

What we value:

The Code of Conduct of Erste Group



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Foreword

The Code of Conduct provides a reference point for our actions and behaviour and serves as a binding set of rules governing the behaviour for our daily business activities. It describes what is important to us and makes our commitments clear and sets the basis to act as a good corporate citizen. The Code of Conduct shows that we need to act responsibly, respectfully and sustainably in all aspects of our operations.

Erste Group, with its 46,000 employees and more than 16 million customers in seven countries, is one of the leading financial service providers in Central and Eastern Europe.

As a result of our position and activities, we bear a great measure of responsibility. The way that we – the employees – behave and treat one another is testimony to who we are and what we stand for. What we do also has an impact on our external stakeholders: our investors, governmental authorities, society as a whole, our suppliers and, in particular, our customers. For this reason, we always need to ask ourselves if we are acting responsibly – the pursuit of profit does not justify any breach of the law or of our commitments set out in this Code, which is based on our Statement of Purpose. Erste Group relies on every single employee to make a careful and well-considered judgement of what is right and proper in any given situation - "Is it the right thing to do" is one of our key points in our Statement of Purpose and must be a guideline for our activities.

Much of what is laid down by the Code of Conduct has become a long-standing tradition within Erste Group and is an intrinsic part of our daily work. However, we still have a long way to go. The Code of Conduct demands consistent action throughout the organisation and enables Group-wide control. It is therefore an important quality assurance tool both internally and externally, because for us, quality means fostering respectful, trusting relationships with one another and with our external stakeholders.

We will develop the Code of Conduct on an ongoing basis. Compliance is mandatory for us all – including myself and my fellow Board members, of course. Our good reputation and the trust placed in us constitute our most valuable assets, which this Code will help safeguard, preserve and expand.

Andreas Treichl CEO of Erste Group

Statement of the Board of Directors of Slovenska sporiteľňa

We, the members of the Board of Directors of Slovenská sporiteľňa, consider this Code of Conduct as important and important for our bank, and we have accepted it in full. The principles and rules of this Code consistently support not only the mission and values of the Erste group but also the Slovenska sporiteľňa as its part. The procedures, commitments and policies it contains are formulated to take account of international and national legislation and regulatory conditions for the Slovak financial and banking market. It is binding on us as well as on all employees of Slovenská sporiteľňa and its subsidiaries, and in violation of this we apply the principle of zero tolerance. We are convinced that compliance with the Code will significantly promote the creation of fair relationships and mutual trust in relation to all stakeholders of the bank, towards clients, employees, shareholder and the company itself.

What we value: The Code of Conduct of Erste Group

Governance

Our management and control system serve two objectives. On the one hand, the aim is to keep our organisation running smoothly, and on the other, to safeguard the interests of all of our stakeholders. The various elements of governance are thus important tools for implementing the Code of Conduct. Therefore, all the employees, management staff and representatives of the corporate bodies of Erste Group are committed to the highest standards of corporate governance. Compliance with these standards is constantly evaluated and, if necessary, adjustments are made. We are fully committed to complying with all legal provisions and the regulatory framework applicable to us.

Compliance practices

Our compliance programme is aimed at securing trust in our company. It comprises combating and preventing money laundering and terrorism financing, breaches of financial sanctions as well as fraud and corruption. The programme also covers safety and security issues and meets all international regulatory requirements and compliance standards.

- we define standards and regular controls in all relevant processes to identify and prevent potentially illegal or unethical practices and use appropriate technical and management systems to do so;
- we identify, report and do not execute suspicious transactions that relate to the financing of terrorism, misuse of sensitive information, market manipulation and insider trading;
- we know our customers; we transact business only with customers who have properly established their identity and where we understand the customer's business;

- we identify, resolve and/or disclose any potential conflicts of interest;
- we maintain strict anti-corruption and bribery policies, prevent the payment and acceptance of bribes and/or facilitation payments;
- we make arrangements to ensure adequate safety and security for our personnel, assets, and reputation;
- we provide our customers, business partners and visitors with a safe and healthy environment;
- we provide regular compliance training for our employees;
- we encourage all employees to disclose any issues of concern, offer a whistle-blowing programme (including an externally hosted hotline allowing anonymous information) and ensure adequate follow-up actions if violations have occurred, while respecting and protecting individual rights;

Relationship to regulators

We establish and maintain a pro-active and transparent dialogue with regulators and supervisors both on a regular and ad hoc basis.

To ensure this:

- we establish and maintain effective procedures to ensure regulatory compliance, including clear processes for regulatory reporting;
- we support regulators in their efforts to optimise and maintain local and international regulatory standards;
- we permanently update regulatory knowledge and understanding within Erste Group.

Fair competition

We promote free and fair competition.

To ensure this:

- we provide our employees with information on anti-competitive behaviour and prohibit them from entering into anti-competitive agreements;
- we do not misuse a dominant position in the market and we ensure that any mergers meet all of the applicable requirements prescribed by antitrust legislation;
- we do not violate third-party trademarks or other intellectual property rights, and we protect our own rights against potential misuse by third parties.

Dialogue with stakeholders

We maintain an open dialogue with our stakeholders.

To ensure this:

- we work with groups including nongovernmental organisations – that represent the interests of our stakeholders;
- we communicate regularly with all our stakeholders on issues of mutual concern.

Responsible financing

In the context of our financing operations, we consider social, ecological and ethical criteria in addition to economic considerations.

To ensure this:

- we draft and implement "Principles for Responsible Financing" to govern our corporate financing operations in sensitive industry sectors;
- we consider the "Equator Principles" in managing environmental and social risks that may arise from project financing activities;
- we assess the environmental, social, and governance (ESG) criteria for the entire spectrum of corporate financing ("ESG Assessment").

Responsible investment

In the context of our investment operations, we consider the impact on society and the environment in addition to economic considerations.

To ensure this:

- our asset management companies observe the "Principles for Responsible Investment" (PRI)²;
- we routinely apply exclusion criteria for all actively managed funds with regard to ethically controversial industries (e.g. nuclear weapons);
- in our fund holdings, we pursue an active owner- ship strategy in terms of involvement and voting;
- we are increasingly integrating ESG factors into all our portfolio decisions.

Risk management

Our risk management is designed to sustainably optimise our financial performance and earnings position.

- we promote a consistent and prudent approach to managing risk across the Group;
- we identify, measure and control financial and non-financial risks that affect our operations and optimise our risk-taking.

¹ Risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects.

² An international framework for incorporating social and environmental issues into investment processes. The UN PRI was signed in 2012.

Accounting and taxation practices and standards

Our accounting and taxation practices and standards are designed to provide a clear picture of our financial performance and earnings position.

To ensure this:

- we guarantee that our accounting and taxation practices and standards are clearly defined and regularly monitored;
- we accept the so-called " Tax Code that regulates tax and tax risk management practices in accordance with local and international rules and standards;
- we comply with the internal Transfer Pricing Guide- lines in accordance with OECD requirements, which specify the rules and responsibilities for Group- wide non-banking transactions.

Supply chain management

Our aim is to establish sustainable, long-term relationships with our suppliers, which are based on mutual trust, transparency and adherence to our Procurement Code of Conduct.

To ensure this:

- we define minimum standards in our supplier con- tracts, which mandate certain ESG practices that must be complied with regarding processes and products;
- we investigate any suspicion of a possible violation of our Procurement Code of Conduct and invite sup- pliers to inform us about any such violations;
- we terminate any cooperation with suppliers whose ESG practices are unacceptable or whose performance is unsatisfactory;
- we regularly train our employees on our Procurement Code of Conduct.

Respect for human rights and non-discrimination

We respect and promote human rights in everything we do, and do not tolerate any form of discrimination.

- we comply with the ten principles enshrined in the UN Global Compact³ and implement them in all our relevant business processes;
- we do not discriminate on the basis of gender, age, marital status, family obligations, religion, political conviction, sexual orientation, race, nationality, social or ethnic background, disability, physical appearance or any other aspects unrelated to our business.

Customers

We exist because people strive for financial independence. We are there to make this possible by providing accessibility of our products and services for everybody. Meeting and exceeding our customers' needs is the foundation for sustainable business success. We develop our products and services on the basis of these needs and meet our obligations towards our customers.

Accessibility of our products and services

Our products and services are accessible to all individuals through a variety of distribution channels.

To ensure this:

- we create an environment in which special needs customers (e.g. those with disabilities) have adequate access to our products and services;
- we provide up-to-date technology and assist our customers in using these access options;
- we align the opening hours of our branches and of our advisory services to customer needs and pro- vide extended self-service zones;
- we foster financial inclusion among those individuals in the regions in which we operate who are socially or financially disadvantaged or excluded.

Comprehensibility and transparency

Comprehensibility and transparency in product communication and pricing are important to us. We support our customers in making competent financial decisions.

To ensure this:

- we keep our customers informed, through appropriate channels, of the products and services from our offer which best meet their current needs;
- we provide transparent information on pricing, fees and charges;
- we promote our customers' financial literacy.

Responsible product development and marketing

We foster a culture that is based on treating our customers fairly and with respect.

To ensure this:

- we research our customers' needs and views on our products and services;
- we use a product development process which ensures compliance with the applicable quality and security standards;
- our marketing campaigns are based on respect and do not include images or messages which are offensive or libellous:
- our marketing materials are clear, balanced, trust- worthy and not misleading.

Responsible lending

We are committed to responsible lending practices.

- we limit our lending volumes to amounts that our customers can most likely afford to repay;
- we market and sell our lending products in a responsible manner;
- we work with our customers to find solutions to any financial difficulties which they may encounter;
- we have subscribed to the Code of Ethics on Housing Loans, issued by the Slovak Banking Association, and we insist on its observance.

Data protection and privacy

We respect our customers' right to privacy and handle customer data confidentially and with the utmost diligence and care.

To ensure this:

- we guarantee maximum confidentiality when gathering, processing and storing customer data;
- we do not disclose privileged customer information without our customers' consent unless such disclosure is required by law;
- we require all our employees to strictly comply with these confidentiality rules, even after termination of their employment;
- we do not misuse customer data to the detriment of our customers' interests;
- we also require that our service providers commit to these privacy and data protection standards;
- we have subscribed to the Code of Conduct on Consumer Protection, issued by the Slovak Banking Association, and we insist on its observance.

Dealing with complaints

We respond adequately and effectively to complaints and feedback, thereby contributing to our customers' satisfaction.

To ensure this:

- we take responsibility for any mistakes we make and act promptly to resolve complaints using discretion and sensitivity;
- we analyse the root causes of complaints on an on- going basis and take prompt action to resolve them:
- we inform our customers of the procedure for filing a complaint, including their right to refer unresolved issues to the relevant ombudsman;
- we offer complaint management training to our employees.

Compliance Code

We encourage our employees to act against each other and against each other in accordance with the principles of personal and professional integrity.

- we adopt the Compliance Code which contains a set of rules, procedures, ethical principles and key policies governing employees in different situations,
- we accurately describe the rules as well as their violations, along with the impact not only on the bank but also on the employee and the client,
- we appeal to the Bank's Code of Conduct for the protection and building of a good name, as well as the Erste Group,
- we emphasize the importance of clear and professional communication with a view to early escalation of suspected violations or unfair practices,
- we manage the conflict of interest with regard to all stakeholders, in the performance of other functions, new products, projects, investment services,
- we view e-communications, emails, mobile phones, applications and their use as a tool for presenting not only the bank itself to the client but also our attitude towards the bank, however, any communication on social media must take place in accordance with ethical standards,
- we declare zero tolerance of unethical behavior by adopting and adhering to donation policy and clear anti-corruption attitudes of the bank,
- each employee declares with his signature that he will act in full accordance with the principles and principles set.

Employees

Our corporate culture promotes respect and equal opportunity and enables personal and professional development. The services we provide to our customers give meaning to our work. We recognize that a positive work-life balance promotes sustainable performance which benefits all our stakeholders.

Working at Erste Group

Our business is about providing services to people, by people. Therefore, we put people first.

To ensure this:

- we abide by the highest ethical standards and act with the utmost integrity in everything we do;
- we value and respect each other regardless of our position;
- we provide a work environment that is free from any form of harassment or intimidation;
- we promote teamwork and recognise the importance of each individual's contribution to the achievement of common goals.

Leadership

As leaders, we are responsible for empowering each other, inspiring personal commitment, and acting as role models and setting examples.

To ensure this:

- we are accessible and visible at all times;
- we give and receive feedback in order to improve;
- y we encourage each other to be innovative and to improve our business processes;
- we respect each other and treat each other as individuals with unique needs;
- we promote diversity in order to foster learning and innovation, and to encourage a sustainable, value-based performance culture.

Equal opportunity, workforce diversity and inclusion

Equal opportunity, diversity and inclusion are fundamental principles embedded in our corporate culture and key competitive advantages that drive our business success.

To ensure this:

- we strive to ensure equal opportunities for all our employees in all areas, e.g. career development, work-life balance, remuneration, etc.;
- we promote and encourage diversity in leadership positions, especially with respect to gender, age and nationality;
- we leverage the diversity of our workforce to bene- fit the entire organisation.

Fair working conditions and remuneration

Employees are entitled to fair and favourable working conditions.

- we regularly review and benchmark our work environment;
- we act on feedback provided by employees or their representatives;
- we offer fair and competitive remuneration linked to sustainable performance;
- we assist our employees with internal placement and outplacement in the event of job restructuring.

Workforce development, training and learning

We provide our employees with opportunities to grow and develop both professionally and personally.

To ensure this:

 we offer a wide range of programmes dedicated to talent development, professional-knowledge training, soft-skills training, mentoring, coaching and leadership development.

Health promotion

In accordance with the "Luxembourg Declaration" of the World Health Organisation (WHO), we are committed to Workplace Health Promotion (WHP) in order to improve the health and well-being of people at work.

To ensure this:

- we provide our employees with comprehensive information about health issues and encourage a healthy lifestyle;
- we include many different health aspects, such as lifestyle choices, ageing, corporate culture, employer, employee relations, mental health, stress management, and nutrition;
- we cooperate with the European Network for Work- place Health Promotion (ENWHP) to facilitate the international exchange of information and best practices.

Occupational health and safety (OHS)

In our organisation, employees have a right to be safe and healthy.

To ensure this:

- we provide a safe workplace and strive to eliminate work-related injury and disease;
- we comply with all regulatory requirements related to OSH and contribute to the promotion of work- place health and safety.

Dealing with conflicts

We are committed to addressing employee grievances appropriately and resolving conflicts in a sensitive, fair and constructive manner.

To ensure this:

- we offer our employees support and provide them with access to various channels for assistance, al- ways making sure that their right to anonymity is preserved;
- we keep our employees informed of the status of their grievance at each step of the process and respond within reasonable time frames.

Freedom of association and expression on workplace matters

Our employees have the right to organise and to voice their opinions freely.

- we respect employees' right to association, freedom of expression and collective action, provided they do not infringe upon the rights of others:
- we do not discriminate against employees on the grounds of their membership in representative organisations, e.g. trade unions;
- we recognise the right of our employees to collective bargaining in accordance with the law.

⁴ Workplace Health Promotion (WHP) is a combined effort by employers, employees and society to improve the health and well-being of people at work. The Luxembourg Declaration was signed in 2007.

Investors

We place utmost value on transparency and provide comprehensive information to both the public and regulators at regular intervals.

To ensure this:

- we disclose information in a full, fair, accurate, timely and clear manner;
- we comply with the applicable industry standards in our financial and non-financial reporting.

Society

Supporting the development of civil society was one of the fundamental tenets underlying the foundation of Erste Oesterreichische Sparcasse. It is part of our tradition and philosophy and still determines our corporate actions today.

Financial literacy

Financial literacy is important to us, since people can use their knowledge to make competent financial decisions in all areas of life thus improving the financial situation of individuals and society as a whole.

To ensure this:

- we meet our quality criteria for all projects concerning financial literacy;
- we convey the knowledge necessary to make informed decisions on financial matters.

Community involvement

We support projects that address the needs of

society. To ensure this:

 we support institutions, initiatives and projects in the areas of social affairs, art, sports, culture, education and the environment.

Corporate volunteering

Erste Group's corporate volunteering programmes enable our employees to contribute to the development of society.

- we build relationships between Erste Group and society organisations;
- we provide our employees with time to engage in voluntary activities.

Environment

We place great importance on a responsible and sustainable approach to managing natural resources. It is our firm conviction that commercial activities and environmental responsibility are not mutually exclusive.

Environmental awareness

We monitor the impact of our operations on the environment and raise awareness of it.

To ensure this:

- we develop an environmental policy and management system;
- we incorporate environmental criteria into our banking products and services;
- we optimise the use of natural resources (e.g. water, energy, fuel and paper consumption) in our operational processes;
- we raise awareness amongst our employees and stakeholders by proactively communicating our environmental policy.

Climate change governance

We place great importance on raising awareness about the climate-related impact of Erste Group's operations.

- we annually measure and report our greenhouse gas emissions and carbon footprint;
- we strive to substantially reduce our greenhouse gas emissions over the next years.

Annex: Definitions

1. Corporate Governance

There is no uniform international definition. Generally speaking, corporate governance can be understood as all international and national rules, regulations, values and principles aimed at managing and controlling businesses and corporations in such a way as to guide them towards responsible, sustainable and long-term value creation.

Austrian Code of Corporate Governance: www.corporate-governance.at

2. Environmental, Social, Governance (ESG) Assessment

This evaluation covers all Environmental, Social and Governance matters related to any financing activity of a bank and ensures, through environmental and social appraisal and monitoring processes, that:

- projects financed by the bank are socially and environmentally sustainable;
- the rights of affected workers and communities are respected;
- the financing activity is in compliance with applicable regulatory requirements and good international practices.

Examples for "Environmental": Protection and conservation of biodiversity, sustainable management and use of renewable natural resources, use and management of dangerous substances, pollution prevention, and waste minimisation.

Examples for "Social": Abolition of child labour, elimination of all forms of forced and compulsory labour, elimination of discrimination with respect to employment, provision of a safe work environment, health promotion.

Examples for "Governance": Compliance practices, prevention of bribery and corruption, avoidance of conflicts of interest.

3. Equator Principles (EPs)

A voluntary set of standards followed by financial institutions for determining, assessing and managing social and environmental risk in project financing. Banks that adopt the EPs pledge not to provide loans to projects in which the borrower does not or is un- able to comply with the social and environmental standards prescribed by the EPs.

www.equator-principles.com

4. Financial literacy

Financial literacy refers to the knowledge and understanding of financial concepts and risks. It includes the skills, motivation and confidence to apply such knowledge and understanding in order to make effective decisions across a range of financial contexts, to improve the financial well-being of individuals and society, and to enable participation in economic life.

Pisa 2012, Financial Literacy Framework, OECD.

5. Luxembourg Declaration on Workplace Health Promotion

Workplace Health Promotion (WHP) involves the combined efforts of employers, employees and society to improve the health and well-being of people at work. This goal can be achieved through a combination of measures aimed at improving work organisation and work environment, promoting active participation, and encouraging personal development. The Luxembourg Declaration was signed in 2007.

www.ispesl.it/whp/documenti/manifesti/Luxembourg_Declaration_2007.pdf

6. UN Global Compact

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. The aim is to promote the sustainable development of markets and encourage social commitment to a better world. This compact was signed in 2015.

www.unglobalcompact.org

7. UN PRI

The UN PRI is a strategic policy initiative for businesses that consists of a network of investors working together, on a voluntary basis, to put the six Principles for Responsible Investment (PRI) into practice. Its goal is to raise investors' awareness of the implications of sustainability for their investment decisions and sup- port signatories to incorporate these issues into their investment decision making and ownership practices. By implementing the Principles for Responsible Investment, signatories contribute to the development of a more sustainable global financial system. The UN PRI was signed in 2012.

www.unpri.org

8. Whistle-blowing

Whistle-blowing refers to a system established within a company that gives employees the freedom to dis-close malpractice or other wrongdoing without fear of reprisal or retaliation.