€843,500.00	5.00
CZ Solar (Photovoltaic) Energy Projects	€42,204,800.95	11.02
CZ Wind Energy Projects	€29,479,103.04	9.85
CZ Small-scale Hydro Energy Projects	€21,869,630.93	13.57
HR Bioenergy	€5,031,905.18	8.73
HR Solar (Photovoltaic) Energy Projects	€4,272,093.63	6.34
HR Wind Energy Projects	€46,384,642.36	7.20
AT Wind Energy Projects	€54,310,682.13	12.02
	€321,898,136.23	11.26




# Green Buildings Impact

Buildings and construction are amongst the main contributors to global CO<sub>2</sub> emissions. While the housing need continues to be high, the building stock’s energy performance has to be improved, driving the need for investments into more energy efficient buildings.

With this financing, over 7,719,836 square metres (5,607,728 square metres in 2023) of sustainable gross building area have been enabled, which will provide sustainable energy use in Green Buildings over an average financing lifetime of 19 years.



7,719,836 sqm of buildings financed



84,834 tonnes annual CO<sub>2</sub> emissions savings

Geographical Distribution

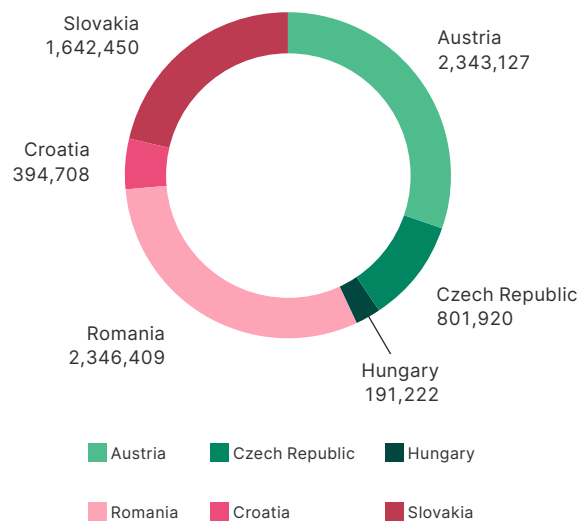


Figure 5 Square metres of Green Buildings

The impact of this will be an estimated overall reduction of 36% in primary energy demand (27% in 2023) and 84,834 in tonnes (58,129 tonnes in 2023) of CO<sub>2</sub> emissions as compared to the respective national building stock. Utility spaces are reported in line with either the energy performance certificate or the data used for property valuation used for the purpose of standardising the data.

Primary Energy Use

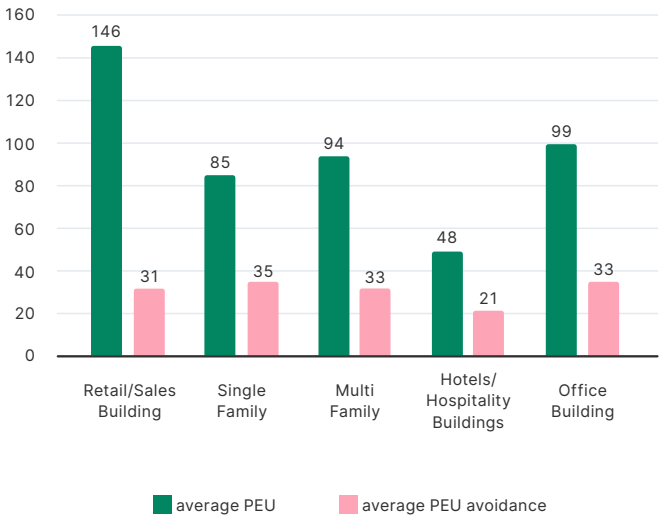


Figure 6 Impact on primary energy based on average Primary Energy Use avoidance in average KWh



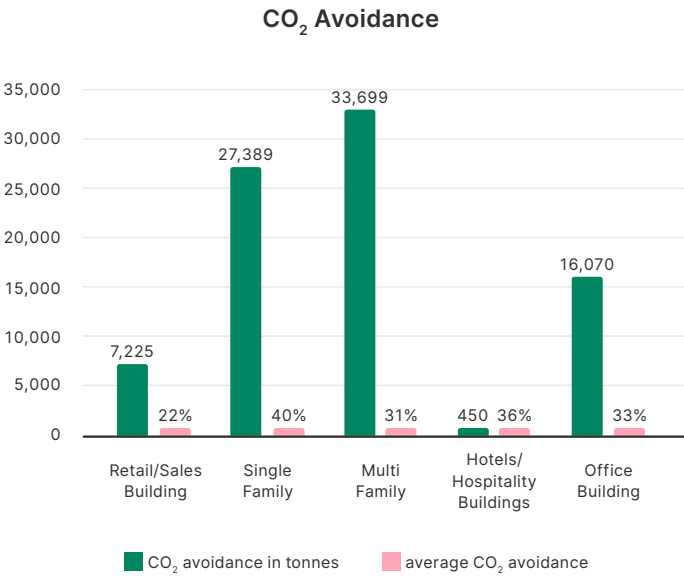


Figure 7 CO<sub>2</sub> avoidance in tonnes split by building category

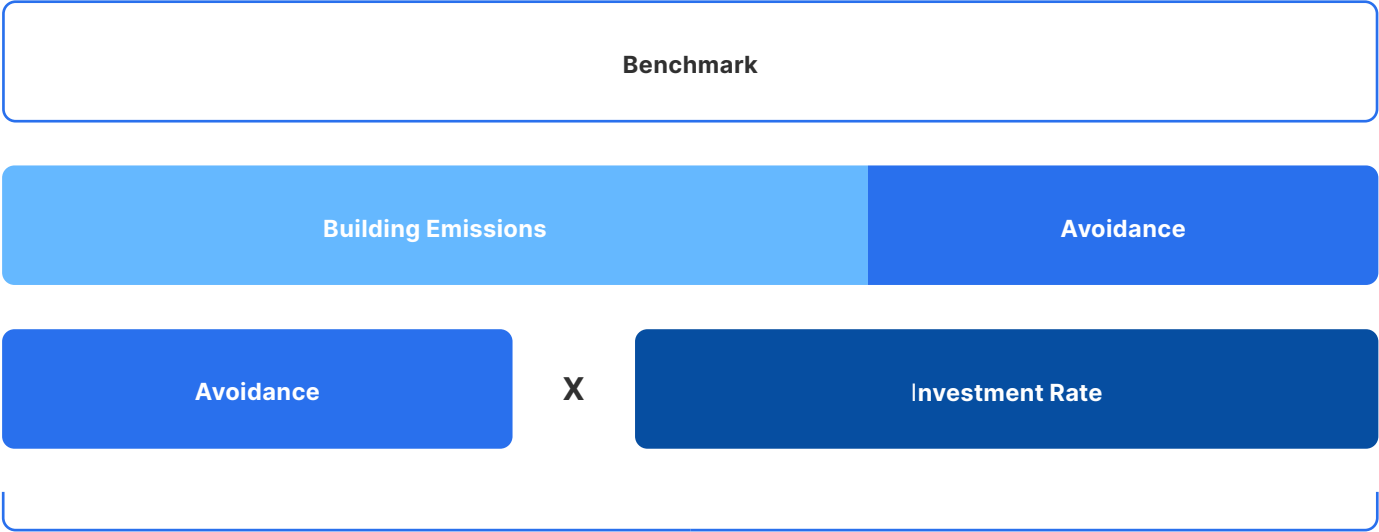
The contribution to each of the impacts is calculated at the individual building level. In order to measure the impact of higher energy efficiency, buildings are evaluated based on either of the two criteria below

- Energy Performance Certificates (EPC)
- Assessment based on the age of the building and its respective building standards given by national building regulations

With either of these references, the contribution to energy use and carbon emissions avoidance can be clearly estimated. On an individual building basis, the building is compared to the country’s benchmark for the respective building type to assess if and by how much the energy usage or emissions may be avoided, resulting in an assessment of the building’s impact. Benchmarks, as described in the "Measurement and Benchmarks" section, are applied specifically for each country and respective building type. These are the energy savings that are then multiplied by the so called "impact factor" (investment rate) to quantify the bank’s actual contribution.

Impacts are calculated for

- Construction of new buildings
- Renovation of existing buildings
- Acquisition and ownership of buildings



Erste Group’s Impact



# Erste Group Sustainable Bond Impact Report

1/2

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Outstanding Amount	Share Eligible for Green Bonds (in %)	Amount Eligible for Green Bonds (in EUR)	Green Building Component
AT Green Buildings	€3,686,512,832.05	€1,315,489,918.33	36%	€1,310,986,840.23	100%	€1,310,986,840	100%
	€84,441,866.64	€43,975,561.20	52%	€43,772,671.61	100%	€43,772,672	100%
	€306,431,193.03	€143,656,291.27	47%	€141,203,720.04	100%	€141,203,720	100%
RO Green Buildings	€613,936,000.00	€91,433,148.99	15%	€88,066,801.89	100%	€88,066,802	100%
	€199,376,775.83	€124,144,668.00	62%	€108,721,889.09	100%	€108,721,889	100%
	€753,079,930.55	€518,083,043.27	69%	€446,054,967.59	100%	€446,054,968	100%
	€1,744,581,288.00	€315,217,412.02	18%	€307,733,178.60	100%	€307,733,179	100%
SK Green Buildings	€65,507,000.00	€10,915,000.00	17%	€8,184,165.83	100%	€8,184,166	100%
	€885,215,290.36	€531,869,142.20	60%	€442,883,839.05	100%	€442,883,839	100%
	€799,449,618.69	€558,647,931.41	70%	€465,562,757.23	100%	€465,562,757	100%
	€510,970,000.00	€177,233,500.00	35%	€167,975,509.99	100%	€167,975,510	100%
CZ Green Buildings	€602,398,406.61	€332,304,086.00	55%	€313,664,369.00	100%	€313,664,369	100%
	€455,633,836.00	€357,367,576.00	78%	€310,792,483.00	100%	€310,792,483	100%
	€152,322,509.23	€122,451,990.00	80%	€90,276,792.00	100%	€90,276,792	100%
	€235,645,738.00	€182,869,277.00	78%	€159,359,160.00	100%	€159,359,160	100%
HR Green Buildings	€439,580,201.36	€283,201,096.87	64%	€239,474,328.38	100%	€239,474,328	100%
	€33,366,906.77	€26,705,882.89	80%	€24,024,596.17	100%	€24,024,596	100%
	€85,526,098.49	€49,166,732.43	57%	€41,565,499.02	100%	€41,565,499	100%
	€57,081,691.00	€28,371,000.00	50%	€27,755,510.37	100%	€27,755,510	100%
	€104,262,906.20	€56,026,601.63	54%	€48,882,712.64	100%	€48,882,713	100%
HU Green Buildings	€73,025,315.82	€18,943,221.58	26%	€16,639,693.95	100%	€16,639,694	100%
	€130,908,785.88	€49,116,243.20	38%	€44,281,343.31	100%	€44,281,343	100%
	€12,019,254,190.49	€5,337,189,324.29		€4,847,862,828.99		€4,847,862,828.99	



# Erste Group Sustainable Bond Impact Report

Portfolio	Allocated Amount	Project Lifetime in Years	Gross Building Area	Primary Energy Use in kWh/m <sup>2</sup> of GBA p.a.	Primary Energy Use in % of Energy Use Avoided	Carbon Avoidance in kg CO <sub>2</sub> /m <sup>2</sup> of GBA p.a.	Carbon Avoidance in Tonnes of CO <sub>2</sub> Equivalent Reduced/Avoided p.a.	Carbon Avoidance in % of Carbon Emissions Reduced/Avoided	Building Type
AT Green Buildings	€1,310,986,840.23	24.22	2,151,608	84	29%	7	9,894	27%	Multi Family
	€43,772,671.61	18.21	52,923	155	28%	7	332	21%	Office Building
	€141,203,720.04	24.07	138,596	77	42%	17	1,764	41%	Single Family
RO Green Buildings	€88,066,801.89	3.13	423,264	44	9%	10	4,245	13%	Retail/Sales Building
	€108,721,889.09	21.20	214,349	174	40%	17	3,578	31%	Single Family
	€446,054,967.59	21.01	663,936	190	44%	19	12,799	36%	Multi Family
	€307,733,178.60	4.95	1,044,860	88	16%	9	8,544	16%	Office Building
SK Green Buildings	€8,184,165.83	3.39	55,713	52	24%	24	424	30%	Retail/Sales Building
	€442,883,839.05	22.64	744,647	54	23%	6	4,351	23%	Single Family
	€465,562,757.23	22.83	672,739	42	36%	10	6,207	36%	Multi Family
	€167,975,509.99	4.24	169,353	42	35%	28	3,650	40%	Office Building
CZ Green Buildings	€313,664,369.00	3.50	231,236	139	49%	14	3,323	49%	Office Building
	€310,792,483.00	24.68	361,442	106	67%	45	16,184	67%	Single Family
	€90,276,792.00	3.56	130,172	310	22%	11	1,419	22%	Retail/Sales Building
	€159,359,160.00	25.15	79,070	137	39%	15	1,149	39%	Multi Family
HR Green Buildings	€239,474,328.38	16.27	221,478	43	50%	13	2,611	35%	Multi Family
	€24,024,596.17	20.33	43,244	37	66%	18	839	55%	Single Family
	€41,565,499.02	12.57	34,533	48	43%	14	450	36%	Hotels/Hospitality Buildings
	€27,755,510.37	6.46	32,915	24	42%	7	221	27%	Office Building
	€48,882,712.64	7.87	62,537	41	42%	21	1,137	38%	Retail/Sales Building
HU Green Buildings	€16,639,693.95	19.12	85,007	66	16%	15	672	16%	Single Family
	€44,281,343.31	18.58	106,215	75	22%	20	1,039	20%	Multi Family
			€4,847,862,828.99		7,719,836		36%		84,834



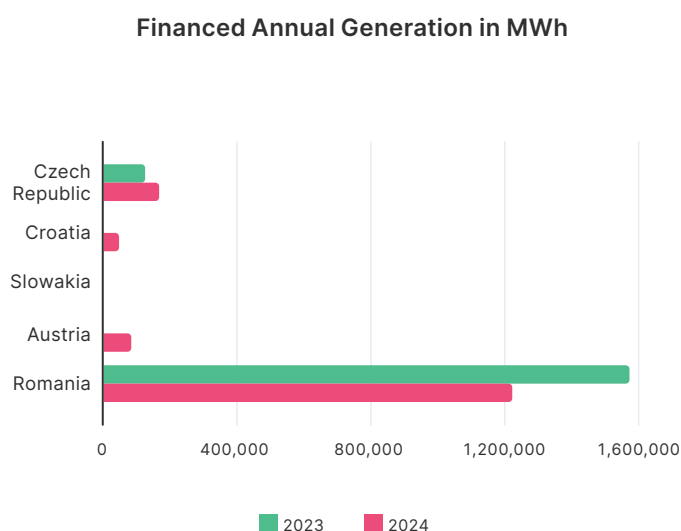
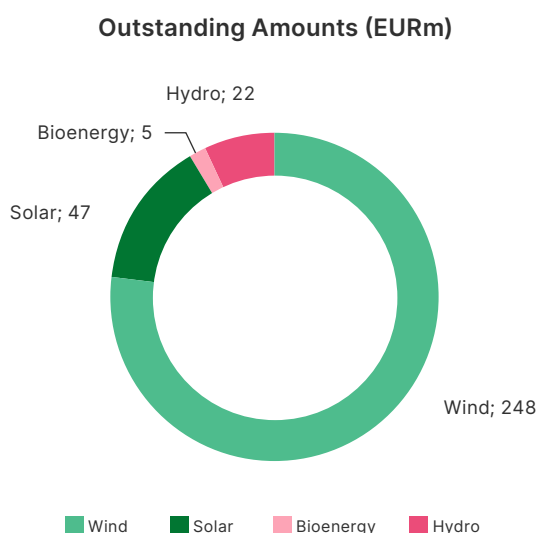
# Renewable Energy Impact

Another contributor to greenhouse gas emissions is the energy sector, which contributes around 75% of the EU's CO<sub>2</sub> emissions.<sup>6</sup> Erste Group's portfolio has allocated more than €322m in funding (€211m in 2023) to improve the sustainability of the energy sector.

1,548,581 MWh financed annual generation

150,753 tCO<sub>2</sub>e emissions avoided

Portfolio financing lifetime of 11.26 years



**Figure 8** Outstanding amounts of financing for renewable energy projects

**Figure 9** Financed annual generation in MWh

For impact calculation, the annual energy generation is multiplied by a coefficient reflecting the composition of energy sources used in the country concerned.

The portfolio lifetime of renewable energy financing ranges from 5 to 14 years.

For benchmarks in this field, we rely on a common standard determined on the basis of IFI<sup>7</sup> data. The calculation of the impact is based on the assumption that energy generated from renewable energy sources today would otherwise have been provided by the countries' existing energy mixes. Those country-specific energy mixes might also include fossil sources of energy generation. The information on the annual capacity added is calculated through a technical analysis which is an established part of the project documentation in the energy sector.

<sup>6</sup> [https://ec.europa.eu/info/research-and-innovation/research-area/energy-research-and-innovation\\_en](https://ec.europa.eu/info/research-and-innovation/research-area/energy-research-and-innovation_en)

<sup>7</sup> <https://unfccc.int/documents/437880>



Portfolio	Signed Amount	Share of Total Project Financing	Eligibility for Green Bonds	RE Component	Allocated Amount	Portfolio Lifetime	Annual Generation MW	Annual Generation GJ	Renewable Energy Capacity Added	Annual GHG Emissions Avoided
RO Wind Energy Projects	€327,400,950.00	21%	100%	100%	€117,501,778.01	12.85	1,231,151	4,432,145	748	62,286
SK Solar (Photo-voltaic) Energy Projects	€1,860,000.00	58%	100%	100%	€843,500.00	5.00	1,315	4,735	1	38
CZ Solar (Photo-voltaic) Energy Projects	€42,204,800.95	100%	100%	100%	€42,204,800.95	11.02	69,464	250,072	0	33,065
CZ Wind Energy Projects	€29,479,103.04	100%	100%	100%	€29,479,103.04	9.85	81,273	292,583	0	38,686
CZ Small-scale Hydro Energy Projects	€22,477,135.40	100%	100%	100%	€21,869,630.93	13.57	19,776	71,195	0	9,414
HR Bioenergy	€6,328,229.56	67%	100%	100%	€5,031,905.18	8.73	3,253	11,709	0	411
HR Solar (Photo-voltaic) Energy Projects	€5,719,439.34	66%	100%	100%	€4,272,093.63	6.34	2,731	9,832	0	130
HR Wind Energy Projects	€62,780,668.28	19%	100%	100%	€46,384,642.36	7.20	47,809	172,113	0	2,267
AT Wind Energy Projects	€54,134,700.18	100%	100%	100%	€54,310,682.13	12.02	91,808	330,509	0	4,457
	€552,385,026.75				€321,898,136.23		1,548,581	5,574,892		150,753



# Measurement and Benchmarks

The main approach to assessing impact requires actual emissions and energy data to be compared with local benchmarks.

With Green Buildings, comparability and transparency is achieved via the use of benchmarks provided by leading consultants' analysis (Drees & Sommer, in case of Czechia by CEVRE Consultants s.r.o.) in the field of sustainable construction.

Drees & Sommer use available statistical data relating to the ageing of the national building stock and the local building standards in order to determine average energy demand of the building stock, which is then compared to the actual (as per EPC label) or estimated energy demand of the respective building, with the difference being translated into CO<sub>2</sub> emission reductions.

## The benchmarks in Austria<sup>8</sup> stem primarily from the following definitions and documents:

- OIB R6: 2007 2019
- WIFO 2008 reference benchmarks according to calculations based on reference buildings
- Poehn et al. 2012 reference benchmarks according to calculations based on default U values
- Nutzenergieanalyse, Statistik Austria, 2019

## Benchmarks used for the Romanian market are mainly derived from the following sources:

- Cost-optimal report 2013/2019; Cost-optimal report 2018
- Study by the Ministry of Regional Development and Public Administration (MRDPA) 2017
- Long term renovation strategy of Romania (LTRS-Romania)
- Ministerial Order no. 386/2016
- C 105-2005, C 105/2010, C 107/2005, C 107/2010
- MC 001-2006, MC 001/2017

- Directive (EU) 2018/844 of the European Parliament and of the Council of 30 May 2018 amending Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency of 19 May 2010 (EPBD), producing effects starting 30 May 2026
- Law. 156/2016 approving Government Order 13/2016 (that transposes European Parliament and Council Directive 2010/31/UE dated May 19th, 2010 concerning building energy efficiency/ performance (EPBD) in view of amending and completing Law 372/2005 referring to buildings energy performance
- Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC
- Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (recast)
- National Strategy of 27 November 2020 concerning the long-term renovation plan to support the renovation of the national stock of residential and non-residential buildings, both public and private, and its gradual transformation into a highly energy-efficient and decarbonised building stock by 2050

Slovakia's benchmarks are mainly derived from the EU Building Stock Observatory, Slovakian cost-optimal report 2018, building energy codes 555/2005 Z.z., 364/2012 Z.z., 324/2016 Z.z. and 35/2020 Z.z.

Hungary's benchmarks are mainly derived from Hungarian cost-optimal report 2018, EU Building Stock Observatory 2017, HEPURA 2019.

In Croatia, benchmarks are based mostly on data of the Ministry of Spatial Planning, Construction and State Property of the Republic of Croatia and the EPC data base in the register of issued energy certificates of November 2024.

<sup>8</sup> By Drees & Sommer - 210319\_GB-Methodology\_ErsteGroup\_AT\_DS.pdf



In Czechia, benchmarks were derived from the "Top 15" study commissioned by ČS in 2024 (text available only in the Czech language: [https://www.cbaonline.cz/journal\\_files\\_storage/metodika\\_top15\\_cz-final-out-2vy-dani\\_2024-09.pdf](https://www.cbaonline.cz/journal_files_storage/metodika_top15_cz-final-out-2vy-dani_2024-09.pdf)); the study is based on an official dataset of EPC labels on the domestic building stock. The benchmark value of carbon intensity of electricity production in Czechia was obtained from [electricitymaps.com](https://electricitymaps.com).

A centralised source for benchmarks for renewable energy is found in the use of grid factors. These grid factors provide information on average CO<sub>2</sub> footprints per KW/h of various sources of energy generation (e.g. solar, wind, water, geothermal) to the operating grid per country. Erste Group uses a commonly available and accessible source for these factors in <https://unfccc.int/documents/437880>.

In addition to the use of comparable grids, the method used to calculate the avoided GHG emissions for the renewable energy portfolio is based on the IFI Approach to GHG Accounting for Renewable Energy Projects and methodologically aligned with Drees & Sommer as an external consultant. [https://unfccc.int/sites/default/files/resource/IFITWG\\_Methodological\\_approach\\_to\\_common\\_dataset.pdf](https://unfccc.int/sites/default/files/resource/IFITWG_Methodological_approach_to_common_dataset.pdf)



### IMPACT REPORTING PRINCIPLES

- The local impact is made visible by a split between geographical regions.
- To assure better transparency on specific impacts, the segments are split between the different building types for which different benchmarks apply.
- Renewable energy has been properly captured in the Renewable Energy GHG accounting approach which is used as the prime approach for impact reporting assessments in Erste Group, with additional consultation from Drees & Sommer.
- Erste Group adheres strictly to the principle of non-double-counting of impact, which is why an impact factor (see Description of Terminology) calculation is performed on all of the impacts assessed. The values are updated for each round of reporting to ensure the proper attribution according to use of proceeds principles.
- Environmental impact data is assessed based on case-by-case inclusion of energy performance certificates or property assessment of construction and commissioning dates.
- Reporting content is set up in compliance with ICMA reporting.
- To assist external validation, the setup of approaches, proxies and demanded output in the final impact report has been aligned and validated with the external consultant Drees & Sommer.
- Investment amounts in Erste Group's reporting are provided in Euro after converting at current exchange rates.
- Eligibility criteria have been determined in accordance with the Erste Group Sustainable Finance Framework.





# ANNEX

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## II Individual Country Reports and Links

### Sparkasse Oberösterreich:

#### Sparkasse Oberösterreich Sustainable Bond Allocation Report

Green Buildings - Eligible Loan Portfolio

Geographical Distribution	Number of Loans	Size of Loan Portfolio
AT	1143	€242,103,267.32
Total	1143	€242,103,267.32

Green Funding

ISIN Code	Issue Date	Maturity Date	Amount
QOXDBA050495	14/04/2023	14/04/2038	€5,000,000
QOXDBA049315	27/04/2022	27/04/2037	€5,000,000
QOXDBA049125	04/02/2022	04/02/2037	€5,000,000
AT000B101670	23/07/2024	23/07/2030	€13,531,800
AT000B101555	18/09/2023	18/09/2028	€22,559,900
AT000B101522	14/04/2023	14/04/2027	€71,813,000
AT000B101514	25/10/2022	25/10/2027	€46,917,900
AT000B101464	09/03/2022	09/03/2032	€20,200,000
AT000B101456	27/01/2022	27/01/2034	€15,300,000
Total			€205,322,600

Allocated Proceeds	Percentage of Allocated Proceeds	Unallocated Proceeds	Percentage of Unallocated Proceeds	Amount of New Financing	Percentage of New Financing
€242,103,267.32	100%	€0.00	0%	€32,899,536.66	14%



## Sparkasse Oberösterreich Sustainable Bond Impact Report

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Outstanding Amount	Share Eligible for Green Bonds (in %)	Amount Eligible for Green Bonds (in EUR)	Green Building Component	Allocated Amount
AT Green Buildings	€35,701,000	€15,779,786	44%	€15,768,154	100%	€15,768,154	100%	€15,768,154
	€148,965,065	€65,362,094	44%	€65,037,863	100%	€65,037,863	100%	€65,037,863
	€434,773,661	€162,693,046	37%	€161,297,250	100%	€161,297,250	100%	€161,297,250
	€619,439,726	€243,834,926		€242,103,267		€242,103,267		€242,103,267

Portfolio	Project Lifetime in Years	Gross Building Area	Primary Energy Use in kWh/m <sup>2</sup> of GBA p.a.	Primary Energy Use in % of Energy Use Avoided	Carbon Avoidance in kg CO <sub>2</sub> /m <sup>2</sup> of GBA p.a.	Carbon Avoidance in Tonnes of CO2 Equivalent Reduced/Avoided p.a.	Carbon Avoidance in % of Carbon Emissions Reduced/Avoided	Building Type
AT Green Buildings	17.11	15,472	144	24%	6	71	18%	Office Building
	22.55	74,537	83	40%	16	813	39%	Single Family
	18.56	475,100	102	27%	6	1,240	24%	Multi Family
		565,109		30%		2,125		



**Banca Comercială Română S.A. :****Banca Comercială Sustainable Bond Allocation Report**

## Green Buildings - Eligible Loan Portfolio

Geographical Distribution	Number of Loans	Size of Loan Portfolio
RO	9,637	€866,623,659.29
Total	9,637	€866,623,659.29

## Renewable Energy - Projects

Geographical Distribution	Number of Loans	Size of Loan Portfolio
RO	5	€117,501,778.01
Total	5	€117,501,778.01

## Green Funding

ISIN Code	Issue Date	Maturity Date	Amount
AT0000A34CN3	19/05/2023	19/05/2027	€700,000,000
ROPC9F84ZSG4	14/06/2022	14/06/2027	€141,125,384
ROMU2ND4VHC6	14/10/2021	14/10/2028	€100,516,656
AT0000A32YQ4	07/03/2023	15/12/2029	€19,251,131
Total			€960,893,171

Allocated Proceeds	Percentage of Allocated Proceeds	Unallocated Proceeds	Percentage of Unallocated Proceeds	Amount of New Financing	Percentage of New Financing
€984,125,437.30	100%	€0.00	0%	€446,312,046.03	45%



## Banca Comercială Sustainable Bond Impact Report

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Outstanding Amount	Share Eligible for Green Bonds (in %)	Amount Eligible for Green Bonds (in EUR)	Green Building Component	Allocated Amount
RO Green Buildings	€1,306,106,288.00	€231,264,234.14	18%	€223,780,000.72	100%	€223,780,001	100%	€223,780,000.72
	€613,936,000.00	€91,433,148.99	15%	€88,066,801.89	100%	€88,066,802	100%	€88,066,801.89
	€753,079,930.55	€518,083,043.27	69%	€446,054,967.59	100%	€446,054,968	100%	€446,054,967.59
	€199,376,775.83	€124,144,668.00	62%	€108,721,889.09	100%	€108,721,889	100%	€108,721,889.09
	€2,872,498,994.37	€964,925,094.40		€866,623,659.29		€866,623,659.29		€866,623,659.29

Portfolio	Project Lifetime in Years	Gross Building Area	Primary Energy Use in kWh/m² of GBA p.a.	Primary Energy Use in % of Energy Use Avoided	Carbon Avoidance in kg CO <sub>2</sub> /m² of GBA p.a.	Carbon Avoidance in Tonnes of CO <sub>2</sub> Equivalent Reduced/Avoided p.a.	Carbon Avoidance in % of Carbon Emissions Reduced/Avoided	Building Type
RO Green Buildings	5.40	782,932	62	17%	9	6,805	15%	Office Building
	3.13	423,264	44	9%	10	4,245	13%	Retail/Sales Building
	21.01	663,936	190	44%	19	12,799	36%	Multi Family
	21.20	214,349	174	40%	17	3,578	31%	Single Family
		2,084,481		33%		27,427		

Portfolio	Signed Amount	Share of Total Project Financing	Eligibility for Green Bonds	RE Component	Allocated Amount	Portfolio Lifetime	Annual Generation MW	Annual Generation GJ	Renewable Energy Capacity Added	Annual GHG Emissions Avoided
RO Wind Energy Projects	€327,400,950.00	21%	100%	100%	€117,501,778.01	12.85	1,231,151	4,432,145	748	62,286
	€327,400,950.00				€117,501,778.01	12.85	1,231,151	4,432,145		62,286



## Česká spořitelna a.s.:

## Česká spořitelna Sustainable Bond Allocation Report

## Green Buildings - Eligible Loan Portfolio

Geographical Distribution	Number of Loans	Size of Loan Portfolio
CZ	3,032	€874,092,804.00
Total	3,032	€874,092,804.00

## Renewable Energy - Projects

Geographical Distribution	Number of Loans	Size of Loan Portfolio
CZ	61	€93,553,534.92
Total	61	€93,553,534.92

## Green Funding

ISIN Code	Issue Date	Maturity Date	Amount
AT0000A2STV4	06/09/2021	13/09/2028	€500,000,000
XS2676413235	30/08/2023	08/03/2028	€500,000,000
Total			€1,000,000,000

Allocated Proceeds	Percentage of Allocated Proceeds	Unallocated Proceeds	Percentage of Unallocated Proceeds	Amount of New Financing	Percentage of New Financing
€967,646,338.92	97%	€32,353,661.08	3%	€366,986,773.80	38%

Approximately 500 loans included in the allocated portfolio of Ceska sporitelna Česká spořitelna a.s. for the 2023 Allocation Report, amounting to EUR roughly €200m as of 31 December 2023, were excluded in the 2024 Allocation Report. The most frequent reason was an update to EPC label data on the collateral. Second, preference was given to loans where Česká spořitelna a.s. has the most precise carbon footprint data based on the internal carbon footprint calculation methodology. Third, some assets for which additional manual checks would be necessary were excluded. All of these exclusions were done to add a margin of conservatism to the reported impacts.



## Česká spořitelna Sustainable Bond Impact Report

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Outstanding Amount	Share Eligible for Green Bonds (in %)	Amount Eligible for Green Bonds (in EUR)	Green Building Component	Allocated Amount
CZ Green Buildings	€455,633,836.00	€357,367,576.00	78%	€310,792,483.00	100%	€310,792,483	100%	€310,792,483.00
	€235,645,738.00	€182,869,277.00	78%	€159,359,160.00	100%	€159,359,160	100%	€159,359,160.00
	€602,398,406.61	€332,304,086.00	55%	€313,664,369.00	100%	€313,664,369	100%	€313,664,369.00
	€152,322,509.23	€122,451,990.00	80%	€90,276,792.00	100%	€90,276,792	100%	€90,276,792.00
	€1,446,000,489.84	€994,992,929.00		€874,092,804.00		€874,092,804.00		€874,092,804.00

Portfolio	Project Lifetime in Years	Gross Building Area	Primary Energy Use in kWh/m² of GBA p.a.	Primary Energy Use in % of Energy Use Avoided	Carbon Avoidance in kg CO <sub>2</sub> /m² of GBA p.a.	Carbon Avoidance in Tonnes of CO <sub>2</sub> Equivalent Reduced/Avoided p.a.	Carbon Avoidance in % of Carbon Emissions Reduced/Avoided	Building Type
CZ Green Buildings	24.68	361,442	106	67%	45	16,184	67%	Single Family
	25.15	79,070	137	39%	15	1,149	39%	Multi Family
	3.50	231,236	139	49%	14	3,323	49%	Office Buildings
	3.56	130,172	310	22%	11	1,419	22%	Retail/Sales Building
		801,920		51%		22,075		

Portfolio	Signed Amount	Share of Total Project Financing	Eligibility for Green Bonds	RE Component	Allocated Amount	Portfolio Lifetime	Annual Generation MW	Annual Generation GJ	Annual GHG Emissions Avoided
CZ Solar (Photovoltaic) Energy Projects	€42,204,800.95	100%	100%	100%	€42,204,800.95	11.02	69,464	250,072	33,065
CZ Wind Energy Projects	€29,479,103.04	100%	100%	100%	€29,479,103.04	9.85	81,273	292,583	38,686
CZ Small-scale Hydro Energy Projects	€22,477,135.40	100%	100%	100%	€21,869,630.93	13.57	19,776	71,195	9,414
	€94,161,039.39				€93,553,534.92	11.26	170,514	613,849	81,164



## Erste Jelzalogbank Zrt.:

### Erste Jelzalogbank Zrt. Sustainable Bond Allocation Report

#### Green Buildings - Eligible Loan Portfolio

Geographical Distribution	Number of Loans	Size of Loan Portfolio
HU	1646	€60,921,037.25
Total	1646	€60,921,037.25

#### Green Funding

ISIN Code	Issue Date	Maturity Date	Amount
HU00000653589	22/02/2023	30/04/2030	€73,130,240
Total			€73,130,240

Allocated Proceeds	Percentage of Allocated Proceeds	Unallocated Proceeds	Percentage of Unallocated Proceeds	Amount of New Financing	Percentage of New Financing
€60,921,037.25	83%	€12,209,202.45	17%	€16,384,867.00	27%



## Erste Jelzalogbank Zrt. Sustainable Bond Impact Report

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Outstanding Amount	Share Eligible for Green Bonds (in %)	Amount Eligible for Green Bonds (in EUR)	Green Building Component	Allocated Amount
HU Green Buildings	€130,908,785.88	€49,116,243.20	38%	€44,281,343.31	100%	€44,281,343	100%	€44,281,343.31
	€73,025,315.82	€18,943,221.58	26%	€16,639,693.95	100%	€16,639,694	100%	€16,639,693.95
	€203,934,101.69	€68,059,464.77		€60,921,037.25		€60,921,037.25		€60,921,037.25

Portfolio	Project Lifetime in Years	Gross Building Area	Primary Energy Use in kWh/m² of GBA p.a.	Primary Energy Use in % of Energy Use Avoided	Carbon Avoidance in kg CO <sub>2</sub> /m² of GBA p.a.	Carbon Avoidance in Tonnes of CO <sub>2</sub> Equivalent Reduced/Avoided p.a.	Carbon Avoidance in % of Carbon Emissions Reduced/Avoided	Building Type
HU Green Buildings	18.58	106,215	75	22%	20	1,039	20%	Multi family
	19.12	85,007	66	16%	15	672	16%	Single family
		191,222		20%		1,711		



## Erste Group Bank AG (AT stand alone):

### Erste Group Bank AG Sustainable Bond Allocation Report

#### Green Buildings - Eligible Loan Portfolio

Geographical Distribution	Number of Loans	Size of Loan Portfolio
AT	1395	€1,253,859,964.56
RO	3	€83,953,177.88
Total	1398	€1,337,813,142.44

#### Renewable Energy - Projects

Geographical Distribution	Number of Loans	Size of Loan Portfolio
AT	3	€54,310,682.13
Total	3	€54,310,682.13

#### Green Funding

ISIN Code	Issue Date	Maturity Date	Amount
AT0000A2RAA0	17/05/2021	17/05/2028	€500,000,000
AT0000A303B8	03/10/2022	03/10/2027	€45,500,000
AT0000A32562	16/01/2023	16/01/2031	€750,000,000
Total			€1,295,500,000

Allocated Proceeds	Percentage of Allocated Proceeds	Unallocated Proceeds	Percentage of Unallocated Proceeds	Amount of New Financing	Percentage of New Financing
€1,392,123,824.57	100%	€0.00	0%	€770,568,848.74	55%



## Erste Group Sustainable Bond Impact Report

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Outstanding Amount	Share Eligible for Green Bonds (in %)	Amount Eligible for Green Bonds (in EUR)	Green Building Component	Allocated Amount
AT Green Buildings**	€48,740,866.64	€28,195,775.49	58%	€28,004,518.08	100%	€28,004,518	100%	€28,004,518.08
	€157,466,128.42	€78,294,197.42	50%	€76,165,856.74	100%	€76,165,857	100%	€76,165,856.74
	€3,251,739,170.93	€1,152,796,872.34	35%	€1,149,689,589.74	100%	€1,149,689,590	100%	€1,149,689,589.74
RO Green Buildings	€438,475,000.00	€83,953,177.88	19%	€83,953,177.88	100%	€83,953,178	100%	€83,953,177.88
	€3,896,421,165.99	€1,343,240,023.13		€1,337,813,142.44		€1,337,813,142.44		€1,337,813,142.44

Portfolio	Project Lifetime in Years	Gross Building Area	Primary Energy Use in kWh/m <sup>2</sup> of GBA p.a.	Primary Energy Use in % of Energy Use Avoided	Carbon Avoidance in kg CO <sub>2</sub> /m <sup>2</sup> of GBA p.a.	Carbon Avoidance in Tonnes of CO <sub>2</sub> Equivalent Reduced/Avoided p.a.	Carbon Avoidance in % of Carbon Emissions Reduced/Avoided	Building Type
AT Green Buildings**	18.84	37,451	161	31%	8	261	23%	Office Building
	25.36	64,059	72	44%	17	950	42%	Single Family
	25.01	1,676,508	82	29%	7	8,654	27%	Multi Family
RO Green Buildings	3.77	261,928	156	14%	9	1,739	17%	Office Building
		2,039,945		29%		11,605		

\*\* thereof EUR 912m dedicated to providing affordable housing (social)

Portfolio	Signed Amount	Share of Total Project Financing	Eligibility for Green Bonds	RE Component	Allocated Amount	Portfolio Lifetime	Annual Generation MW	Annual Generation GJ	Annual GHG Emissions Avoided
AT Wind Energy Projects	€54,134,700.18	100%	100%	100%	€54,310,682.13	12.02	91,808	330,509	4,457
					€54,310,682.13	12.02	91,808	330,509	4,457



## Erste & Steiermärkische Bank d.d. Zagreb:

### Erste & Steiermärkische Bank d.d. Sustainable Bond Impact Report

#### Green Buildings - Eligible Loan Portfolio

Geographical Distribution	Number of Loans	Size of Loan Portfolio
HR	1679	€381,702,646.58
Total	1679	€381,702,646.58

#### Renewable Energy - Projects

Geographical Distribution	Number of Loans	Size of Loan Portfolio
HR	18	€55,688,641.17
Total	18	€55,688,641.17

#### Green Funding

ISIN Code	Issue Date	Maturity Date	Amount
AT0000A39UM6	31/01/2024	31/01/2029	€400,000,000
Total			€400,000,000

Allocated Proceeds	Percentage of Allocated Proceeds	Unallocated Proceeds	Percentage of Unallocated Proceeds	Amount of New Financing	Percentage of New Financing
€437,391,287.75	100%	€0.00	0%	€98,516,648.84	23%



## Erste & Steiermärkische Bank d.d. Sustainable Bond Impact Report

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Outstanding Amount	Share Eligible for Green Bonds (in %)	Amount Eligible for Green Bonds (in EUR)	Green Building Component	Allocated Amount
HR Green Buildings	€439,580,201.36	€283,201,096.87	64%	€239,474,328.38	100%	€239,474,328	100%	€239,474,328.38
	€33,366,906.77	€26,705,882.89	80%	€24,024,596.17	100%	€24,024,596	100%	€24,024,596.17
	€85,526,098.49	€49,166,732.43	57%	€41,565,499.02	100%	€41,565,499	100%	€41,565,499.02
	€57,081,691.00	€28,371,000.00	50%	€27,755,510.37	100%	€27,755,510	100%	€27,755,510.37
	€104,262,906.20	€56,026,601.63	54%	€48,882,712.64	100%	€48,882,713	100%	€48,882,712.64
	€719,817,803.82	€443,471,313.82		€381,702,646.58		€381,702,646.58		€381,702,646.58

Portfolio	Project Lifetime in Years	Gross Building Area	Primary Energy Use in kWh/m² of GBA p.a.	Primary Energy Use in % of Energy Use Avoided	Carbon Avoidance in kg CO <sub>2</sub> /m² of GBA p.a.	Carbon Avoidance in Tonnes of CO <sub>2</sub> Equivalent Reduced/Avoided p.a.	Carbon Avoidance in % of Carbon Emissions Reduced/Avoided	Building Type
HR Green Buildings	16.27	221,478	43	50%	13	2,611	35%	Multi Family
	20.33	43,244	37	66%	18	839	55%	Single Family
	12.57	34,533	48	43%	14	450	36%	Hotels/Hospitality Buildings
	6.46	32,915	24	42%	7	221	27%	Office Building
	7.87	62,537	41	42%	21	1,137	38%	Retail/Sales Building
		394,708		49%		5,259		

Portfolio	Signed Amount	Share of Total Project Financing	Eligibility for Green Bonds	RE Component	Allocated Amount	Portfolio Lifetime	Annual Generation MW	Annual Generation GJ	Annual GHG Emissions Avoided
HR Bioenergy	€6,328,229.56	67%	100%	100%	€5,031,905.18	8.73	3,253	11,709	411
HR Solar (Photovoltaic) Energy Projects	€5,719,439.34	66%	100%	100%	€4,272,093.63	6.34	2,731	9,832	130
HR Wind Energy Projects	€62,780,668.28	19%	100%	100%	€46,384,642.36	7.20	47,809	172,113	2,267
	€94,161,039.39				€93,553,534.92	11.26	170,514	613,849	81,164



**Slovenská sporiteľ'na, a.s.:****Slovenská sporiteľ'na, a.s. Sustainable Bond Allocation Report**

## Green Buildings - Eligible Loan Portfolio

Geographical Distribution	Number of Loans	Size of Loan Portfolio
SK	12,864	€1,084,606,272.10
Total	12,864	€1,084,606,272.10

## Renewable Energy - Projects

Geographical Distribution	Number of Loans	Size of Loan Portfolio
SK	1	€843,500.00
Total	1	€843,500.00

## Green Funding

ISIN Code	Issue Date	Maturity Date	Amount
AT0000A377W8	04/10/2023	04/10/2028	€331,000,000
SK4000019337	16/06/2021	16/06/2028	€154,000,000
SK4000021242	13/07/2022	13/12/2029	€54,865,723
SK4000021820	05/10/2022	05/04/2028	€500,000,000
SK4000021994	20/10/2022	20/10/2025	€25,000,000
SK4000025250	10/05/2024	10/05/2027	€10,000,000
SK4000025367	29/05/2024	29/05/2029	€25,000,000
SK4000025458	10/06/2024	10/06/2027	€15,000,000
Total			€1,114,865,723

Allocated Proceeds	Percentage of Allocated Proceeds	Unallocated Proceeds	Percentage of Unallocated Proceeds	Amount of New Financing	Percentage of New Financing
€1,085,449,772.10	97%	€29,415,951.26	3%	€205,195,147.58	19%



## Slovenská sporiteľňa, a.s Sustainable Bond Impact Report

Portfolio	Total Costs	Project Financing Amount	Share of Total Project Financing	Outstanding Amount	Share Eligible for Green Bonds (in %)	Amount Eligible for Green Bonds (in EUR)	Green Building Component	Allocated Amount
SK Green Buildings	€885,215,290.36	€531,869,142.20	60%	€442,883,839.05	100%	€442,883,839	100%	€442,883,839.05
	€799,449,618.69	€558,647,931.41	70%	€465,562,757.23	100%	€465,562,757	100%	€465,562,757.23
	€510,970,000.00	€177,233,500.00	35%	€167,975,509.99	100%	€167,975,510	100%	€167,975,509.99
	€65,507,000.00	€10,915,000.00	17%	€8,184,165.83	100%	€8,184,166	100%	€8,184,165.83
	€2,261,141,909.05	€1,278,665,573.61		€1,084,606,272.10		€1,084,606,272.10		€1,084,606,272.10

Portfolio	Project Lifetime in Years	Gross Building Area	Primary Energy Use in kWh/m² of GBA p.a.	Primary Energy Use in % of Energy Use Avoided	Carbon Avoidance in kg CO <sub>2</sub> /m² of GBA p.a.	Carbon Avoidance in Tonnes of CO <sub>2</sub> Equivalent Reduced/Avoided p.a.	Carbon Avoidance in % of Carbon Emissions Reduced/Avoided	Building Type
SK Green Buildings	22.64	744,647	54	23%	6	4,351	23%	Single Family
	22.83	672,739	42	36%	10	6,207	36%	Multi Family
	4.24	169,353	42	35%	28	3,650	40%	Office Building
	3.39	55,713	52	24%	24	424	30%	Retail/Sales Building
		1,642,450		30%		14,632		

Portfolio	Signed Amount	Share of Total Project Financing	Eligibility for Green Bonds	RE Component	Allocated Amount	Portfolio Lifetime	Annual Generation MW	Annual Generation GJ	Renewable Energy Capacity Added	Annual GHG Emissions Avoided
SK Solar (Photovoltaic) Energy Projects	€1,860,000.00	58%	100%	100%	€843,500.00	5.00	1,315	4,735	1	38
	€1,860,000.00				€843,500.00	5.00	1,315	4,735		38

SLSP manages the proceeds from green bonds as follows:

- in case of **green covered** bonds a full allocation of eligible residential loans is provided at the issue date; and
- in case of **green senior preferred** bonds a minimum of 20% of the proceeds should be allocated to new loans

The ISIN **AT0000A377W8** (amount €331m) has a call date one year prior to its maturity date at **4 October 2027**.

For Slovakia, reference benchmarks and energy and carbon emission indicators are based on the heated area of the respective building (rather than on gross floor area as defined in Annex III Description of Terminology).



Issuing Bank	Link to local ESG/investor relations homepage
Erste Group Bank AG	<a href="#">Sustainability/ESG - the principles of Erste Group</a>   <a href="#">Erste Group Bank AG</a>
Česká spořitelna a.s.	<a href="#">Sustainability</a>   <a href="#">Česká spořitelna</a>   <a href="#">Česká spořitelna (csas.cz)</a>
Banca Comercială Română S.A.	<a href="#">Investors (bcr.ro)</a>
Slovenská sporiteľňa, a.s.	<a href="#">Financial indicators of Slovenská sporiteľňa (slsp.sk)</a>
Sparkasse Oberösterreich	<a href="#">Engagiert für eine lebenswerte Zukunft</a>   <a href="#">Sparkasse Oberösterreich</a>
Erste Jelzalogbank Zrt.	<a href="#">Zöld jelzáloglevél program (erstebank.hu)</a>
Erste & Steiermärkische Bank d.d. Zagreb	<a href="#">Sustainability (erstebank.hr)</a>



## III Description of Terminology

In the following section, the impact report fields for Green Buildings and Renewable Energy projects are depicted:

### General terminology

Term	Explanation
Portfolio	This field provides the option to name the type of green asset and shall only carry the information of the portfolio that is reported by the impact report at hand. Where a partitioning by building type can be done the portfolio level information is first separated by groupings of building types, renewable energy types etc. and then calculated as outlined under portfolio level explanation. If groupings are done the section provides more detail on the geographical distribution to assure a better view of the individual benchmarks and impacts on geographical distributions.
Total Costs (also "Signed Amount")	The total costs shall reflect the full costs that would be applicable for the relevant project investment. This includes host as well as non-host amounts in case of syndicated loans but also the amounts of equity provided by the customer. A typical value that shall be used here is the lending value. This value should be stable throughout time.
Project Financing Amount	This field shows the amount granted by the host bank of the Sustainable Finance Instrument.
Share of Total Project Financing	Here the Project Financing Amount is put into relation to the Total Costs and provided as a full% value: $\text{Share of total Project Financing} = \frac{\text{Project Financing Amount}}{\text{Total Costs}}$
Outstanding Amount	This field represents the actual balance amount at cut-off date of reporting – it is a value that can decrease over time
Share eligible for Sustainable Bonds	The share eligible for sustainable bonds is supposed to set the sustainable bond outstanding amount into relation of what part can be attributed to a Green Building or investment. As the allocation of assets is based upon a green transaction in the first step, there shall always be a 100% of attribution.
Amount eligible for Sustainable Bonds	$\text{Amount eligible for Sustainable Bonds} = \text{Share eligible for sustainable bond} \times \text{Outstanding Amount}$
Allocated Amount	The allocated amount provides the final step of assessing the investment contribution. It is derived by a mere multiplication of the Asset Type Component with the Amount eligible for sustainable bonds $\text{Allocated Amount} = \text{Amount eligible for Sustainable Bond} \times \text{Asset Type Component}$
Project Lifetime	Time to Maturity of the loans in the allocated portfolio in years as a weighted average.
Asset Type Component	For each asset type (e.g. green building component) a component is to be attributed. Here a typical 100% are expected unless clear separation can be provided.
Impact Factor	$\text{impact factor} = \frac{\sum \text{Allocated Amounts of one Green Project}}{\text{lending value}}$ <p>This factor represents the maximum contribution of one Green Project to the impact</p>



## Terminology applicable to Green Buildings

The impact always applies to one building no matter how many loans are attributed to financing one building. The impact therefore can only be 100% of the building's impact if the funding for the building has fully been provided by the issuing entity (no equity or syndication). In case of any potential over-allocation of assets, the impacts related to the terms "Primary Energy Use -% of energy use avoided", "Carbon Avoidance – in kg CO<sub>2</sub>/m<sup>2</sup> of GBA p.a.", "Carbon Avoidance – tonnes of CO<sub>2</sub> equivalent reduced / avoided p.a.", and "Carbon Avoidance -% of carbon emissions reduced / avoided" are adapted to show only the impact being attributable to the bond proceeds by multiplying the respective impact with the minimum of (allocated assets/bond proceeds) and 100%:

Term	Explanation
Type of Building	<p>Provides the option to separate the portfolio in types of building</p> <ul style="list-style-type: none"> <li>– Single Family Buildings</li> <li>– Multi Family Buildings</li> <li>– Office Buildings</li> <li>– Sales Buildings</li> <li>– Hotels</li> </ul> <p>In case of mixed building use, the main building use shall be defined based on main purpose and floor area.</p>
Green Building Certificates	List of certificates (if any exist)
Gross Building Area	The gross building Area is provided to understand the actual impact of the investment overall as the impacts are provided on a square meter base. For this a gross building area of the Green Building is to be provided and reported. Here the complete building (including walls) and external areas is to be provided.
Primary Energy Use – kwh/ m <sup>2</sup> of GBA p.a.	The primary energy use is to be derived from the Energy Performance Certificate (EPC). In cases where attribution to sustainability is done via Top15 approach a calculation based on local averages is allowed (sample based on construction year).
Primary Energy Use -% of energy use avoided	<p>This section assesses what the actual impact on the primary energy use assessed by the allocation is. The primary energy use is compared to the local benchmark and the result is multiplied with the impact factor.</p> <p>It is calculated as follows</p> $\text{Primary Energy Use-percentage of} = \left( \frac{\text{Benchmark Primary Energy Demand} - \text{Calculated Primary Energy Demand}}{\text{Benchmark Primary Energy Demand}} \times \text{impact factor} \right) \times 100$
Carbon Avoidance – in kg CO <sub>2</sub> /m <sup>2</sup> of GBA p.a.	Here the actual carbon emissions avoidance of the building are provided as a full value of kg emitted per m <sup>2</sup> on an annual basis subtracted from the CO <sub>2</sub> benchmark for the building type. Equal to the PED the CO <sub>2</sub> value may be derived by the EPC or through average calculation.
Carbon Avoidance – tonnes of CO <sub>2</sub> equivalent reduced / avoided p.a.	<p>To explain the actual emissions avoided this demands the previous value to be matched against a benchmark and in a further step for this m2 based number to be multiplied with the gross floor area previously provided.</p> $\text{Carbon Avoidance} = \frac{\left( \left( \frac{\text{Carbon Emissions Benchmark} - \text{Calculated Carbon Emissions}}{1000} \right) \times \text{impact factor} \right) \times \text{Gross Building Area}}{1000}$
Carbon Avoidance -% of carbon emissions reduced / avoided	<p>Lastly the percentage of avoidance shall be reported. Again, the already known factors are used but prior to final provision put into relation with the benchmark.</p> $\text{Carbon Avoidance} = \text{Impact Factor} \times \left( \frac{\left( \frac{\text{Carbon Emissions Benchmark} - \text{Calculated Carbon Emissions}}{\text{Carbon Emissions Benchmark}} \right) \times 100}{100} \right)$



## Terminology applicable to Renewable Energy

The impact always applies to one plant and is adapted to the actual share of the project being financed by the issuing entity. The impact therefore can only be 100% of the plant's impact if the funding for the plant has fully been provided by the issuing entity (no equity or syndication).

In case of any potential over-allocation of assets, the impact related to the term "Annual GHG emissions avoided" is adapted to show only the impact being attributable to the bond proceeds by multiplying the respective impact with the minimum of (allocated assets/bond proceeds) and 100%:

Term	Explanation
Annual generation	The annual generation can be either directly derived from the contracts or calculated by multiplying the capacity with the conversion factor, multiplied by the own share of financing the plant
Renewable energy capacity (added)	The minimum input that can be derived from contracts or technical analysis of the plants is the capacity of the renewable energy plant, multiplied by the own share of financing the plant
Annual GHG emissions avoided	Using the annual generation, the GHG can be derived by multiplication with the grid factor this value can then be compared to the local energy mix. Here data provided via the International Financial Institutions' (IFI) provides for a good source of reference.





# Erste Group Sustainable Finance Framework 2024



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# 1 About Erste Group

Erste Group Bank AG and all entities directly or indirectly controlled by Erste Group Bank AG ("**Erste Group**") currently employ around 46,200 staff, who work with 16.6 million clients in seven countries of Central and Eastern Europe (Austria, Croatia, Czech Republic, Hungary, Serbia, Romania, Slovakia). Erste Group provides its clients with safe, trusted, and top-quality services. Apart from retail operations, Erste Group provides corporate financing and consulting services related to investment, access to international capital markets, public sector financing and interbank market operations.

Erste Group is built on traditional roots of banking with a corporate history dating back to 1819. The first Erste oesterreichische SparCasse opened its doors in the midst of a post-war economic crisis, but had a clear and revolutionary mission codified in its founding letter: "[Its] purpose is to provide [...] factory workers, peasants, or other industrious and economical minors or persons of full legal age with the means of gradually building up a small amount of capital out of their hard-won earnings, so they can spend it later in life for retirement, dowries, assistance in sickness, old age, or to achieve any praiseworthy objective". The inclusion-driven strategy and the belief that everyone can prosper is a critical and valid mission statement of Erste Group also today.

## Sustainability at Erste Group

Prosperity, equal opportunities, fairness and social wellbeing is at the heart of Erste Group's core values and business objectives. It is also very clear that the accelerating level of environmental degradation and the urgency of climate change are threatening the most vulnerable parts of our societies in particular.

As a reflection of the leading role it plays in the social wellbeing of the CEE region, Erste Group is committed to contributing to the United Nations Sustainable Development Goals ("**SDGs**") as well as committed to meeting the targets set by the Paris COP21 of limiting global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. In line with these global targets, Erste Group in 2020 approved an overarching set of internal Environmental-Social-Governance ("**ESG**") business objectives, laid down a strategic roadmap of priorities covering sustainable finance, comprehensive ESG risk management, raising employee awareness and enhanced transparency in the case of ESG disclosure standards.

Erste Group strives to be a leader in green transition by mobilising resources for climate action, investment in the preservation of clean water and the transition to a circular economy. As member of the Net-Zero Banking Alliance, Erste Group firmly believes that decarbonisation is possible and necessary. Erste Group is convinced that the development of a forward-looking strategy leading towards net zero will not only produce important insights into the future development of the market and visibility of emerging risks but will also create opportunities.

Erste Group is working to establish sustainable finance in the CEE region, to mobilize funds for a transition towards a low carbon economy, to enhance risk management and financing standards and to increase the credibility of sustainable investments in the region. Erste Group in all its countries takes responsibility to finance socially and economically important infrastructure, public administration, or projects for the common good. Across its regions, Erste Group applies a social banking concept to support the most vulnerable parts of society (individuals, NGOs but also start-ups) and fosters financial literacy. Erste Group refrains from financing projects that have harmful consequences on ethical, social and environmental wellbeing.

To be successful Erste Group will focus on communication to inform employees, clients, shareholders and other stakeholders about the targets and guiding principles of its environmental strategy.



## Supporting the transition

Erste Group believes that successfully managing the transition to a more sustainable world requires close collaboration with many other organisations in order to achieve this together.

Apart from joining the Net-Zero Banking Alliance in 2021, Erste Group also supports other key organizations either as a member or by following their principles or recommendations:

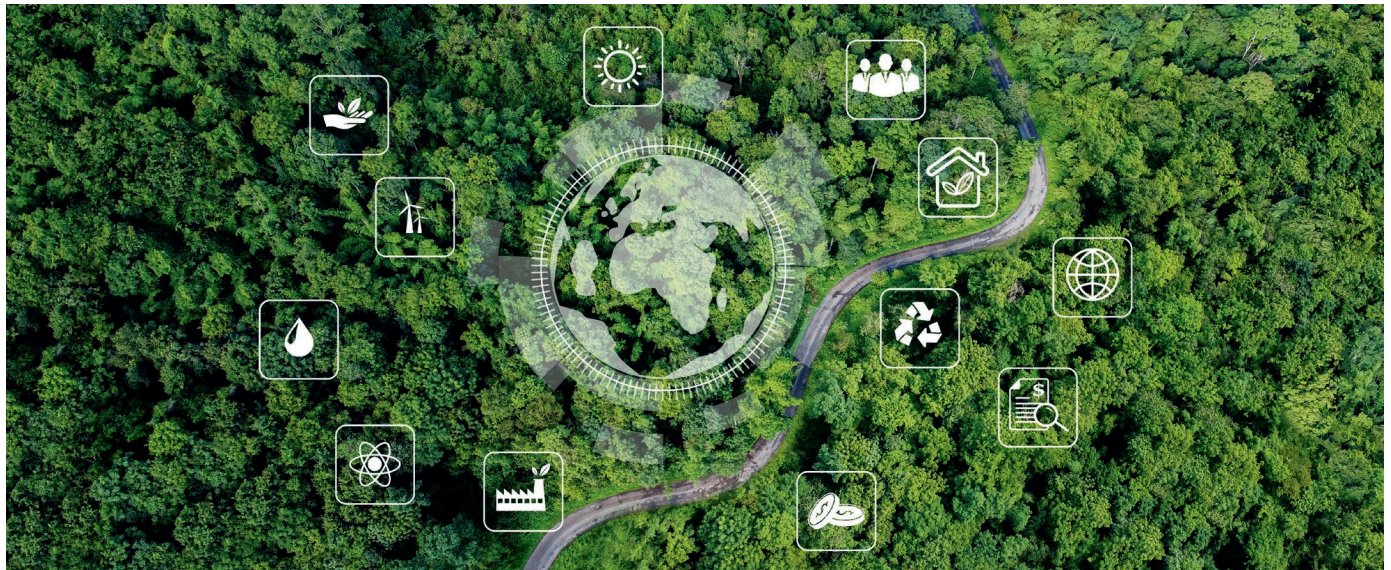
- UN Global Compact
- UN Environmental Programme – Finance Initiative, including Principles for Responsible Finance
- Partnership for Carbon Accounting Financials (PCAF)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Global Reporting Initiative (GRI)
- Green Consumption Pledge

Erste Group is included in the following ratings/ indexes:

- Erste Group has been part of the Euronext Vigeo Index Eurozone 120 since June 2018.
- Included in the Vienna Stock Exchange's sustainability index since its launch in 2008.
- Erste Group has been part of the FTSE4Good Index Series since 2016.
- In October 2022, Erste Group received prime status in the ISS ESG ratings.
- At the beginning of 2019 imug Investment Research raised the rating for Erste Group from neutral to positive, and public sector covered bonds (Öffentliche Pfandbriefe) are now rated as very positive.
- In 2019, Erste Group received a rating of AA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.
- Since February 2021, Sustainalytics has assessed Erste Group to be at low risk of experiencing material financial impacts from ESG factors.
- In 2022 Erste Group participated in the Carbon Disclosure Project (CDP) Rating for the first time and achieved a good rating of 'B'.
- VÖNIX B+
- Erste Group won two Sustainable Finance Awards in 2022: the Sustainable Finance Country Award - Austria and Outstanding Leadership in Sustainable Infrastructure Finance - Regional Award Central & Eastern Europe.



## 2 Erste Group Sustainable Finance Framework



Erste Group's Sustainable Finance Framework is designed as an umbrella framework that will allow Erste Group to issue sustainable finance instruments to finance new and/or refinance existing loans to its clients and projects with environmental and/or social benefits.

**"Sustainable Finance Instruments"** will include bearer and registered bonds, promissory notes, deposits and other debt or financing instruments, which might be issued publicly or as private placements and fund eligible green and/or social projects that conform to the sustainable finance principles.

- **"Green Bonds"** means Sustainable Finance Instruments that finance and/or refinance Eligible Green Loans (as defined in the 3.1 Use of Proceeds section)
- **"Social Bonds"** means Sustainable Finance Instruments that finance and/or refinance Eligible Social Loans (as defined in the 3.2 Use of Proceeds section)
- **"Sustainability Bonds"** means Sustainable Finance Instruments that finance and/or refinance a mix of Eligible Green Loans (as defined in the 3.1 Use of Proceeds section) and Eligible Social Loans (as defined in the 3.2 Use of Proceeds section)

Erste Group's Sustainable Finance Framework is in line with:

- International Capital Market Association (ICMA) Green Bond Principles ("**GBP**") 2021<sup>1</sup> (with June 2022 Appendix I)
- International Capital Market Association (ICMA) Social Bond Principles ("**SBP**") 2023<sup>2</sup>
- International Capital Market Association (ICMA) Sustainability Bond Guidelines ("**SBG**") 2021<sup>3</sup>

The GBP, SBP and SBG are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the green and social instruments market.

In alignment with these, Erste Group's Sustainable Finance Framework is based on the following key pillars:

- a. Use of Proceeds
- b. Process for Project Evaluation and Selection
- c. Management of Proceeds
- d. Reporting
- e. External Review

For each Sustainable Finance Instrument issued, (i) Use of Proceeds (ii) Project Evaluation and Selection (iii) Management of Proceeds, (iv) Reporting, and (v) External Review will be adopted subject to and in accordance with this Sustainable Finance Framework as amended from time to time. In the case of deposits, Erste Group will put additional measures into place that provide for at least monthly monitoring of volumes and their allocated assets. Erste Group enables this practice by flagging the corresponding assets and by implementing dedicated product types for this purpose.

<sup>1</sup> <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

<sup>2</sup> <https://www.icmagroup.org/green-social-and-sustainability-bonds/social-bond-principles-sbp/>

<sup>3</sup> <https://www.icmagroup.org/green-social-and-sustainability-bonds/sustainability-bond-guidelines-sbg/>











Eligible Green Loans ("**Green Loans**"): loans and investments dedicated to the financing of Eligible Green Projects as defined in Section 3.1 with a positive environmental impact.

Eligible Social Loans ("**Social Loans**"): loans and investments dedicated to the financing of Eligible Social Projects as defined in Section 3.2 with a positive social impact.

Eligible Loan Portfolio ("**Loan Portfolio**"): is comprised of all Green Loans and Social Loans.

### 3.1 Eligible Green Projects




Green Category	Definition	Eligibility Criteria	UN SDG	EU Environmental Objective	EU Taxonomy Economic Activities
Green Buildings (Residential)	Loans and/or investments to finance or refinance new or existing residential buildings	<ul style="list-style-type: none"><li>Buildings that are within the top 15% low-carbon performing in the respective country or at least have a Class A Energy Performance Certificate (EPC)<sup>1</sup></li><li>Buildings that have undergone major renovations which comply with the applicable requirements or refurbishments resulting in an increase in energy efficiency of at least 30% against a baseline performance of the building before renovation (When using EPC labels, at least three label steps increase in energy performance certificate compared to original built quality)</li><li>New buildings or refurbishments for which the energy performance of the building resulting from the construction is 10% below the threshold set for the nearly zero-energy building (NZEB) requirements in national measures<sup>2</sup></li></ul>	<div></div>	Environmental Objective (1): Climate Change Mitigation	<div><div>7.1</div>Construction of new buildings</div> <div><div>7.2</div>Renovation of existing buildings</div> <div><div>7.7</div>Acquisition and ownership of buildings</div>
Green Buildings (Non-residential)	Loans and/or investments to finance or refinance new or existing non-residential buildings	<ul style="list-style-type: none"><li>Buildings that are within the top 15% low-carbon performing in the respective country or at least have a Class A Energy Performance Certificate (EPC)</li><li>Buildings that have undergone major renovations which comply with the applicable requirements or refurbishments resulting in an increase in energy efficiency of at least 30% against a baseline performance of the building before the renovation</li><li>Where applicable, minimum certification of BREEAM "Very Good", LEED "Gold" or any other equivalent certification</li><li>New buildings or refurbishment for which the energy performance of the building resulting from the construction meets the threshold set for the nearly zero-energy building (NZEB) requirements in national measures</li></ul>	<div></div>	Environmental Objective (1): Climate Change Mitigation	<div><div>7.1</div>Construction of new buildings</div> <div><div>7.2</div>Renovation of existing buildings</div> <div><div>7.7</div>Acquisition and ownership of buildings</div>
Renewable Energy & Energy Efficiency	Loans and/or investments to finance or refinance generation and transmission of energy from renewable sources and manufacturing of the related equipment <sup>5</sup>	<ul style="list-style-type: none"><li>Onshore and offshore wind energy</li><li>Solar (photovoltaic)</li><li>Electricity generation from hydropower</li><li>Geothermal energy with life cycle assessment emissions ≤ 100g CO<sub>2</sub>e/kWh</li><li>Cogeneration of heat/cool and power from geothermal energy</li><li>Bioenergy</li><li>Electric heat pumps</li><li>Transmission and distribution of electricity</li></ul>	<div></div>	Environmental Objective (1): Climate Change Mitigation	<div><div>4.1</div>Electricity generation using solar photovoltaic technology</div> <div><div>4.3</div>Electricity generation from wind power</div> <div><div>4.5</div>Electricity generation from hydropower</div> <div><div>4.6</div>Electricity generation from geothermal energy</div> <div><div>4.8</div>Electricity generation from bioenergy</div> <div><div>4.9</div>Transmission and distribution of electricity</div> <div><div>4.16</div>Installation and operation of electric heat pumps</div> <div><div>4.18</div>Cogeneration of heat/cool and power from geothermal energy</div>
Clean Transportation	Loans for electric/hybrid vehicles and loans or investments for public transportation and infrastructure contributing to low carbon transport	<ul style="list-style-type: none"><li><b>Passenger cars:</b><ul style="list-style-type: none"><li>Zero direct emission vehicles (incl. hydrogen, fuel cell, electric)</li><li>Vehicles with direct emission intensity of max. 50 g CO<sub>2</sub>/km (WLTP) (until 2025 only)</li></ul></li><li><b>Passenger interurban rail transport:</b><ul style="list-style-type: none"><li>the trains and passenger coaches have zero direct (tailpipe) CO<sub>2</sub> emissions</li><li>the trains and passenger coaches have zero direct (tailpipe) CO<sub>2</sub> emissions when operated on a track with the necessary infrastructure, and use a conventional engine where such infrastructure is not available (bimode).</li></ul></li><li><b>Freight transport:</b><ul style="list-style-type: none"><li>vehicles of category N1 have zero direct (tailpipe) CO<sub>2</sub> emissions</li><li>vehicles of category N2 and N3 with a technically permissible maximum laden mass not exceeding 7.5 tonnes are 'zero-emission heavy-duty vehicles' as defined in Article 3, point (11), of Regulation (EU) 2019/1242</li><li>vehicles of category N2 and N3 with a technically permissible maximum laden mass exceeding 7.5 tonnes are one of the following:<ul style="list-style-type: none"><li>'zero-emission heavy-duty vehicles', as defined in Article 3, point (11), of Regulation (EU) 2019/1242</li><li>where technologically and economically not feasible to comply with the criterion in point (i), 'low-emission heavy-duty vehicles' as defined in Article 3, point (12), of that Regulation.</li></ul></li><li>the trains and wagons have zero direct tailpipe CO<sub>2</sub> emissions</li><li>the trains and wagons have zero direct tailpipe CO<sub>2</sub> emissions when operated on a track with the necessary infrastructure, and use a conventional engine where such infrastructure is not available (bimode).</li></ul></li><li><b>Infrastructure enabling low-carbon road transport and public transport</b></li></ul>		<div><div>6.1</div>Passenger interurban rail transport</div> <div><div>6.2</div>Freight rail transport</div> <div><div>6.5</div>Transport by motorbikes, passenger cars and light commercial vehicles</div> <div><div>6.6</div>Freight transport services by road</div> <div><div>6.15</div>Infrastructure enabling low-carbon road transport and public transport</div>	

Green Loans are aligned as much as possible with the EU Regulation 2020/852 (the "**EU Taxonomy**") and more specifically with the first EU environmental goal ("**Climate Change Mitigation**") as defined in Art. 10 of the EU Taxonomy. With regard to Do No Significant Harm

criteria ("**DNSH**") and Minimum Safeguards ("**MS**"), Erste Group will try to fulfill them on a best effort basis (see Section 4. Process for Loan Evaluation and Selection).



3.2 Eligible Social Projects

Social Category	Definition	Eligibility Criteria	UN SDG
Access to Subsidized Housing ("Gemeinnütziger Wohnbau")   Affordable Housing	Loans and/or investments to finance or refinance existing or new projects of subsidized housing, including projects meeting the relevant statutory definitions <sup>3</sup>	<ul style="list-style-type: none"><li>Financing of "gemeinnützige Bauvereinigungen" (GBV) and following the statutory definitions of the Wohnungsgemeinnützigkeitsgesetz (WGG), (e.g. cap on rental expenses for tenants, income caps, cost coverage principle with limitation on profits)</li><li>Construction of new affordable housing and improving of existing affordable housing via own subsidiaries all over Austria, which are subject to the WGG rules</li><li>Rental Microcredits (Zweite Sparkasse)</li></ul>	
Financial and Social Inclusion	Loans and/or investments to finance or refinance start-ups, microfinance businesses or subjects of social economy	<ul style="list-style-type: none"><li>Financing must be part of the following activities / programs:<ul style="list-style-type: none"><li>Financing of social micro-enterprises and SMEs</li><li>Microcredit program: financing of microenterprises and unemployed who start businesses – cooperation with Ministry of Social Affairs</li><li>Agriculture start-up loans in rural areas</li><li>Financing of social infrastructure projects like kindergartens, cultural centers, house for orphans or workshops for job integration of people with disabilities or sports facilities</li></ul></li></ul>	
Access to Essential Services	Loans to finance or refinance projects related to essential services <sup>4</sup>	<ul style="list-style-type: none"><li>Operation of public healthcare and facilities:<ul style="list-style-type: none"><li>Public hospitals</li><li>Elderly care facilities with a health focus</li><li>Other Healthcare facilities (e.g. dental clinics and primary healthcare centers)</li></ul></li><li>Construction of public healthcare and facilities:<ul style="list-style-type: none"><li>Public hospitals</li><li>Elderly care facilities with a health focus</li><li>Other Healthcare facilities (e.g. dental clinics and primary healthcare centers).</li></ul></li><li>Construction of primary and secondary schools (public) and related infrastructure</li><li>Operation of primary and secondary schools (public) and related infrastructure<ul style="list-style-type: none"><li>Learning materials<sup>5</sup>, furniture and other equipment</li></ul></li></ul>	

Regarding the Social Categories listed above, Erste Group especially focuses on the following target groups:

- People living below the poverty line,
- Undereducated,
- Unemployed and/or workers affected by climate transition,
- Aging populations and vulnerable youth,
- Other vulnerable groups, including as a result of natural disasters, climate change, and/or climate transition projects that cause or exacerbate socioeconomic inequity.

Erste Group may, at any time, extend the list of Green and/or Social Loans to other type of assets which provide verifiable sustainability benefits. In this case, Erste Group commits to update the current Sustainable Finance Framework and to extend the set of criteria to appropriately reflect the new asset class.

For clarification purposes, the Use of Proceeds from Sustainable Finance Instruments must be in alignment with the limitations and restrictions outlined and defined in Erste Group’s Responsible Financing Policy<sup>6</sup>.

<sup>3</sup> As defined by the Austrian federal law of 8 March 1979 on non-profit housing (Wohnungsgemeinnützigkeitsgesetz – WGG), as amended, updated.  
<sup>4</sup> Excluding businesses such as, but not limited to alcohol, tobacco, coal mining, weapons, pornography, gambling, activities involving forced or child labour, business with a record of engaging in illegal practices.  
<sup>5</sup> Covers essential materials and expenditures of students enrolled in an education program (e.g. tuition fees, living costs, etc.).  
<sup>6</sup> <https://www.erstegroup.com/erstegroup-responsible-financing-policy.pdf>



## 4 Process for Loan Evaluation and Selection



A dedicated Sustainable Finance Committee (the "SFC") has been established to create and manage this Sustainable Finance Framework. Erste Group's SFC is chaired by Erste Group's Group Sustainability Office, which is supported by senior risk and business unit managers with voting rights. The SFC will manage any future updates to the Sustainability Finance Framework, including amendments to the list of eligible categories, oversee its implementation and meet at least once a year. The Sustainable Finance Framework will be evaluated according to the principles and guidelines outlined in section 2. Erste Group Sustainable Finance Framework.

In identifying Green and Social Loans and their nonfinancial impacts Erste Group may rely on external consultants and their data sources.

The loans selection is based on the eligibility criteria defined in the section above (see the section entitled 3. Use of Proceeds). Erste Group ensures that all Green and Social Loans comply with official national and international environmental and social laws and regulations and any standards on a best effort basis.

It is part of Erste Group's transaction approval process to ensure that all its activities comply with internal environmental and social directives. Erste Group has defined minimum environmental and social requirements for all its lending business, including that financed with the proceeds from Sustainable Finance Instruments. These eligibility criteria, minimum requirements and ESG-related matters are continuously developed and renewed in Erste Group's external and internal policy frameworks. Erste Group's environmental and social policies can be found on: <https://www.erstegroup.com/en/about-us/sustainability>.

ESG risk factors are an integral part of Erste Group's financing standards. The standards are industry sector differentiated, related to the size, complexity and impact of the project, and applied at client onboarding or at the financing transaction stage. Reflecting the increasing importance of ESG risks, Erste Group is further enhancing its approach with the implementation of a conceptually much broader, balanced ESG scorecard-based screening and a subsequent deep-dive ESG risk assessment on the relevant large customer segments. Erste Group refrains from ethically, social and environmentally harmful transactions. Our risk perspective and exclusion rules are outlined in the publicly available "Responsible Finance Policy" which can be found on: <https://www.erstegroup.com/erstegroup-responsible-financing-policy.pdf>. Erste Group is committed to regularly recalibrating these financing rules, reflecting on the rising urgency of climate action, the evolving new standards of the European Commission and ongoing public behavioural change.



## 5 Management of Proceeds



The Net Proceeds from Sustainable Finance Instruments issued under this Sustainable Finance Framework will be managed by Erste Group in a portfolio approach. Erste Group intends to allocate the proceeds from the Sustainable Finance Instruments to a portfolio of loans that meet the Use of Proceeds Eligibility Criteria and in accordance with the evaluation and selection process presented above.

Erste Group entities will strive, within 24 months after issuance, to reach a level of allocation of the Loan Portfolio that at least matches the Net Proceeds from its outstanding Sustainable Finance Instruments.

Additional Green and/or Social Loans will be added to the Loan Portfolio to the extent required. The Net Proceeds are tracked on an entity and account level.

Pending the allocation of the Net Proceeds from any Sustainable Finance Instrument to the Loan Portfolio, all or a portion of the Net Proceeds may be used for the payment of outstanding indebtedness or other capital management activities.



# 6 Reporting

Erste Group will conduct and keep readily available reporting on the allocation of Net Proceeds to the Loan Portfolio on a nominal equivalence basis one year from the issuance of the respective Sustainable Finance Instruments, to be renewed annually until full allocation.

Erste Group intends to issue reports on the allocation of proceeds to the Loan Portfolio at least at the category level and on an aggregated (portfolio) basis for all Sustainable Finance Instruments issued by Erste Group.

Erste Group intends to align, on a best effort basis, the impact reporting with the portfolio approach described in "Handbook - Harmonized Framework for Impact Reporting (June 2024)" and "Working Towards a Harmonized Framework for Impact Reporting for Social Bonds (June 2023)"

In any case, Erste Group will not double count the financing of any Green or Social Loans.

## Allocation Reporting

The allocation report will provide, on an aggregated basis, indicators such as:

- the size of the Loan Portfolio
- the total amount of proceeds allocated to the Loan Portfolio (consisting of Green and Social Loans)
- the balance (if any) of unallocated proceeds
- the amount or the percentage of new financing and refinancing
- the geographical distribution of the assets (at country level)
- the total volume of Sustainable Finance Instruments outstanding.

## Impact Reporting

Where feasible, Erste Group intends to report on the environmental and social impacts of the projects funded with the Sustainable Finance Instruments' proceeds or refer to existing sustainability reporting of Erste Group. A list of potential indicators is presented below.

GBP/SBP Category	Potential impact indicators
<b>Green Buildings (Non-residential)</b>	<ul style="list-style-type: none"> <li>– Estimated ex-ante annual energy consumption in KWh</li> <li>– Estimated annual avoided carbon emissions (in tCO<sub>2</sub> eq)</li> <li>– Overview of sustainable labels and certificates of eligible buildings</li> </ul>
<b>Green Buildings (Residential)</b>	<ul style="list-style-type: none"> <li>– Estimated ex-ante annual energy consumption in KWh</li> <li>– Estimated annual avoided carbon emissions (in tCO<sub>2</sub> eq)</li> </ul>
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>– Installed renewable energy capacity (GW or MW)</li> <li>– Estimated annual avoided carbon emissions (in tCO<sub>2</sub> eq)</li> </ul>
<b>Clean Transportation</b>	<ul style="list-style-type: none"> <li>– Annual passenger-kilometres or annual tonne-kilometres of transportation</li> <li>– Number of annual tonnes or passengers</li> </ul>
<b>Access to Subsidized Housing ("Gemeinnütziger Wohnbau")   Affordable Housing</b>	<ul style="list-style-type: none"> <li>– Number of units built</li> <li>– Number of beneficiaries (if possible)</li> </ul>
<b>Financial and Social Inclusion</b>	<ul style="list-style-type: none"> <li>– Number of projects/facilities financed</li> <li>– Volume allocated to projects</li> <li>– Number of beneficiaries</li> </ul>
<b>Access to Essential Services</b>	<ul style="list-style-type: none"> <li>– Number of projects/facilities financed</li> <li>– Volume allocated to projects</li> <li>– Number of beneficiaries</li> </ul>



# 7 External review

## Second party opinion

Erste Group's Sustainable Finance Framework has been reviewed by ISS ESG, which has issued a Second Party Opinion. ISS ESG evaluated Erste Group's Sustainable Finance Framework and its alignment with relevant industry standards and has provided views on the robustness and credibility of the Sustainable Finance Framework.

The Second Party Opinion as well as the Sustainable Finance Framework are available to investors and other stakeholders on Erste Group's website.

## Verification

Erste Group may request on an annual basis, starting one year after issuance and until maturity (or until full allocation), a limited assurance report of the allocation of the Sustainable Finance Instruments proceeds to the Loan Portfolio, provided by its external auditor or a reputable verifier.





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# General Conditions of Contract for the Public Accounting Professions (AAB 2018)

Provided by the Board of the Chamber of Tax Advisers and Auditors

## Preamble and General Items

(1) Contract within the meaning of these Conditions of Contract refers to each contract on services to be rendered by a person entitled to exercise profession in the field of public accounting exercising that profession (de facto activities as well as providing or performing legal transactions or acts, in each case pursuant to Sections 2 or 3 Austrian Public Accounting Professions Act (WTBG 2017). The parties to the contract shall hereinafter be referred to as the "contractor" on the one hand and the "client" on the other hand).

(2) The General Conditions of Contract for the professions in the field of public accounting are divided into two sections: The Conditions of Section I shall apply to contracts where the agreeing of contracts is part of the operations of the client's company (entrepreneur within the meaning of the Austrian Consumer Protection Act. They shall apply to consumer business under the Austrian Consumer Protection Act (Federal Act of March 8, 1979 / Federal Law Gazette No. 140 as amended) insofar as Section II does not provide otherwise for such business.

(3) In the event that an individual provision is void, the invalid provision shall be replaced by a valid provision that is as close as possible to the desired objective.

## SECTION I

### 1. Scope and Execution of Contract

(1) The scope of the contract is generally determined in a written agreement drawn up between the client and the contractor. In the absence of such a detailed written agreement, (2)-(4) shall apply in case of doubt:

(2) When contracted to perform tax consultation services, consultation shall consist of the following activities:

- a) preparing annual tax returns for income tax and corporate tax as well as value-added tax (VAT) on the basis of the financial statements and other documents and papers required for taxation purposes and to be submitted by the client or (if so agreed) prepared by the contractor. Unless explicitly agreed otherwise, documents and papers required for taxation purposes shall be produced by the client.
- b) examining the tax assessment notices for the tax returns mentioned under a).
- c) negotiating with the fiscal authorities in connection with the tax returns and notices mentioned under a) and b).
- d) participating in external tax audits and assessing the results of external tax audits with regard to the taxes mentioned under a).
- e) participating in appeal procedures with regard to the taxes mentioned under a).

If the contractor receives a flat fee for regular tax consultation, in the absence of written agreements to the contrary, the activities mentioned under d) and e) shall be invoiced separately.

(3) Provided the preparation of one or more annual tax return(s) is part of the contract accepted, this shall not include the examination of any particular accounting conditions nor the examination of whether all relevant concessions, particularly those with regard to value added tax, have been utilized, unless the person entitled to exercise the profession can prove that he/she has been commissioned accordingly.

(4) In each case, the obligation to render other services pursuant to Sections 2 and 3 WTBG 2017 requires for the contractor to be separately and verifiably commissioned.

(5) The aforementioned paragraphs (2) to (4) shall not apply to services requiring particular expertise provided by an expert.

(6) The contractor is not obliged to render any services, issue any warnings or provide any information beyond the scope of the contract.

(7) The contractor shall have the right to engage suitable staff and other performing agents (subcontractors) for the execution of the contract as well as to have a person entitled to exercise the profession substitute for him/her in executing the contract. Staff within the meaning of these Conditions of Contract refers to all persons who support the contractor in his/her operating activities on a regular or permanent basis, irrespective of the type of underlying legal transaction.

(8) In rendering his/her services, the contractor shall exclusively take into account Austrian law; foreign law shall only be taken into account if this has been explicitly agreed upon in writing.

(9) Should the legal situation change subsequent to delivering a final professional statement passed on by the client orally or in writing, the contractor shall not be obliged to inform the client of changes or of the consequences thereof. This shall also apply to the completed parts of a contract.

(10) The client shall be obliged to make sure that the data made available by him/her may be handled by the contractor in the course of rendering the services. In this context, the client shall particularly but not exclusively comply with the applicable provisions under data protection law and labor law.

(11) Unless explicitly agreed otherwise, if the contractor electronically submits an application to an authority, he/she acts only as a messenger and this does not constitute a declaration of intent or knowledge attributable to him/her or a person authorized to submit the application.

(12) The client undertakes not to employ persons that are or were staff of the contractor during the contractual relationship, during and within one year after termination of the contractual relationship, either in his/her company or in an associated company, failing which he/she shall be obliged to pay the contractor the amount of the annual salary of the member of staff taken over.

### 2. Client's Obligation to Provide Information and Submit Complete Set of Documents

(1) The client shall make sure that all documents required for the execution of the contract be placed without special request at the disposal of the contractor at the agreed date, and in good time if no such date has been agreed, and that he/she be informed of all events and circumstances which may be of significance for the execution of the contract. This shall also apply to documents, events and circumstances which become known only after the contractor has commenced his/her work.

(2) The contractor shall be justified in regarding information and documents presented to him/her by the client, in particular figures, as correct and complete and to base the contract on them. The contractor shall not be obliged to identify any errors unless agreed separately in writing. This shall particularly apply to the correctness and completeness of bills. However, he/she is obliged to inform the client of any errors identified by him/her. In case of financial criminal proceedings he/she shall protect the rights of the client.

(3) The client shall confirm in writing that all documents submitted, all information provided and explanations given in the context of audits, expert opinions and expert services are complete.

(4) If the client fails to disclose considerable risks in connection with the preparation of financial statements and other statements, the contractor shall not be obliged to render any compensation insofar as these risks materialize.

(5) Dates and time schedules stated by the contractor for the completion of the contractor's products or parts thereof are best estimates and, unless otherwise agreed in writing, shall not be binding. The same applies to any estimates of fees: they are prepared to best of the contractor's knowledge; however, they shall always be non-binding.

(6) The client shall always provide the contractor with his/her current contact details (particularly the delivery address). The contractor may rely on the validity of the contact details most recently provided by the client, particularly have deliveries made to the most recently provided address, until such time as new contact details are provided.

### 3. Safeguarding of Independence

(1) The client shall be obliged to take all measures to prevent that the independence of the staff of the contractor be jeopardized and shall himself/herself refrain from jeopardizing their independence in any way. In particular, this shall apply to offers of employment and to offers to accept contracts on their own account.



(2) The client acknowledges that his/her personal details required in this respect, as well as the type and scope of the services, including the performance period agreed between the contractor and the client for the services (both audit and non-audit services), shall be handled within a network (if any) to which the contractor belongs, and for this purpose transferred to the other members of the network including abroad for the purpose of examination of the existence of grounds of bias or grounds for exclusion and conflicts of interest. For this purpose the client expressly releases the contractor in accordance with the Data Protection Act and in accordance with Section 80 (4) No. 2 WTBG 2017 from his/her obligation to maintain secrecy. The client can revoke the release from the obligation to maintain secrecy at any time.

#### 4. Reporting Requirements

(1) (Reporting by the contractor) In the absence of an agreement to the contrary, a written report shall be drawn up in the case of audits and expert opinions.

(2) (Communication to the client) All contract-related information and opinions, including reports, (all declarations of knowledge) of the contractor, his/her staff, other performing agents or substitutes ("professional statements") shall only be binding provided they are set down in writing. Professional statements in electronic file formats which are made, transferred or confirmed by fax or e-mail or using similar types of electronic communication (that can be stored and reproduced but is not oral, i.e. e.g. text messages but not telephone) shall be deemed as set down in writing; this shall only apply to professional statements. The client bears the risk that professional statements may be issued by persons not entitled to do so as well as the transfer risk of such professional statements.

(3) (Communication to the client) The client hereby consents to the contractor communicating with the client (e.g. by e-mail) in an unencrypted manner. The client declares that he/she has been informed of the risks arising from the use of electronic communication (particularly access to, maintaining secrecy of, changing of messages in the course of transfer). The contractor, his/her staff, other performing agents or substitutes are not liable for any losses that arise as a result of the use of electronic means of communication.

(4) (Communication to the contractor) Receipt and forwarding of information to the contractor and his/her staff are not always guaranteed when the telephone is used, in particular in conjunction with automatic telephone answering systems, fax, e-mail and other types of electronic communication. As a result, instructions and important information shall only be deemed to have been received by the contractor provided they are also received physically (not by telephone, orally or electronically), unless explicit confirmation of receipt is provided in individual instances. Automatic confirmation that items have been transmitted and read shall not constitute such explicit confirmations of receipt. This shall apply in particular to the transmission of decisions and other information relating to deadlines. As a result, critical and important notifications must be sent to the contractor by mail or courier. Delivery of documents to staff outside the firm's offices shall not count as delivery.

(5) (General) In writing shall mean, insofar as not otherwise laid down in Item 4. (2), written form within the meaning of Section 886 Austrian Civil Code (ABGB) (confirmed by signature). An advanced electronic signature (Art. 26 eIDAS Regulation (EU) No. 910/2014) fulfills the requirement of written form within the meaning of Section 886 ABGB (confirmed by signature) insofar as this is at the discretion of the parties to the contract.

(6) (Promotional information) The contractor will send recurrent general tax law and general commercial law information to the client electronically (e.g. by e-mail). The client acknowledges that he/she has the right to object to receiving direct advertising at any time.

#### 5. Protection of Intellectual Property of the Contractor

(1) The client shall be obliged to ensure that reports, expert opinions, organizational plans, drafts, drawings, calculations and the like, issued by the contractor, be used only for the purpose specified in the contract (e.g. pursuant to Section 44 (3) Austrian Income Tax Act 1988). Furthermore, professional statements made orally or in writing by the contractor may be passed on to a third party for use only with the written consent of the contractor.

(2) The use of professional statements made orally or in writing by the contractor for promotional purposes shall not be permitted; a violation of this provision shall give the contractor the right to terminate without notice to the client all contracts not yet executed.

(3) The contractor shall retain the copyright on his/her work. Permission to use the work shall be subject to the written consent by the contractor.

#### 6. Correction of Errors

(1) The contractor shall have the right and shall be obliged to correct all errors and inaccuracies in his/her professional statement made orally or in writing which subsequently come to light and shall be obliged to inform the client thereof without delay. He/she shall also have the right to inform a third party acquainted with the original professional statement of the change.

(2) The client has the right to have all errors corrected free of charge if the contractor can be held responsible for them; this right will expire six months after completion of the services rendered by the contractor and/or – in cases where a written professional statement has not been delivered – six months after the contractor has completed the work that gives cause to complaint.

(3) If the contractor fails to correct errors which have come to light, the client shall have the right to demand a reduction in price. The extent to which additional claims for damages can be asserted is stipulated under Item 7.

#### 7. Liability

(1) All liability provisions shall apply to all disputes in connection with the contractual relationship, irrespective of the legal grounds. The contractor is liable for losses arising in connection with the contractual relationship (including its termination) only in case of willful intent and gross negligence. The applicability of Section 1298 2<sup>nd</sup> Sentence ABGB is excluded.

(2) In cases of gross negligence, the maximum liability for damages due from the contractor is tenfold the minimum insurance sum of the professional liability insurance according to Section 11 WTBG 2017 as amended.

(3) The limitation of liability pursuant to Item 7. (2) refers to the individual case of damages. The individual case of damages includes all consequences of a breach of duty regardless of whether damages arose in one or more consecutive years. In this context, multiple acts or failures to act that are based on the same or similar source of error as one consistent breach of duty if the matters concerned are legally and economically connected. Single damages remain individual cases of damage even if they are based on several breaches of duty. Furthermore, the contractor's liability for loss of profit as well as collateral, consequential, incidental or similar losses is excluded in case of willful damage.

(4) Any action for damages may only be brought within six months after those entitled to assert a claim have gained knowledge of the damage, but no later than three years after the occurrence of the (primary) loss following the incident upon which the claim is based, unless other statutory limitation periods are laid down in other legal provisions.

(5) Should Section 275 Austrian Commercial Code (UGB) be applicable (due to a criminal offense), the liability provisions contained therein shall apply even in cases where several persons have participated in the execution of the contract or where several activities requiring compensation have taken place and irrespective of whether other participants have acted with intent.

(6) In cases where a formal auditor's report is issued, the applicable limitation period shall commence no later than at the time the said auditor's report was issued.

(7) If activities are carried out by enlisting the services of a third party, e.g. a data-processing company, any warranty claims and claims for damages which arise against the third party according to law and contract shall be deemed as having been passed on to the client once the client has been informed of them. Item 4. (3) notwithstanding, in such a case the contractor shall only be liable for fault in choosing the third party.

(8) The contractor's liability to third parties is excluded in any case. If third parties come into contact with the contractor's work in any manner due to the client, the client shall expressly clarify this fact to them. Insofar as such exclusion of liability is not legally permissible or a liability to third parties has been assumed by the contractor in exceptional cases, these limitations of liability shall in any case also apply to third parties on a subsidiary basis. In any case, a third party cannot raise any claims that go beyond any claim raised by the client. The maximum sum of liability shall be valid only once for all parties injured, including the compensation claims of the client, even if several persons (the client and a third party or several third parties) have sustained losses; the claims of the parties injured shall be satisfied in the order in which the claims have been raised. The client will indemnify and hold harmless the contractor and his/her staff against any claims by third parties in connection with professional statements made orally or in writing by the contractor and passed on to these third parties.



(9) Item 7. shall also apply to any of the client's liability claims to third parties (performing agents and vicarious agents of the contractor) and to substitutes of the contractor relating to the contractual relationship.

### 8. Secrecy, Data Protection

(1) According to Section 80 WTBG 2017 the contractor shall be obliged to maintain secrecy in all matters that become known to him/her in connection with his/her work for the client, unless the client releases him/her from this duty or he/she is bound by law to deliver a statement.

(2) Insofar as it is necessary to pursue the contractor's claims (particularly claims for fees) or to dispute claims against the contractor (particularly claims for damages raised by the client or third parties against the contractor), the contractor shall be released from his/her professional obligation to maintain secrecy.

(3) The contractor shall be permitted to hand on reports, expert opinions and other written statements pertaining to the results of his/her services to third parties only with the permission of the client, unless he/she is required to do so by law.

(4) The contractor is a data protection controller within the meaning of the General Data Protection Regulation ("GDPR") with regard to all personal data processed under the contract. The contractor is thus authorized to process personal data entrusted to him/her within the limits of the contract. The material made available to the contractor (paper and data carriers) shall generally be handed to the client or to third parties appointed by the client after the respective rendering of services has been completed, or be kept and destroyed by the contractor if so agreed. The contractor is authorized to keep copies thereof insofar as he/she needs them to appropriately document his/her services or insofar as it is required by law or customary in the profession.

(5) If the contractor supports the client in fulfilling his/her duties to the data subjects arising from the client's function as data protection controller, the contractor shall be entitled to charge the client for the actual efforts undertaken. The same shall apply to efforts undertaken for information with regard to the contractual relationship which is provided to third parties after having been released from the obligation to maintain secrecy to third parties by the client.

### 9. Withdrawal and Cancellation („Termination“)

(1) The notice of termination of a contract shall be issued in writing (see also Item 4. (4) and (5)). The expiry of an existing power of attorney shall not result in a termination of the contract.

(2) Unless otherwise agreed in writing or stipulated by force of law, either contractual partner shall have the right to terminate the contract at any time with immediate effect. The fee shall be calculated according to Item 11.

(3) However, a continuing agreement (fixed-term or open-ended contract on – even if not exclusively – the rendering of repeated individual services, also with a flat fee) may, without good reason, only be terminated at the end of the calendar month by observing a period of notice of three months, unless otherwise agreed in writing.

(4) After notice of termination of a continuing agreement and unless otherwise stipulated in the following, only those individual tasks shall still be completed by the contractor (list of assignments to be completed) that can (generally) be completed fully within the period of notice insofar as the client is notified in writing within one month after commencement of the termination notice period within the meaning of Item 4. (2). The list of assignments to be completed shall be completed within the termination period if all documents required are provided without delay and if no good reason exists that impedes completion.

(5) Should it happen that in case of a continuing agreement more than two similar assignments which are usually completed only once a year (e.g. financial statements, annual tax returns, etc.) are to be completed, any such assignments exceeding this number shall be regarded as assignments to be completed only with the client's explicit consent. If applicable, the client shall be informed of this explicitly in the statement pursuant to Item 9. (4).

### 10. Termination in Case of Default in Acceptance and Failure to Cooperate on the Part of the Client and Legal Impediments to Execution

(1) If the client defaults on acceptance of the services rendered by the contractor or fails to carry out a task incumbent on him/her either according to Item 2. or imposed on him/her in another way, the contractor shall have the right to terminate the contract without prior notice. The same shall apply if the client requests a way to execute (also partially) the contract that the contractor reasonably believes is not in compliance with the legal situation or professional principles. His/her fees shall be calculated according to Item 11. Default in acceptance or failure to cooperate on the part of the client shall also justify a claim for compensation made by the contractor for the extra time and labor hereby expended as well as for the damage caused, if the contractor does not invoke his/her right to terminate the contract.

(2) For contracts concerning bookkeeping, payroll accounting and administration and assessment of payroll-related taxes and contributions, a termination without prior notice by the contractor is permissible under Item 10. (1) if the client verifiably fails to cooperate twice as laid down in Item 2. (1).

### 11. Entitlement to Fee

(1) If the contract fails to be executed (e.g. due to withdrawal or cancellation), the contractor shall be entitled to the negotiated compensation (fee), provided he/she was prepared to render the services and was prevented from so doing by circumstances caused by the client, whereby a merely contributory negligence by the contractor in this respect shall be excluded; in this case the contractor need not take into account the amount he/she obtained or failed to obtain through alternative use of his/her own professional services or those of his/her staff.

(2) If a continuing agreement is terminated, the negotiated compensation for the list of assignments to be completed shall be due upon completion or in case completion fails due to reasons attributable to the client (reference is made to Item 11. (1)). Any flat fees negotiated shall be calculated according to the services rendered up to this point.

(3) If the client fails to cooperate and the assignment cannot be carried out as a result, the contractor shall also have the right to set a reasonable grace period on the understanding that, if this grace period expires without results, the contract shall be deemed ineffective and the consequences indicated in Item 11. (1) shall apply.

(4) If the termination notice period under Item 9. (3) is not observed by the client as well as if the contract is terminated by the contractor in accordance with Item 10. (2), the contractor shall retain his/her right to receive the full fee for three months.

### 12. Fee

(1) Unless the parties explicitly agreed that the services would be rendered free of charge, an appropriate remuneration in accordance with Sections 1004 and 1152 ABGB is due in any case. Amount and type of the entitlement to the fee are laid down in the agreement negotiated between the contractor and his/her client. Unless a different agreement has verifiably been reached, payments made by the client shall in all cases be credited against the oldest debt.

(2) The smallest service unit which may be charged is a quarter of an hour.

(3) Travel time to the extent required is also charged.

(4) Study of documents which, in terms of their nature and extent, may prove necessary for preparation of the contractor in his/her own office may also be charged as a special item.

(5) Should a remuneration already agreed upon prove inadequate as a result of the subsequent occurrence of special circumstances or due to special requirements of the client, the contractor shall notify the client thereof and additional negotiations for the agreement of a more suitable remuneration shall take place (also in case of inadequate flat fees).

(6) The contractor includes charges for supplementary costs and VAT in addition to the above, including but not limited to the following (7) to (9):

(7) Chargeable supplementary costs also include documented or flat-rate cash expenses, traveling expenses (first class for train journeys), per diems, mileage allowance, copying costs and similar supplementary costs.

(8) Should particular third party liabilities be involved, the corresponding insurance premiums (including insurance tax) also count as supplementary costs.



(9) Personnel and material expenses for the preparation of reports, expert opinions and similar documents are also viewed as supplementary costs.

(10) For the execution of a contract wherein joint completion involves several contractors, each of them will charge his/her own compensation.

(11) In the absence of any other agreements, compensation and advance payments are due immediately after they have been requested in writing. Where payments of compensation are made later than 14 days after the due date, default interest may be charged. Where mutual business transactions are concerned, a default interest rate at the amount stipulated in Section 456 1<sup>st</sup> and 2<sup>nd</sup> Sentence UGB shall apply.

(12) Statutory limitation is in accordance with Section 1486 of ABGB, with the period beginning at the time the service has been completed or upon the issuing of the bill within an appropriate time limit at a later point.

(13) An objection may be raised in writing against bills presented by the contractor within 4 weeks after the date of the bill. Otherwise the bill is considered as accepted. Filing of a bill in the accounting system of the recipient is also considered as acceptance.

(14) Application of Section 934 ABGB within the meaning of Section 351 UGB, i.e. rescission for *laesio enormis* (lesion beyond moiety) among entrepreneurs, is hereby renounced.

(15) If a flat fee has been negotiated for contracts concerning bookkeeping, payroll accounting and administration and assessment of payroll-related taxes and contributions, in the absence of written agreements to the contrary, representation in matters concerning all types of tax audits and audits of payroll-related taxes and social security contributions including settlements concerning tax assessments and the basis for contributions, preparation of reports, appeals and the like shall be invoiced separately. Unless otherwise agreed to in writing, the fee shall be considered agreed upon for one year at a time.

(16) Particular individual services in connection with the services mentioned in Item 12. (15), in particular ascertaining whether the requirements for statutory social security contributions are met, shall be dealt with only on the basis of a specific contract.

(17) The contractor shall have the right to ask for advance payments and can make delivery of the results of his/her (continued) work dependent on satisfactory fulfillment of his/her demands. As regards continuing agreements, the rendering of further services may be denied until payment of previous services (as well as any advance payments under Sentence 1) has been effected. This shall analogously apply if services are rendered in installments and fee installments are outstanding.

(18) With the exception of obvious essential errors, a complaint concerning the work of the contractor shall not justify even only the partial retention of fees, other compensation, reimbursements and advance payments (remuneration) owed to him/her in accordance with Item 12.

(19) Offsetting the remuneration claims made by the contractor in accordance with Item 12. shall only be permitted if the demands are uncontested and legally valid.

### 13. Other Provisions

(1) With regard to Item 12. (17), reference shall be made to the legal right of retention (Section 471 ABGB, Section 369 UGB); if the right of retention is wrongfully exercised, the contractor shall generally be liable pursuant to Item 7. or otherwise only up to the outstanding amount of his/her fee.

(2) The client shall not be entitled to receive any working papers and similar documents prepared by the contractor in the course of fulfilling the contract. In the case of contract fulfillment using electronic accounting systems the contractor shall be entitled to delete the data after handing over all data based thereon – which were prepared by the contractor in relation to the contract and which the client is obliged to keep – to the client and/or the succeeding public accountant in a structured, common and machine-readable format. The contractor shall be entitled to an appropriate fee (Item 12. shall apply by analogy) for handing over such data in a structured, common and machine-readable format. If handing over such data in a structured, common and machine-readable format is impossible or unfeasible for special reasons, they may be handed over in the form of a full print-out instead. In such a case, the contractor shall not be entitled to receive a fee.

(3) At the request and expense of the client, the contractor shall hand over all documents received from the client within the scope of his/her activities. However, this shall not apply to correspondence between the contractor and his/her client and to original documents in his/her possession and to documents which are required to be kept in accordance with the legal anti-money laundering provisions applicable to the contractor. The contractor may make copies or duplicates of the documents to be returned to the client. Once such documents have been transferred to the client, the contractor shall be entitled to an appropriate fee (Item 12. shall apply by analogy).

(4) The client shall fetch the documents handed over to the contractor within three months after the work has been completed. If the client fails to do so, the contractor shall have the right to return them to the client at the cost of the client or to charge an appropriate fee (Item 12. shall apply by analogy) if the contractor can prove that he/she has asked the client twice to pick up the documents handed over. The documents may also further be kept by third parties at the expense of the client. Furthermore, the contractor is not liable for any consequences arising from damage, loss or destruction of the documents.

(5) The contractor shall have the right to compensation of any fees that are due by use of any available deposited funds, clearing balances, trust funds or other liquid funds at his/her disposal, even if these funds are explicitly intended for safekeeping, if the client had to have anticipated the counterclaim of the contractor.

(6) To secure an existing or future fee payable, the contractor shall have the right to transfer a balance held by the client with the tax office or another balance held by the client in connection with charges and contributions, to a trust account. In this case the client shall be informed of the transfer. Subsequently, the amount secured may be collected either after agreement has been reached with the client or after enforceability of the fee by execution has been declared.

### 14. Applicable Law, Place of Performance, Jurisdiction

(1) The contract, its execution and the claims resulting from it shall be exclusively governed by Austrian law, excluding national referral rules.

(2) The place of performance shall be the place of business of the contractor.

(3) In absence of a written agreement stipulating otherwise, the place of jurisdiction is the competent court of the place of performance.



## SECTION II

### 15. Supplementary Provisions for Consumer Transactions

(1) Contracts between public accountants and consumers shall fall under the obligatory provisions of the Austrian Consumer Protection Act (KSChG).

(2) The contractor shall only be liable for the willful and grossly negligent violation of the obligations assumed.

(3) Contrary to the limitation laid down in Item 7. (2), the duty to compensate on the part of the contractor shall not be limited in case of gross negligence.

(4) Item 6. (2) (period for right to correction of errors) and Item 7. (4) (asserting claims for damages within a certain period) shall not apply.

(5) Right of Withdrawal pursuant to Section 3 KSChG:

If the consumer has not made his/her contract statement in the office usually used by the contractor, he/she may withdraw from the contract application or the contract proper. This withdrawal may be declared until the contract has been concluded or within one week after its conclusion; the period commences as soon as a document has been handed over to the consumer which contains at least the name and the address of the contractor as well as instructions on the right to withdraw from the contract, but no earlier than the conclusion of the contract. The consumer shall not have the right to withdraw from the contract

1. if the consumer himself/herself established the business relationship concerning the conclusion of this contract with the contractor or his/her representative,

2. if the conclusion of the contract has not been preceded by any talks between the parties involved or their representatives, or

3. in case of contracts where the mutual services have to be rendered immediately, if the contracts are usually concluded outside the offices of the contractors, and the fee agreed upon does not exceed €15.

In order to become legally effective, the withdrawal shall be declared in writing. It is sufficient if the consumer returns a document that contains his/her contract declaration or that of the contractor to the contractor with a note which indicates that the consumer rejects the conclusion or the maintenance of the contract. It is sufficient if this declaration is dispatched within one week.

If the consumer withdraws from the contract according to Section 3 KSChG,

1. the contractor shall return all benefits received, including all statutory interest, calculated from the day of receipt, and compensate the consumer for all necessary and useful expenses incurred in this matter,

2. the consumer shall pay for the value of the services rendered by the contractor as far as they are of a clear and predominant benefit to him/her.

According to Section 4 (3) KSChG, claims for damages shall remain unaffected.

(6) Cost Estimates according to Section 5 Austrian KSChG:

The consumer shall pay for the preparation of a cost estimate by the contractor in accordance with Section 1170a ABGB only if the consumer has been notified of this payment obligation beforehand.

If the contract is based on a cost estimate prepared by the contractor, its correctness shall be deemed warranted as long as the opposite has not been explicitly declared.

(7) Correction of Errors: Supplement to Item 6.:

If the contractor is obliged under Section 932 ABGB to improve or complement his/her services, he/she shall execute this duty at the place where the matter was transferred. If it is in the interest of the consumer to have the work and the documents transferred by the contractor, the consumer may carry out this transfer at his/her own risk and expense.

(8) Jurisdiction: Shall apply instead of Item 14. (3)

If the domicile or the usual residence of the consumer is within the country or if he/she is employed within the country, in case of an action against him/her according to Sections 88, 89, 93 (2) and 104 (1) Austrian Court Jurisdiction Act (JN), the only competent courts shall be the courts of the districts where the consumer has his/her domicile, usual residence or place of employment.

(9) Contracts on Recurring Services:

(a) Contracts which oblige the contractor to render services and the consumer to effect repeated payments and which have been concluded for an indefinite period or a period exceeding one year may be terminated by the consumer at the end of the first year, and after the first year at the end of every six months, by adhering to a two-month period of notice.

(b) If the total work is regarded as a service that cannot be divided on account of its character, the extent and price of which is determined already at the conclusion of the contract, the first date of termination may be postponed until the second year has expired. In case of such contracts the period of notice may be extended to a maximum of six months.

(c) If the execution of a certain contract indicated in lit. a) requires considerable expenses on the part of the contractor and if he/she informed the consumer about this no later than at the time the contract was concluded, reasonable dates of termination and periods of notice which deviate from lit. a) and b) and which fit the respective circumstances may be agreed.

(d) If the consumer terminates the contract without complying with the period of notice, the termination shall become effective at the next termination date which follows the expiry of the period of notice.