



CODE OF CONDUCT:

What matters to us

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Erste Group stands for responsibility and profitability

Since our foundation, our goal has been to create prosperity for the people in our region. We set out this goal 200 years ago in our declaration of principles. Today, we integrate important topics such as the environment, social issues and corporate governance (ESG) into our strategy, as we firmly believe that only responsible action enables lasting success and a fair society.

What we do

Erste Group puts people, their needs, their environment and above all their financial health at the centre. We serve as a reliable partner and support people in leading better and more sustainable lives. As early as 2015, we signed the United Nations (UN) agreement to support the 17 Sustainable Development Goals (SDGs).

Our common intention is to achieve the development goals that address the greatest social challenges by 2030. By providing social commitment and financial services, Erste Group supports 7 of the 17 SDGs: "No poverty", "Quality education", "Gender equality", "Clean water and sanitation", "Sustainable cities and communities", "Responsible consumption and production" and "Climate action".

Why we take action

We believe that sustainability is defined not only by the economic factors of our core business activities, but also by social and ecological responsibility. Long-term success goes hand in hand with responsible business practices. By combining these elements, we offer products and services that help our customers achieve their financial goals. That is how we create value for our investors and offer our employees a secure and attractive work environment.





Business ethics

Prior to any decision in Erste Group, we first always pose three important questions: "Is this the right thing to do?" "Is it legal?" "Is it profitable?" These standard values are an integral part of our Code of Conduct. The Code ensures that we always think and act responsibly, respectfully and for the long term in our business activities.

As a member of the UN Global Compact, we are committed to protecting human rights, promoting fair working conditions and combatting corruption. Under no circumstances can Erste Group be involved in human trafficking, forced labour or child labour or benefit in any way from those practices.

These principles are based on international agreements such as the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, and the United Nations Convention Against Corruption.

Human rights are provisions that should apply to all people around the world in order to preserve their dignity and rights. A person's dignity is violated, for example, if they are tortured, or don't have enough to eat or lack access

to medical care. The Declaration of Human Rights states, for example: "All human beings are born free and equal in dignity and rights." Many countries have made the promise to uphold human rights.

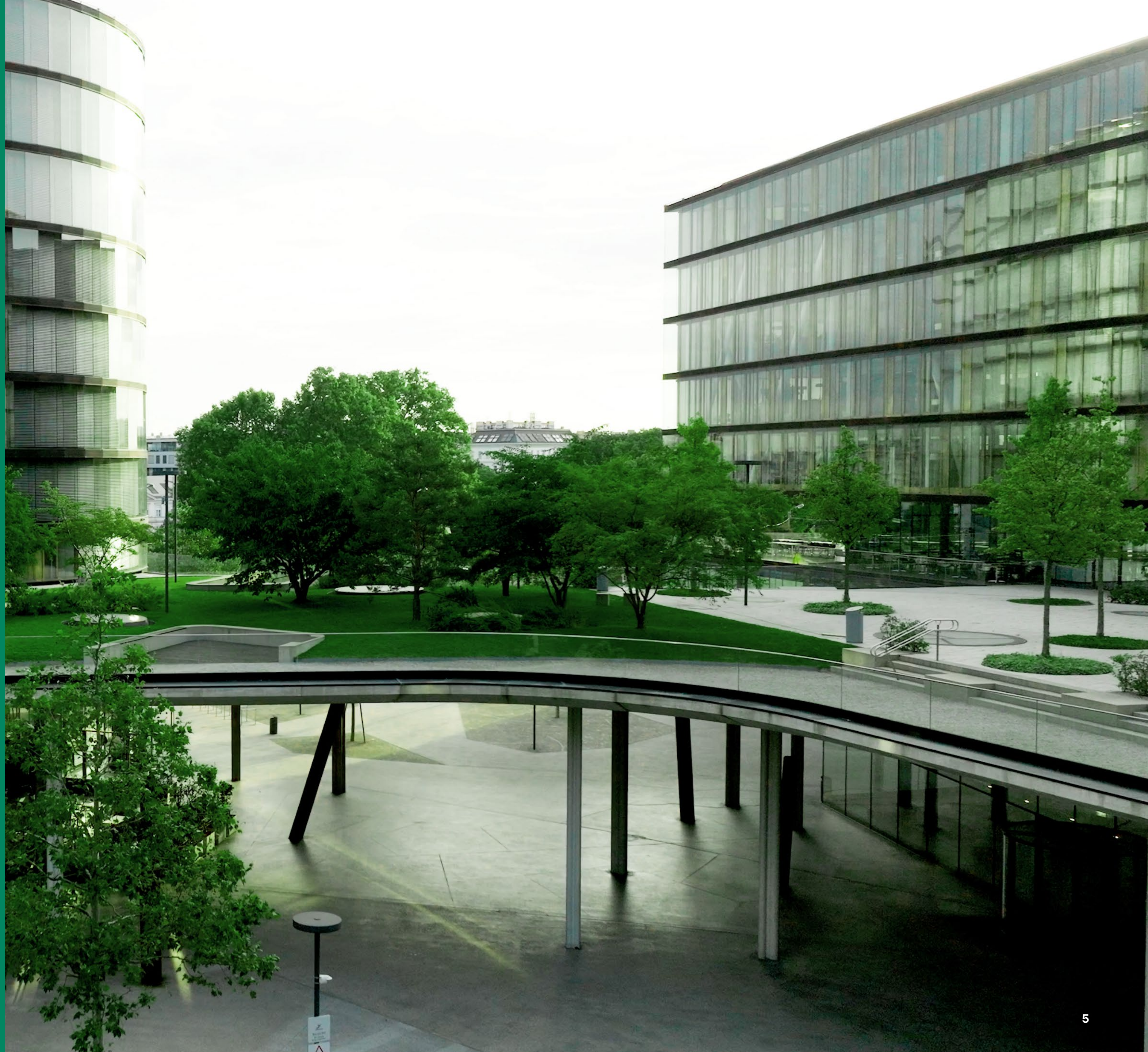
We build our business on reliability and legal compliance, as well as respect, trust, fairness and honesty, backed by clear compliance guidelines and appropriate training. We take special measures against money laundering, financial crime and terrorist financing, and to ensure compliance with financial sanctions and embargoes.

Our Code of Conduct, which is based on national and international laws such as the Austrian Criminal Code, the UK Bribery Act and the U.S. Foreign Corrupt Practices Act, provides guidance for employees, the management board and the supervisory board. Our corporate guidelines define how to respond to conflicts of interest, bribery and corruption. Our zero-tolerance policy for compliance violations is pursued with disciplinary measures and even dismissal.

Corporate governance

Our management and control system pursues two main objectives: ensure that our organisation functions smoothly, and protect the interests of all stakeholders. The various elements of our corporate governance help us implement the principles of the Code of Conduct. All employees, management and board representatives of Erste Group are therefore committed to the highest standards of corporate governance. These standards are reviewed regularly and adjusted if necessary. Compliance with all relevant legal and regulatory requirements is a matter of course for us.

Erste Group is committed to responsible and transparent corporate governance and has followed the rules of the Austrian Code of Corporate Governance since 2003. The principles of our internal legal structure, as well as the appointment, cooperation and composition of our executive bodies, are detailed in the consolidated Corporate Governance Report.



Compliance

Our compliance programme is designed to maintain trust in our company. It comprises measures to combat and prevent money laundering, terrorist financing, fraud and corruption, ensures compliance with legal and internal sanctions, and addresses security-related topics. We meet all international regulations and compliance standards.

Our monitoring systems with regard to money laundering, financial crime, terrorist financing, financial sanctions, fraud, data protection and securities transactions are regularly reviewed and updated if necessary.

We ensure this by:

- Clear standards and continuous control monitoring in all key processes to identify and prevent illegal or unethical activities, using appropriate technical and administrative systems.
- Identifying, preventing and reporting suspicious transactions in connection with money laundering and terrorist financing, the misuse of sensitive information, market manipulation and insider trading.
- Maintaining business relationships only with properly identified and unsuspecting customers whose business models we are familiar with.
- Detecting, regulating and disclosing potential conflicts of interest.
- Strict guidelines to avoid corruption and bribery and to prevent the acceptance or payment of bribes.
- Measures to protect our employees, our assets and our good reputation.
- Providing a safe and healthy environment for customers, business partners and visitors, including through awareness-raising measures.
- Permanent monitoring of innovations and changes in the regulatory environment, and implementation of corresponding

processes to evaluate their applicability for Erste Group and manage their implementation and follow-up.

- Cultivating an environment that encourages employees to take action in the fight against fraud and to report suspicious cases of fraud in a timely manner.
- Encouraging employees to report concerns anonymously as part of our whistleblower protection program (Erste Integrity Line), while safeguarding their rights at all times.
- Regular reviews of our compliance programme by independent internal and external stakeholders (internal auditors, external auditors and regulators, among others).
- Regularly evaluating our compliance programme internally and pursuing further development and optimisation based on our continuous improvement process.
- Organising regular compliance training sessions for our employees.

Erste Group has a legal obligation to provide all employees with a reporting mechanism for violations. At the heart of the Erste Integrity Line lies an internal reporting office to which employees can report suspected cases or ask questions about possible violations. Upon receipt, the reporting office investigates these reports according to a standardised procedure.

This work is carried out confidentially and in accordance with the need-to-know principle. All reports are investigated and appropriate measures are taken if necessary. The Erste Integrity Line sets out safeguards and important framework conditions for informants, including the protection of anonymity, protection of the individuals involved and protection from false accusations.

Risk management and compliance controls

The aim of our risk management system is to sustainably optimise our financial position and results of operations.

We achieve this by:

- Using a unified and conservative approach to risk management.
- Identifying, assessing and managing financial and non-financial risks that may impact our business.
- Optimising our risk tolerance levels.

Sound knowledge of risk management is crucial for employee competence.

We ensure this by:

- Emphasising risk management in our graduate programmes.
- Training our employees in all areas of risk management, including sustainability risks.

Erste Group operates in accordance with internal and legal guidelines.

We ensure this by:

- Regular monitoring by the Group Compliance department of compliance with national laws and European regulations such as the Austrian Banking Act (BWG), the Financial Markets Anti-Money Laundering Act (FM-GwG), the Sanctions Act (SanktG), EU sanctions regulations, the Securities Supervision Act (WAG), MiFID II, MAR and the Stock Exchange Act (BoerseG).
- Annual reviews of the Compliance department by internal auditing.

Relations with regulatory and supervisory authorities

We maintain a proactive and transparent dialogue with regulatory and supervisory authorities.

We ensure this by:

- Establishing and maintaining effective procedures for compliance with regulatory requirements and processes for clear reporting.
- Continuously improving the knowledge and understanding of regulatory rules and requirements within Erste Group.

Fair competition

We promote fair and free competition by:

- Informing our employees about anti-competitive behaviour and prohibiting them from entering into such agreements.
- Ensuring that all mergers comply with antitrust regulations and that a dominant market position cannot be abused.
- Respecting trademark rights and other intellectual property rights of third parties and protecting our own rights from misuse.

Stakeholder dialogue

Communication and cooperation with our stakeholders are crucial to our ability to meet their needs and expectations. Their trust and support are the very basis of our business success.

We therefore maintain an open dialogue by:

- Cooperating with various groups, including non-governmental organisations (NGOs) that represent the interests of our stakeholders.
- Communicating regularly with all stakeholders about common topics.

Responsible financing

In our financial operations, we consider not only economic but also social, ecological and ethical criteria.

We ensure this by:

- Implementing our “Responsible Finance Guidelines”, which govern our activities in sensitive industries such as the fossil fuel, coal and weapons-related industries. These guidelines also provide limitations on socially harmful activities, such as in the arms and gambling industries.
- Aligning broadly with the “Equator Principles”, a voluntary set of rules for banks. These principles set standards to identify and minimise the environmental and social risks in large-scale project financing.
- Conducting environmental, social and governance (ESG) assessments for all corporate finance projects.

Responsible investing

In evaluating investments, we consider not only economic aspects but also the impact on society and the environment.

We ensure this by:

- Complying with the Principles for Responsible Investment (PRI), which aim to integrate social and environmental factors into the investment process.
- Applying exclusion criteria in all actively managed funds and actively marketed investment products of Erste Group to avoid investments in ethically contentious industries such as controversial weapons (e.g. nuclear weapons).
- Following an active ownership strategy for fund investments in order to responsibly manage commitments and voting behaviour.
- Putting increased emphasis on environmental, social and governance (ESG) factors in our portfolio decisions.

Accounting and tax management

Our accounting and tax management systems provide a clear and transparent picture of our financial position and results of operations.

We ensure this by:

- Clearly defining and regularly reviewing our accounting and tax structure.
- Focusing on legitimate tax reductions instead of tax avoidance.
- Complying with internal transfer pricing guidelines for transactions to non-bank financial institutions undertaken in the Group in accordance with OECD requirements.

Supply Chain Management

We strive to establish sustainable, long-term partnerships with our suppliers based on mutual trust, transparency and compliance with our Code of Conduct in the area of procurement.

We ensure this by:

- Defining minimum standards relating to environmental, social and governance (ESG) criteria within supplier contracts.
- Committing to comply with international standards, such as the OECD Guidelines for Multinational Enterprises, the United Nations Charter (the UN Universal Declaration of Human Rights) and the core conventions of the International Labour Organization (ILO) (see Code of Conduct for Suppliers).
- Investigating suspected cases of possible violations of the Code and encouraging suppliers to inform us of such violations.
- Terminating the cooperation with suppliers whose business practices or performance are inadequate in terms of ESG criteria.
- Organising regular training for our employees on the Code of Conduct in the area of procurement.

MiFID investor protection

The financial markets rely on trust. Erste Group's success is based on fair conduct and integrity, which put the customer's interests first. In the context of our zero-tolerance approach, we expect all employees to avoid conflicts of interest and always to act in the best interests of our clients.

To maintain the integrity of the financial system, Erste Group introduced a comprehensive set of principles for transactions by means of financial instruments. The Group Compliance department regularly monitors these policies to ensure they meet the requirements of the Austrian Securities Supervision Act 2018 (WAG 2018) guidelines as well as the DeIVO (investor protection), thus minimising potential risks and promptly eliminating weaknesses.

Our Compliance departments conduct regular risk-based monitoring in order to ensure that policies are respected and compliance risks are understood. Group Compliance is responsible for monitoring and managing MiFID investor protection risks for the entire Erste Group.

Addressing conflicts of interest in the area of the Securities Supervision Act

Erste Group has taken numerous measures to prevent conflicts of interest between us and our customers and between the customers themselves. Our multilevel organisation with a clear division of responsibilities helps comply with the obligation to provide honest and professional investment services and avoid conflicts of interest.

Our compliance organisation implements various measures. Confidentiality zones have been created to control the flow of information, and guidelines for employee transactions have been defined. Employees must disclose their financial operations, which are regularly reviewed. Observational and blacklists prevent the sale of a financial instrument in the event of a conflict of interest. We also regulate the acceptance and execution of orders and provide investor-friendly advice.

Conflicts of interest, anti-bribery and anti-corruption

We have an obligation to our customers and other stakeholders to ensure that our employees and third parties are not involved in acts of bribery or corruption, and that identified conflicts of interest are handled appropriately. This commitment enables us to contribute positively to trust in the financial sector while protecting our employees from potential misconduct.

We therefore apply a zero-tolerance policy towards bribery and corruption, and consistently promote an anti-bribery and anti-corruption culture as well as sound conflict of interest management throughout all levels of Erste Group. We are committed to fully comply with the strict legislation on bribery and corruption, and with global and EU-wide soft laws and standards on anti-corruption, conflicts of interest and good corporate governance in all markets in which we operate.

We have established awareness-raising programmes and controlling mechanisms to identify and report conflicts of interest at an early stage. Thus, we can prevent, manage or disclose them in accordance with our policies.

It is the responsibility of all employees to demonstrate zero tolerance towards bribery and corruption. Therefore we:

- Instruct our employees always to act in accordance with our anti-bribery and anti-corruption policies to avoid corrupt behaviour. As part of their contractual responsibility to Erste Group, employees must also disclose their conflicts of interest before they materialise.
- Commit ourselves to investigate any potential breach of policy. If someone fails to report a conflict of interest or attempts to conceal important information, it will be considered an intent to violate our principles and will lead to disciplinary action.

In addressing conflicts of interest, we aim to make the best decisions by considering our internal and external stakeholders and protecting Erste Group's reputation:

- Private and business matters are strictly separated in order to avoid conflicts of interest.
- Conflicts of interest resulting from personal relationships are either managed or avoided in all business processes.
- We always strive to act transparently.
- We work free from any political influence.
- We prioritise the quality of our products and services through personal relationships in customer interactions and seek to convince our stakeholders through quality rather than incentives.
- We make personnel and business decisions based on performance.
- We work in a professional and confidential manner. The need-to-know principle is our guideline.
- We design our remuneration systems and sales targets in such way that our customers are always offered the most suitable products or services.

MiFID II investor protection

We are obliged to protect all investors. We act in their best interests while safeguarding their assets. It is therefore our objective to fully comply with all legal requirements of the Markets in Financial Instruments Directive ("MiFID II"), which pursues the same goal.

In addition, we aim to comply with all other relevant published standards with regard to investment services, such as guidelines, opinions, and questions and answers from the European Securities and Markets Authority (ESMA) or other authorities, as applicable.

In this context:

- We conduct robust, risk-based monitoring of compliance with MiFID investor protection requirements through ongoing monitoring, assessment and reporting of identified risks and their mitigation to the management.
- We actively and regularly train our staff to ensure they are competent to carry out their duties in accordance with MiFID.
- We have clear processes and strict policies to identify, prevent, manage and disclose conflicts of interest. If an identified conflict of interest cannot be sufficiently resolved, we expect that this business will not be pursued in order to maintain our high ethical standards.
- We expect all Erste Group entities involved in the securities business to have appropriate processes and policies to ensure that our clients receive all necessary information about our products and services. Our clients can thus make sound investment decisions.
- Our Group Compliance department is responsible for the risk-based management of investor protection issues at Erste Group.

Combatting money laundering and terrorist financing

Money laundering and terrorist financing undermine trust in the international financial system. The fight against money laundering (anti-money laundering, AML) and terrorist financing (counter-terrorist financing, CTF) is very difficult. Laws and public opinion play major roles, while the financial markets also have great responsibility.

Erste Group is committed to a very high standard in the prevention of money laundering and only hires managers and employees who commit themselves to this standard.

Customer due diligence obligations and the “know your customer” (KYC) principle

Implementation of the “know your customer” (KYC) principle is a fundamental prerequisite for the proper fulfilment of legal and regulatory requirements. Furthermore, it is the most effective measure against money laundering, terrorist financing and fraud.

Based on this principle, Erste Group has a comprehensive understanding of who we do business with, and we know who our customers are.

Erste Group fulfils the legal requirements by complying with due diligence obligations throughout the entire business relationship.

This includes:

- Regularly reviewing business relationships and transactions.
- Making sure these match the knowledge about the customers, their activities and their risk profiles.
- Following processes to update relevant documents and customer information.
- These measures serve to effectively prevent money laundering.

Transaction monitoring

All customers are subject to a regular review of transactions to verify that they are in line with known customer information. Erste Group uses the NetReveal IT system for this purpose, which is also being gradually introduced in other subsidiary banks.

Reporting obligations

If there are suspicions that funds of existing or potential customers originate from criminal activities or are used to finance terrorism, Erste Group reports those suspicions immediately and anonymously to the local Financial Intelligence Unit (FIU) or the competent authority.

Consequence management

Misrepresentations or violations of the anti-bribery and anti-corruption guidelines result in possible civil and criminal penalties as well as disciplinary consequences. All suspected cases of corruption must be investigated and disciplinary action pursued. Consequence management is the responsibility of the People and Culture department and is governed by a work agreement.

Fraud management

Erste Group's fraud management activities cover all forms of fraud, including:

- Transactions
- Loans
- Cards
- Internal fraud

Erste Group has a Group Fraud Policy for which we have developed risk indicators that help identify fraud patterns and analyse risk. This applies to the whole Group as well as to individual divisions.

We regularly share experience and knowledge of new fraud cases, trends and initiatives within the Group and with the industry and relevant authorities in order to improve cooperation.

We take many preventative measures designed to minimise damage to customers and to Erste Group.

These include:

- Monitoring systems
- Awareness-raising measures
- Training

Tax compliance

The Tax Code of Conduct sets out clear behaviour rules and principles for Erste Group's tax matters, based on the general Code of Conduct of Erste Group. Our employees are obliged to comply with tax laws, guidelines, regulations, and reporting and disclosure requirements in all countries in which Erste Group operates. This also includes the timely payment of taxes.

Particular emphasis is placed on proactive and transparent dealings with the tax authorities. The Chief Financial Officer of Erste Group Bank AG reviews the Tax Code of Conduct every two years. All major subsidiaries in Austria and abroad use it in their own processes to ensure a uniform understanding of taxation within the Group. In addition, we hold quarterly meetings of tax experts from the main Group companies and selected savings banks to share information and ensure uniform tax standards.

Ombudsman's office

Customers and stakeholders can contact Erste Group's central ombudsman's office in Vienna to lodge complaints. The Complaints Management department, which reports to the CEO, coordinates and monitors the handling of complaints in the subsidiaries.

The Erste Group banks work continuously to improve complaint management and meet customer expectations.



Society

Providing support to society was one of the founding ideas of Erste Oesterreichische Spar-Casse, and this continues to shape us to this day. However, our responsibility goes beyond financial business. We support institutions, initiatives and projects relating to social issues, art, culture, education, sport and environmental protection in all our core markets. We are convinced that a strong socio-economic environment and the protection of the environment form the basis for sustainable success.

To meet this requirement, we regularly analyse and monitor the actual and potential impact of our business activities on the economy, the environment and people.

We ensure this by:

- Using a detailed, up-to-date impact analysis.
- Having re-evaluated the material topics by means of the sector-specific standards of the Sustainability Accounting Standards Board (SASB).



Social banking

In our core markets, many people remain at risk of poverty or social exclusion and lack access to basic banking services. Erste Group's social banking initiatives offer financially disadvantaged individuals, micro-enterprises, start-ups and social organisations fair access to financial products, financial advice, further education and mentoring.

A dedicated risk policy for social banking defines the key requirements for managing the credit risk associated with social banking at Erste Group. This policy applies to social banking activities towards private individuals, micro-enterprises, start-ups, social organisations and special projects. It provides a framework that is adapted to local needs and legislation.

Social banking principles

The underlying strategy of Erste Bank's social banking is based on a number of core principles:

- Financial inclusion: A key objective of social banking is to promote financial inclusion. This includes providing banking services to individuals and organisations that do not have access to conventional financial products due to their social and/or economic situation. The services are aimed at micro-founders, non-profit organisations, social enterprises and people affected by poverty and exclusion.
- Financial sustainability: A central principle of social banking is financial sustainability. Although the expected returns may be lower than in other business areas, the costs must be covered. Social banking contributes to the bank's profitability and creates social benefits at the same time. Erste Bank thus focuses on sustainable financing models that aim to ensure long-term economic stability. Projects and services are designed in such a way that they both meet the needs of the target groups and are financially sustainable.

- Business integration: While philanthropy is often characterised by charity work, social banking is firmly integrated into the business strategy. Social banking differs from philanthropic activities in its focus on sustainable business models and economic inclusion. It aims to create both social and economic added value. Unlike traditional CSR, donations and sponsoring, social banking involves the targeted development of banking products and services that combine economic and social objectives. Thus the social impact of a business, such as creating jobs or giving career opportunities to people with disabilities, is just as important as the economic performance.
- Measurable social impact: In social banking, it is important to measure and evaluate the social impact of the activities. We regularly use an impact measurement method developed together with the Vienna University of Economics and Business (WU) to document whether the funded projects genuinely contribute to improving living conditions and to social and economic inclusion.

Social banking projects

- "Zweite Sparkasse" (Second Savings Bank): This project was launched in 2006 to support people in financially difficult situations. It offers solutions for payment schedules in debt settlement procedures, improved gambling protection for debit cards, and a financing product for rental deposits and basic housing equipment in cooperation with social organisations.
- Affordable housing: Rising living costs and the lack of affordable housing are a growing challenge in Erste Group's core markets. Many young people and low-income earners cannot afford adequate housing despite having jobs. Erste Group is therefore implementing initiatives to create affordable housing in the Central and Eastern Europe regions.
- Microcredit programme: Entrepreneurs may also face financial difficulties, particularly when setting up a business. Small entrepreneurs not only create income for themselves, but often also jobs in their communities. Erste Group offers them access to microcredits, commercial further education, e-learning, mentoring and networking.
- Support for social organisations: Erste Group's social banking experts and mentors offer professional advice and financing solutions to support non-governmental organisations (NGOs) and social enterprises. Erste Group provides working capital loans, bridging loans and investment loans to this group of customers.



Corporate volunteering

Erste Group's volunteering programmes enable our employees to contribute to social development.

We ensure this by:

- Building relationships with community organisations.
- Providing a platform that connects social organisations with employees.
- Allowing our employees time for volunteer work.

Financial literacy

Our corporate purpose is to promote and secure prosperity. We thus support people of all ages in acquiring the necessary skills. As the Organisation for Economic Cooperation and Development (OECD) recommends an early start to financial literacy education, we particularly emphasise projects for children and young people. We support them in taking an active and self-confident part in economic life and understanding the financial sector as a system.

We ensure this by:

- Implementing our financial literacy strategy through the Financial Life Park (FLiP).
- Adhering to quality criteria for all financial literacy projects.
- Providing knowledge for financial literacy through country-specific initiatives such as content hubs, training seminars and webinars.

Diversity and inclusion

Our responsible and sustainable actions as a banking group mean focusing on gender diversity, anti-discrimination and accessibility. We take targeted measures to create a work environment that is fair and available to everyone. In doing so, we ensure that all employees and customers are treated equally regardless of gender, origin and other characteristics.

We ensure this by:

- Respecting human rights, promoting their observance in all our activities and rejecting all forms of discrimination.
- Using our Diversity & Inclusion Policy to clearly define behaviour, roles and responsibilities and showing how diversity is lived at Erste Group.
- Collecting data throughout the Group by our Group Diversity Management department, developing strategies and implementing them with local diversity officers.
- Creating space for business resource groups for women (Erste Women's Hub), queer people (Erste Colours) and people with disabilities (Erste Ability).
- Pursuing specific targets for a balanced gender distribution on the supervisory board, management board and at board-1-level.



Climate and environment

Erste Group recognises the significant impact of climate change on the economic and social prospects of our region. A rapid and well-managed transition to net zero is essential for us. As a leading bank in Central and Eastern Europe, we aim to achieve a net zero portfolio by 2050. That is why we are mobilising financial resources for climate protection and the green transformation.

We ensure this by:

- Identifying and targeting relevant customers and portfolios in emissions-intensive industries using our decarbonisation pathways.
- Supporting our customers' transition plans through knowledge transfer, assessment tools, sustainable products and advisory services.
- Increasing the amount of financing for energy efficiency, renewable energies and sustainable renovations.
- Allocating additional capital for a low-carbon economy through our sustainable funds.
- Reducing our own operational carbon footprint through renewable energy and sustainable mobility, and achieving net zero emissions by 2030.
- Integrating environmental, social and governance (ESG) factors into our risk management and lending processes.
- Providing all new employees with basic ESG training.
- Establishing the Erste Green Communities in all countries to promote a culture of environmental and climate responsibility. These communities, made up of employees, support volunteer work with a focus on sustainability.

Biodiversity

Erste Group recognises the importance of biodiversity for economic prosperity and human development. Natural resources are essential to many sectors of the economy and provide important services such as water purification, flood protection, pollination and carbon sequestration. We know that the protection and sustainable use of these resources represent significant risks and opportunities for the economy, finances and society. We therefore take international standards and EU directives into account when financing land and soil management, deforestation and water quality as part of our Responsible Financing Policy (RFP).

Erste Group does not finance any activities or projects that affect or impair the following areas:

- UNESCO World Heritage Sites.
- Wetlands of international importance on the Ramsar List.
- IUCN-listed Category I and II protected areas and Natura 2000.
- Deforestation of primary and tropical rainforests and forests of high conservation value (HCV2).

As part of our efforts to protect biodiversity, Erste Group does not finance oil and gas extraction in the Arctic or unconventional extraction methods such as fracking. Renewable energy projects such as hydropower are supported only if designated protected areas, e.g. Natura 2000, are respected.



Sustainable investment funds

Erste Asset Management (Erste AM), the investment company of Erste Group, signed the Principles for Responsible Investment (PRI) in 2009 as a sign of our commitment to the field of asset management. All investment products offered by Erste Group to private customers are subject to the Sustainable Retail Investment Framework, which is based on Erste AM's "Responsible Investing" rules.

Erste AM offers a wide range of funds and investment services that consider ESG factors:

- Impact investing: This refers to very specific investment strategies with an ecological or social focus. Social and/or ecological progress is to be promoted in a targeted manner, and is the key decision-making factor for the funds. The impact of the investments is disclosed and reported on regularly.
- Responsible investing: Environmental, social and governance data flow into the proprietary ESGenius® Score. Our best-in-class approach ensures that ethical and financial ESG risks are captured in order to identify the most sustainable companies. Strict exclusion criteria from all aspects of sustainability ensure clear, high ethical standards.
- Integration: Integration refers to the inclusion of ESG criteria in the investment process because they can have a positive financial impact. Investments in companies with a high ESG risk must be reduced. Analysts identify and recommend investments with the ESG characteristics likely to result in economic benefits.
- Discretionary portfolio management (DPM): This strategy promotes environmental and social characteristics in accordance with Art. 8 of the EU Disclosure Regulation through a broad sustainability approach.

The integrated approach of Erste AM combines exclusion criteria, positive screening, best-in-class approaches, company dialogue and sustainable voting to achieve sustainable returns.

All structured products issued or distributed by Erste Group are subject to ethical standards such as the exclusion of controversial weapons, food speculation and investments in coal. All individual securities funds in the Responsible and Impact fund families not only bear the Austrian Ecolabel for sustainable financial products, they also have been awarded the FNG seal: the quality standard for responsible investments in German-speaking countries.

Employees

Our corporate culture promotes respect, equal opportunities and personal and professional growth. Providing services for customers gives meaning to our actions. We know that a good work-life balance promotes sustainable performance – for the benefit of all stakeholders.



Working at Erste Group

We provide services offered by people for people, which is why we put people first.

We ensure this by:

- Upholding the highest standards of ethics and personal integrity in all our activities.
- Showing respect and consideration for one another, regardless of our position.
- Creating a work environment that is free from any form of harassment or intimidation.
- Promoting teamwork and recognising the significance of individual contributions in achieving common goals.

Leadership behaviour

As management executives, we are responsible for supporting each other's development and encouraging personal commitment, as well as serving as role models and leading by example.

We ensure this by:

- Staying open and being present.
- Giving and receiving feedback in our efforts to improve.
- Motivating each other to be innovative and improve our business processes.
- Treating each other with respect and as individuals with different needs.
- Embracing diversity to stimulate learning and innovation and promote a culture of sustainable, value-based performance.

Equal opportunities, diversity and inclusion

An inclusive corporate culture ensures that all employees feel valued and respected, regardless of gender, origin, sexual orientation or age. This helps to attract and retain talents by creating an environment of respect, fairness and equality. Diversity, equal opportunities and inclusion are vital competitive advantages and central principles of our culture.

We ensure this by:

- Clearly defining behaviour, roles and responsibilities in our Diversity & Inclusion Policy and showing how diversity is practised at Erste Group.
- Offering equal opportunities to all employees in terms of career development, work-life balance and remuneration.
- Promoting diversity in management positions, particularly in terms of gender, age and nationality.
- Using the diversity of individuals for the benefit of the entire organisation.



Fair working conditions and remuneration

Employees are entitled to fair and appropriate working conditions.

We ensure this by:

- Using a method developed to analyse and close the unexplained gender pay gap of around three percent at Erste Group.
- Reviewing our work environment regularly and comparing it with benchmark examples.
- Responding to feedback from our employees or their representatives.
- Conducting an annual standardised survey on working conditions with our employees.
- Offering fair and reasonable remuneration which is closely linked to the sustainable provision of services.
- Supporting our employees with internal workplace changes or outplacements in the event of reorganisations.

Personnel development, training and education

Our employees meet the high personal and professional standards of our customers and of the financial sector.

We ensure this by:

- Providing a wide range of training programmes from compliance to corporate ethics, and by creating an environment in which our employees at all career levels possess equal expertise.
- Scheduling regular training sessions for our employees annually or at least every two years.
- Using digitalised solutions and thus offering web-based training in addition to classroom training, which can be carried out by all employees regardless of their workplace situation.

We offer our employees the opportunity for professional and personal growth as well for further development.

We ensure this by:

- Offering a wide range of programmes in the areas of potential development, knowledge transfer, soft skills, mentoring, coaching and leadership development.
- Holding annual performance reviews for all employees with the direct manager's participation to define goals for the current year and create development plans.
- Supporting employees in leaving or changing careers or transitioning into retirement.



Health and safety at work

The health of our employees is a high priority at Erste Group. Employees have a right to work in a safe and healthy environment.

We ensure this by:

- Providing a safe workplace and striving to prevent accidents at work and work-related illnesses.
- Complying with all official health and safety regulations and actively contributing to the promotion of health in the workplace.
- Promoting the reconciliation of work and private life (flexible working hours, remote working, company kindergarten, filial leave, parental leave, summer childcare, interim management for management members).
- Supporting the return to everyday work routine after prolonged illness.

Promotion of health

In accordance with the “Luxembourg Declaration” of the World Health Organization (WHO), we are committed to workplace health promotion (WHP) in order to improve the health and well-being of our employees at work.

We ensure this by:

- Operating an in-house health centre that reports directly to the CEO.
- Considering various health aspects such as lifestyle, aging, corporate culture, mental health, stress management and nutrition.
- Informing our employees comprehensively about health issues and promoting a healthy lifestyle.
- Offering exercise and relaxation courses.
- Cooperating with the European Network for Workplace Health Promotion (ENWHP) to support the international sharing of best practices.

Conflict management

We strive to respond to employee complaints and resolve conflicts in a sensitive, fair and constructive manner.

We ensure this by:

- Offering employees support and providing them with access to various support options, such as anti-discrimination officers, while respecting their right to anonymity.
- Assigning specially trained colleagues for conflict situations.
- Keeping our employees informed about the status of their complaints and responding within reasonable timeframes.



Anti-discrimination and respectful behaviour in the workplace

Erste Group's works agreement reaffirms our commitment to a non-discriminatory work environment in which everyone is valued regardless of gender, age, disability, sexual orientation, religion, nationality or social background.

We ensure this by:

- Anchoring anti-discrimination procedures in internal rules and allowing them to be monitored by the relevant departments.
- Providing special reporting channels for whistleblowing and in-house units for confidential and anonymous reporting.
- Appointing trained contact persons in each parent institute for counselling and conflict resolution in cases of discrimination or bullying.
- Preparing regular reports on cases of discrimination and using the findings to further develop the corporate culture.
- Carrying out awareness-raising and prevention measures in cooperation with management.
- Offering training on unconscious bias to sensitise employees for fair interactions.
- Appointing an anti-discrimination officer as a central point of contact for complaints and human rights issues, and letting them guide the implementation of solution strategies.

Integration and representation

Erste Group uses representative bodies to involve employees in management decisions as required by legislation, especially in matters directly affecting employees. One percent of Erste Group's employees actively participate in these bodies. In accordance with the Austrian Labour Constitution Act, the Works Council is the permanent, independent representation of our employees and ensures an uninterrupted cooperation between the management board and the employees of our organisation.

Freedom of assembly and freedom of expression on labour issues

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

We ensure this by:

- Respecting the right of employees to freedom of assembly, freedom of expression and collective action, provided that this does not infringe upon the rights of others.
- Preventing discrimination against employees on the basis of membership in organisations such as trade unions.
- Recognising the right of employees to collective bargaining agreements in accordance with the statutory provisions.

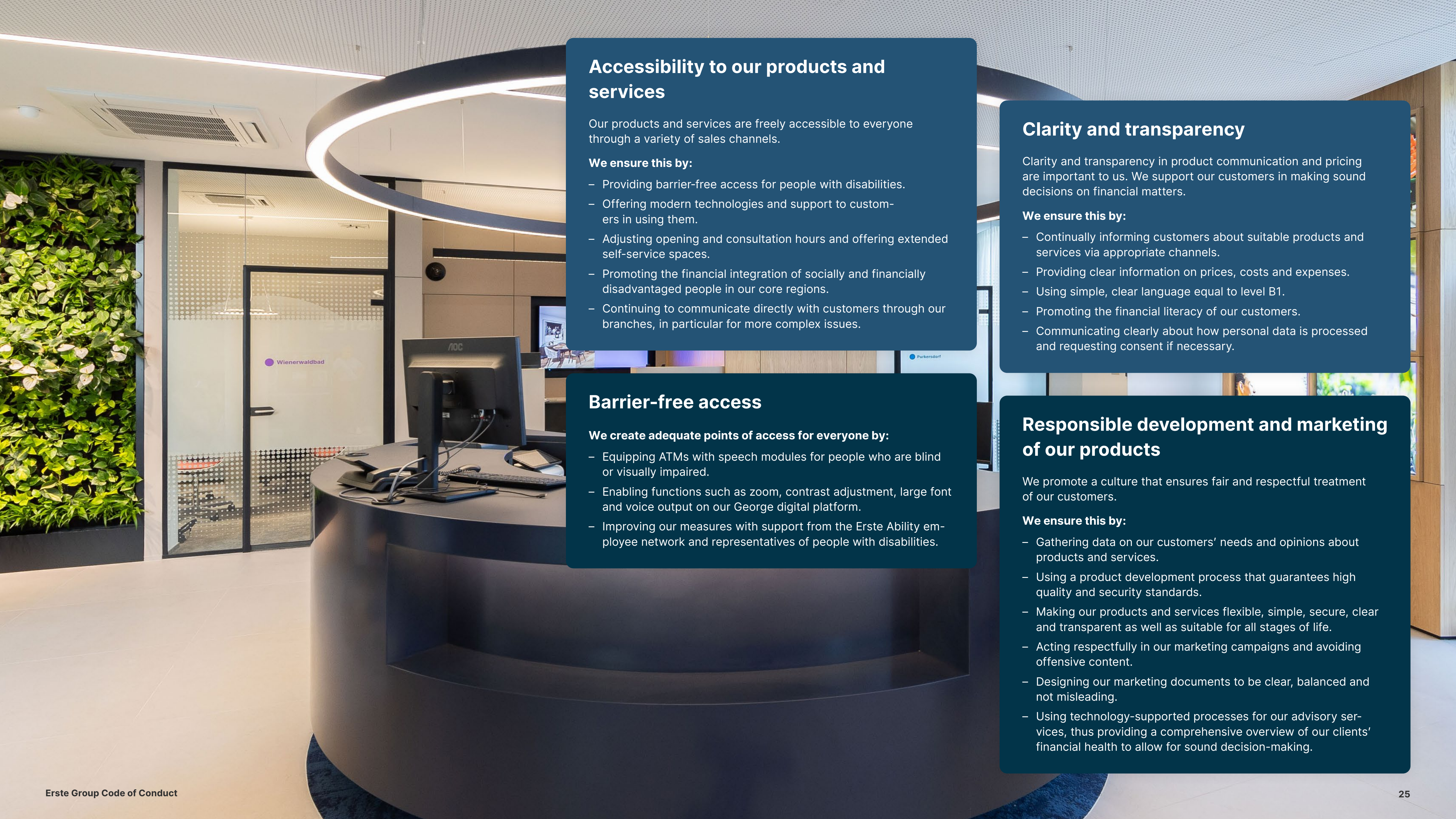




Customers

Our goal is to give people access to financial resources, products and services for them to achieve financial independence. Meeting the needs of our customers is the basis for our sustainable success.

Our success and good reputation are rooted in the trust of our customers. We continually work to improve customer satisfaction. We optimise our security precautions, especially in the digital transformation, and put great emphasis on the protection of personal data.



Accessibility to our products and services

Our products and services are freely accessible to everyone through a variety of sales channels.

We ensure this by:

- Providing barrier-free access for people with disabilities.
- Offering modern technologies and support to customers in using them.
- Adjusting opening and consultation hours and offering extended self-service spaces.
- Promoting the financial integration of socially and financially disadvantaged people in our core regions.
- Continuing to communicate directly with customers through our branches, in particular for more complex issues.

Barrier-free access

We create adequate points of access for everyone by:

- Equipping ATMs with speech modules for people who are blind or visually impaired.
- Enabling functions such as zoom, contrast adjustment, large font and voice output on our George digital platform.
- Improving our measures with support from the Erste Ability employee network and representatives of people with disabilities.

Clarity and transparency

Clarity and transparency in product communication and pricing are important to us. We support our customers in making sound decisions on financial matters.

We ensure this by:

- Continually informing customers about suitable products and services via appropriate channels.
- Providing clear information on prices, costs and expenses.
- Using simple, clear language equal to level B1.
- Promoting the financial literacy of our customers.
- Communicating clearly about how personal data is processed and requesting consent if necessary.

Responsible development and marketing of our products

We promote a culture that ensures fair and respectful treatment of our customers.

We ensure this by:

- Gathering data on our customers' needs and opinions about products and services.
- Using a product development process that guarantees high quality and security standards.
- Making our products and services flexible, simple, secure, clear and transparent as well as suitable for all stages of life.
- Acting respectfully in our marketing campaigns and avoiding offensive content.
- Designing our marketing documents to be clear, balanced and not misleading.
- Using technology-supported processes for our advisory services, thus providing a comprehensive overview of our clients' financial health to allow for sound decision-making.

Responsible lending

We are committed to responsible lending practices.

We ensure this by:

- Granting loans only to the extent that our customers are likely to be able to afford to repay them.
- Promoting and selling our financing products responsibly.
- Working together with our customers to find solutions in the event of financial difficulties.

Data protection and confidentiality

We treat our customers' privacy with respect and keep their data confidential at all times.

We ensure this by:

- Collecting, processing and storing data with the utmost confidentiality.
- Using a variety of security mechanisms at network and application level.
- Sharing customer data only upon consent, unless otherwise stipulated by law.
- Insisting on strict confidentiality on the part of our employees – and former employees.
- Refraining from using customer data to the customer's detriment and demanding the same from service providers.
- Training employees annually on these standards, which are also binding for our cooperation partners.

If, despite our precautions, there is a loss, alteration, unauthorised disclosure or unauthorised access to personal data (data breach), an internal reporting chain is activated, which ensures a central assessment and, if necessary, reporting to the data protection authority.

Complaint handling

We respond appropriately and effectively to complaints, thus contributing to customer satisfaction.

We ensure this by:

- Taking responsibility for our mistakes and responding to complaints quickly, discreetly and sensitively.
- Analysing the root causes of a complaint and taking swift action to remedy them.
- Informing our customers about how to make a complaint and their right to contact the responsible ombudsman.
- Offering our employees training in complaint handling.

Investors

We place the utmost value on transparency and provide comprehensive information both to the public and to regulatory authorities.

We ensure this by:

Providing complete, correct, accurate, timely and comprehensible information in all forms of communication.

Complying with applicable industry standards in our financial and non-financial reporting.



Related documents



Non-financial report



Climate report



Sustainability - ESG | Erste Group Bank AG



Code of Conduct for suppliers

Appendix: Explanation of terms

Corporate Governance

There is no standardised international definition of corporate governance. 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 sustainable, long-term value creation. Austrian Corporate Governance Code: www.corporate-governance.at

Equator Principles

The Equator Principles are a voluntary set of rules followed by financial institutions for determining, assessing and managing social and environmental risk in project financing. Banks that adopt these principles pledge not to provide loans to projects in which the borrower does not or is unable to comply with the social and environmental standards prescribed by the Equator Principles. www.equator-principles.com

ESG assessment

The ESG assessment evaluates environmental, social and governance aspects related to any financial activity of a bank. It ensures that projects are sustainable, that the rights of workers and communities are respected, and that regulatory standards are maintained. This includes topics such as environmental protection, safe working conditions, the abolition of child and forced labour, and the prevention of corruption and conflicts of interest.

Luxembourg Declaration on Workplace Health Promotion (WHP)

The WHP is a European framework that calls on companies to implement measures to promote health and well-being at work. It underlines the shared responsibility of employers and employees to improve working conditions and promote preventive health strategies. The Luxembourg Declaration was signed by Erste Group in 2007.

UN Principles for Responsible Investment (UN-PRI)

The UN PRI is a voluntary international network of investors that promotes six principles for responsible investment. These principles aim to integrate environmental, social and governance (ESG) factors into investment decision-making in order to achieve sustainable returns and support responsible business practices. The UN PRI was signed by Erste Group in 2012. www.unpri.org

Whistleblowing

This term refers to a system established within a company that gives employees the freedom to disclose malpractice or other wrongdoing without fear of reprisal or retaliation.