A close-up, black and white photograph of a child's face, focusing on the eye and ear. The child has light-colored hair and is looking directly at the camera with a slight smile. The background is a soft, out-of-focus grey.

SUSTAINABILITY REPORT 2023

## Engagement – Society – People

**BKS Bank**

A decorative red wavy line that spans the width of the page, positioned below the BKS Bank logo.



# Table of Contents

<b>Preface by the Chairwoman of the Management Board</b>	<b>5</b>
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## **About BKS Bank 9**

Creating Value	<b>14</b>
Group of Consolidated Companies	<b>17</b>
Economic Development	<b>18</b>

## **Strategy 23**

CSRD & ESRS: New Approaches to Sustainability Reporting	<b>26</b>
Corporate Strategy	<b>27</b>
Risk Strategy	<b>32</b>
Sustainability Strategy	<b>33</b>
Strategic Sustainability Goals	<b>40</b>
We are Excellent	<b>42</b>

## **E - Environment and Climate Change Mitigation 45**

Biodiversity Crisis and Biodiversity Strategy Austria 2030+	<b>46</b>
Strategic Climate Mainstreaming	<b>48</b>
On the Path to Climate Neutrality	<b>50</b>
Greenhouse Gas Emissions Balance	<b>54</b>
Green Buildings	<b>66</b>
Green Activities in our Core Business	<b>70</b>
The Future of Mobility	<b>76</b>

## **S – Society and Social Engagement 79**

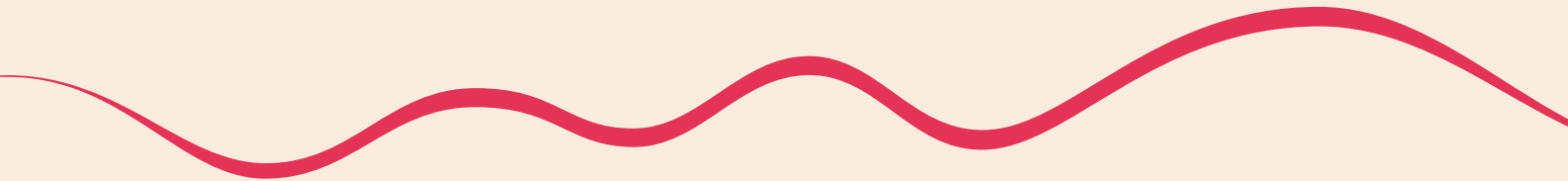
Social Foundations with Long-term Impact	<b>80</b>
S – Society and Social Engagement	<b>81</b>
Social Sustainability in Products and Services	<b>83</b>
Fair Employer	<b>88</b>
Diversity as a Success Factor	<b>90</b>
Income	<b>92</b>
Education and Training	<b>96</b>
Health Comes First	<b>97</b>
Supporting Arts and Culture	<b>99</b>
Diversity in Social Engagement	<b>101</b>
Financial Literacy	<b>103</b>



**G - Governance 105**ESG - A Global Trend? **106**G – Governance **107**Sustainability Organisation **109**Engagement Report **111**Good Governance, Compliance, Anti-corruption and Data Protection **118**Focus on Human Rights **124**ESG Factors in Corporate Governance **128****Sustainability Achievements and Outlook 139**Sustainability Achievements 2023 **142**Activities Planned for 2024 **146****Sustainability in Numbers 149**Key Performance Indicators of the Sustainability Strategy **152**Key Employee Indicators **154**Sustainable Product Indicators **165**Environmental Indicators **167**Society **177**Economic Indicators **179**Disclosure (Article 8 Regulation (EU) 2020/852) **182****Appendix 246**GRI Content Index **248**Disclosure on the Implementation of TCFD Recommendations **252**Contribution to Achievement of Sustainable Development Goals 2023 **254**Information on the Report **256**Glossary **258**List of Abbreviations **262**Report on the Independent Audit of the Non-financial Report 2023 **263**Publication Details **265**

*This Report has been translated into English for the convenience of readers. Only the German version is legally binding.*







# Preface by the Chairwoman of the Management Board





## Dear Readers,

The topic of sustainability has gained enormous momentum in recent years. While the focus in past years has been primarily on climate change mitigation, compliance with social standards is now becoming increasingly important.

Both are aspects to which BKS Bank devotes a great deal of attention in its sustainability strategy. We aim to achieve climate neutrality by 2050 and plan to align our loan and investment portfolio with the climate goals of the Paris Agreement by 2040. I am very pleased to report that we submitted our science-based climate targets for validation to the Science-based Target Initiative in December 2023. We expect the validation process to be completed by the close of the first half of 2024. As members of the Green Finance Alliance, we will also be phasing out transactions relating to coal, oil or natural gas well ahead of our competitors.

### **Surge in volume of sustainable products**

We support our customers on the path to decarbonization by providing them with sustainable products and advisory services. Our success is reflected in the growing number of sustainable banking products. I am proud to report that we increased the volume of sustainable products to EUR 1.4 billion (+23.4%). As an example, the number of our Natur&Zukunft green accounts went up by 68.0%. I also want to mention the valuable contribution to the energy transition of the green bonds issued with Kelag to finance photovoltaic systems and with Hasslacher Energie for the construction of a biomass plant. In terms of the environmental impact of operations we are taking measures to reduce our dependence on fossil fuels.

BKS Bank itself operates ten photovoltaic plants, which have helped cut around 167 tons of CO<sub>2</sub> equivalents since their installation versus the electricity mix, which now originates 99% from renewable sources. In the reporting year, we started construction of three additional plants, which will help lower CO<sub>2</sub> emissions by around 10 t CO<sub>2</sub> equivalents per year. Our goal for construction projects is to achieve Taxonomy-compliance. Currently, two of our buildings have ÖGNI Taxonomy-compliance certifications.

### **“Du & Wir Stiftung” founded with Caritas**

With respect to the field of action, “S – Society and Social Engagement” of our sustainability strategy, we are addressing the areas that pose major challenges in society: education, migration and care for the elderly. I am very happy that we have achieved a special milestone with the establishment of the foundation “Du & Wir Stiftung”. The purpose this foundation, which belongs to the Caritas Stiftung Austria group, is to support projects of social value in Austria over the long term. Our customers are invited to contribute to the foundation.

In the course of 2024, we will also launch a socially sustainable “Du & Wir” account, which will also regularly contribute to the foundation.

We also made progress towards our goal of working to prevent age discrimination. One of activities we organised in this context, was a joint event with Seniorenbund on asset transfer and protection.

### **Major awards**

Apart from “accountability”, our core values include “excellence” and “strong in relationships” which are also closely linked to sustainability. Accountability in dealings with customers and in



product development as well as when offering high quality advisory services are key pillars of our corporate strategy. We have been using the internationally recognized EFQM quality management system as a model for over 10 years to help us assess quality. The quality of our company is assessed regularly by Quality Austria, with the last assessment having taken place in October 2023. The very pleasing result: We received the distinction "Recognized by EFQM - 6 Stars" which ranks us once again among "excellent companies in Austria", a label awarded by Quality Austria.

This award is just one of many we received in the reporting year. I would also like to highlight Vienna Stock Exchange's Sustainability Award as well as the Austrian Sustainability Reporting Award (ASRA), which we received for a third consecutive year. We are also proud of the successful EMAS recertification and our continued inclusion in the Austrian sustainability index, VÖNIX. We were very pleased to receive the "Green Brand" award in Slovakia and also successfully completed the MAMFORCE®re-audit certifying us as a family-friendly business in Croatia.

Our sustainable achievements are also economic achievements – impressive proof that sustainability and business success are not mutually exclusive. In the reporting year, we achieved an excellent net profit after tax of EUR 179.1 million – the best result in our history.



Key contributing factors were the increase in net interest income and the results of entities accounted for by the equity method.

As you have gathered from media reports, I have decided to retire from the Management Board. BKS Bank will be led in the future by an experienced team consisting of the designated CEO Nikolaus Juhász as well as Claudia Höller, Alexander Novak and Dietmar Böckmann. I would like to express my appreciation for the excellent cooperation as well as to Dieter Kraßnitzer who went into his well-earned retirement in the summer of 2023.

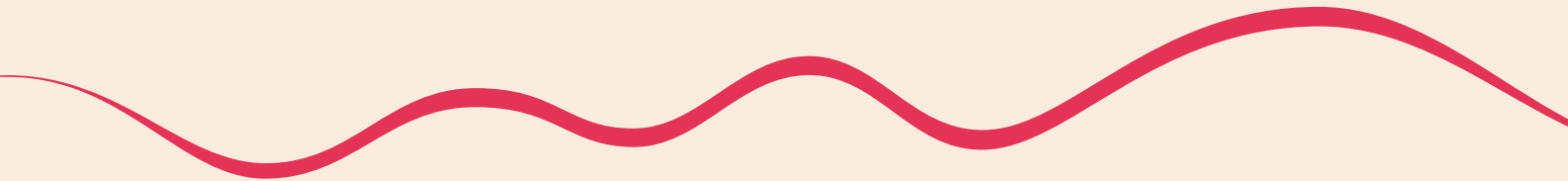
A very big thank you also goes to our employees. They were essential for our success, contributing their commitment, loyalty and know-how. My special thanks to all our shareholders and customers. Many of them have been had relations with our bank for decades. Their trust is an important motivation every day for our work. I would like to cordially thank the members of our Supervisory Board for their prudent and professional support.

Cordially,  
Herta Stockbauer

A handwritten signature in black ink, appearing to read 'H. Stockbauer', written in a cursive style.

Chairwoman of the  
Management Board of BKS Bank







# About BKS Bank





**“Our commitment to sustainability is an important contribution to a livable future. It means a wide range of opportunities for employees for personal and professional development, and working together to make the world a better place.”**

Herta Stockbauer and management staff of BKS Bank







## About BKS Bank

**BKS Bank AG has been a reliable banking partner for individuals and business customers for over 100 years.**

Our company was founded in 1922 as a bank for corporate and business customers in Carinthia. The head office is in Klagenfurt am Wörthersee. In the 1960s, we started providing services to retail customers. Today, we serve some 168,300 retail and 27,500 corporate and business customers. In Austria, our markets include Carinthia, Styria, Vienna, Burgenland and Lower Austria. Our international markets are Slovenia, Croatia and Slovakia. In 2023, we entered the Serbian market by founding BKS Leasing d.o.o. with headquarters in Belgrade.

In Austria and Slovenia, we offer all the services of a universal bank. In the reporting year, we enlarged our investment services in Slovenia to include investment advisory services. In Croatia and Slovakia, we do not offer investment services. Our leasing companies complement our offerings in all markets. With “BKS

Bank Connect”, we created a digital bank designed for customers who wish to conduct their banking transactions mostly digitally but still value personal advice.

Our 64 branches are valuable points of contact for our customers – and not just for people who are not digital well-versed or older people. The high-quality advisory service provided by our more than 1,100 excellently trained employees is an important factor why customers of all ages choose our bank. Therefore, the branch network remained unchanged in the past year, even though we are investing heavily in digitalisation. However, we also see our branch network as a social contribution to the prevention of age discrimination, as many older bank customers are sceptical about digital solutions or do not have the appropriate and secure infrastructure at their disposal.

### Our core regions





Our corporate and business customers include primarily companies from industry, commerce and trade, non-profit residential housing developers, members of the liberal professions, farming and forestry enterprises as well as municipalities and public-sector companies. In Retail Banking, we provide services to private individuals and members of the healthcare professions. Our customers value our expertise in the lending business, our solid knowledge of the many different subsidised lending schemes, our range of investment services, modern payment services, as well as innovative digital and sustainable products and services.

We are proud to be able to offer our customers at least one sustainable option in all product groups. Examples include the “Natur&Zukunft” account, the “BKS Portfolio-Strategy nachhaltig” investment product, and the new products “Energie-&Zukunft” loans and “Bildung-&Zukunft” loans. Green, social and sustainability bonds also play an important role. All services are offered under the brand name BKS Bank.

#### **Changes to the shareholder structure**

BKS Bank AG's shares have been listed on the Vienna Stock Exchange in the segment “standard market auction” since 1986. In the year 2023, a capital increase was successfully carried out in which

2,862,860 new shares were issued. The share capital increased to EUR 91,611,520 and includes 45,805,760 ordinary bearer shares. Additionally, Wüstenrot Wohnungswirtschaft reg. Gen.m.b.H. sold its shareholding of around 2.8% to the British investment firm Petrus Advisers.

#### **Changes to the Management Board and the organisation**

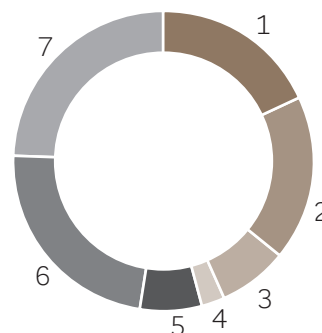
Two new members of the Management Board Members started their periods of office in 2023. Dietmar Böckmann started on 1 June in the function of CIO/COO and Claudia Höller started in September as successor to Dieter Kraßnitzer in the function of CRO. The Chairwoman of the Management Board, Herta Stockbauer, announced in December 2023 that she would not be extending her term of office. Nikolaus Juhász will succeed her as CEO starting on 1 July 2024. More details on the changes to the management team are provided in the Annual Report (as of page 71).

Apart from the aforementioned establishment of the leasing company in Serbia, there were no significant changes to the organisational structure. In 2024, we will start the reorganisation of our cooperation with our foreign markets under the motto a@company.

#### **Shareholders of BKS Bank AG**

in %

1	Oberbank AG (incl. sub-syndicate with Beteiligungsverwaltung GmbH)	18.1
2	Bank für Tirol und Vorarlberg Aktiengesellschaft	17.9
3	G3B Holding AG	7.4
4	BKS-Belegschaftsbeteiligungsprivatstiftung	2.6
5	UniCredit Bank Austria AG	6.6
6	CABO Beteiligungsgesellschaft m.b.H.	23.2
7	Free float	24.2





## Creating value

Awareness among companies for value chains and supply chains has increased due to the CSRD and the CSDDD. The Annex to the Delegated Regulation to CSRD<sup>1</sup>, supply chains are defined as follows: "The full range of activities or processes carried out by entities upstream from the undertaking, which provide products or services that are used in the development and production of the undertaking's own products or services. This includes upstream entities with which the undertaking has a direct relationship (often referred to as a first-tier supplier) and entities with which the undertaking has an indirect business relationship."

As a financial undertaking, BKS Bank engages in the banking, leasing and real estate business. Therefore, we belong to the sector "provision of financial services - credit institutions". The following Ö-NACE codes are associated with the business activities of BKS Bank AG and its subsidiaries: 41.10-0, 56.10-1, 64.19-0, 64.20-0, 64.91-0, 68.20-1, 68.20-9, 77.39-0, 82.99-0.

As a service company, our upstream and downstream value chain clearly differs from that of an industrial or commercial enterprise. Procurement is limited mainly to goods required for office operations and for our services or construction projects. This means, for example, that we do not require any critical raw materials or rare earths, and do not have any resource-intensive production processes. Thus, we are not directly dependent on natural capital.

Our products are not physical in nature, which means that we are only concerned with recycling or reprocessing issues in the context of procurement. Still, there are many points of contact along our value chain with the topics covered by the ESRS standards<sup>2</sup>.

### Upstream activities

For example, the procurement of energy, capital goods, IT infrastructure and office supplies has an impact on climate change, the working conditions of employees at our suppliers, and the circular economy. Other upstream activities that contribute to climate change and environmental pollution are, for example, travel by customers to our branches and employee travel to and from work.

### Activities at BKS Bank

Examples of activities carried out at BKS Bank itself include the provision of digital or analogue banking products, the leasing of real estate and the operation of business premises. The know-how of our employees, the branch network, and investments in the digital transformation and automation are the most important input factors. Aspects such as training and further education, diversity management and workplace health promotion support performance. This means that our business activities also have points of reference to the new ESRS standards at this stage of the value chain. In our own activities, we strive to develop these as efficiently as possible. BKS Bank has always been – and will remain – a branch-based bank, because our branches are an important touchpoint for the customer journey. Still,

<sup>1</sup> See Annex to Delegated Regulation (EU) 2023/2772 of the Commission supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards; [https://eur-lex.europa.eu/legal-content/DE/TXT/?uri=PL\\_COM%3AC%282023%295303](https://eur-lex.europa.eu/legal-content/DE/TXT/?uri=PL_COM%3AC%282023%295303)

<sup>2</sup> ESRS stands for European Sustainability Reporting Standards. The standards specific to topics relate to reporting on climate change, environmental pollution, water and marine resources, biodiversity and ecosystems, the circular economy, a company's own workforce, workers in the value chain, affected communities, consumers and end users, and corporate policy.



the digital transformation play a key role in our strategy. This concerns not only distribution through our online banking applications and banking apps, but also communication. The project “Customer Journey Orchestration” defines that we specifically address individual customer needs to avoid swamping them with general advertising messages. We are also focusing on redesigning internal processes; currently, the realignment of the corporate lending process and the integration of foreign IT systems into the Austrian core banking systems.

### **Downstream activities**

Downstream activities cover the projects and measures our customers implement with the capital we provide. These include, for example, the construction and modernisation of production and energy plants, social facilities, health and education centres as well as services relating to wealth accumulation and financial planning for old age or strokes of fate.

This means we have a major influence over the sustainable management of other companies and individuals decisions through the design of our products and the financing and investment criteria we define.

To promote greater sustainability, we apply exclusion and inclusion criteria to ensure that transactions with a severe negative effects on the environment and society are excluded. By deciding which transactions to accept or refuse means we can support the transition to a low-carbon economy and also contribute to protecting human rights and labour rights.

### **Strategic partnerships**

BKS Bank cooperates with strategic business partners to be able to offer customers all the services of a universal bank.

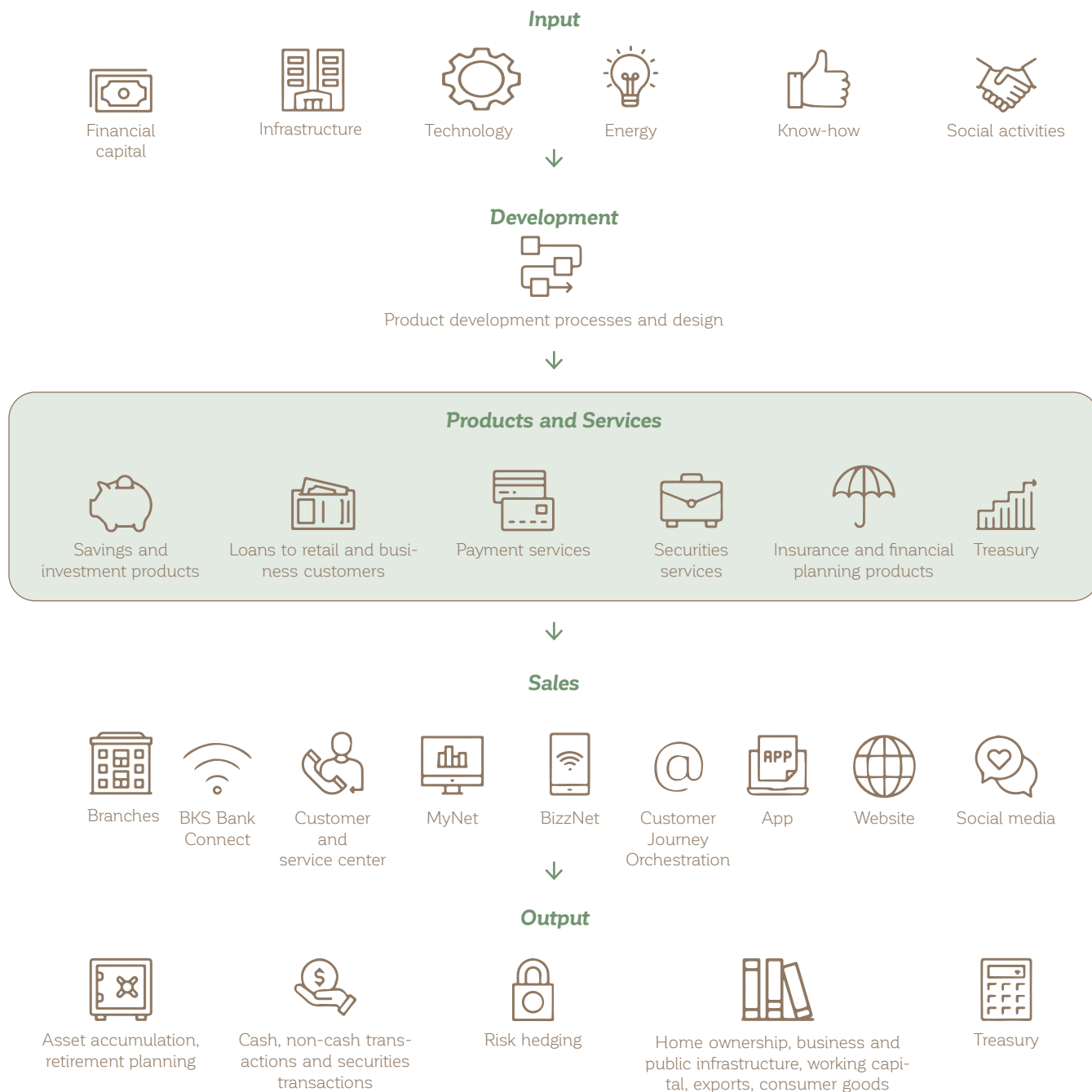
Our partnership with Generali Versicherung AG, which has been in place for the past 25 years, makes it possible for BKS Bank to offer high-quality insurance services for risk protection and retirement planning to its customers. Apart from our distribution partnership, we also share a commitment to sustainability. Just like BKS Bank's traditional savings and investment products, Generali insurance products play a key role in reducing the risk of poverty in old age and affording protection against risks.

3 Banken-Generali Investment-Gesellschaft m.b.H. is the joint asset management investment company of Oberbank AG, Bank für Tirol und Vorarlberg Aktiengesellschaft, Generali Versicherung AG and BKS Bank. Its product portfolio includes 219 investment funds, including a constantly growing range of sustainability funds. Sustainable funds amount to a share of 22% of total investment funds.

3 Banken IT GmbH is responsible for IT infrastructure and projects and is also a joint company held by BKS Bank with Oberbank and BTV. It is responsible for key processes for the services provided and administration.



## Value chain of BKS Bank





## Group of consolidated companies

### Group of consolidated companies

The Sustainability Report relates to the entire group of consolidated companies of BKS Bank. These include 16 credit and financial institutions as well as companies that provide banking-related services, including domestic and foreign leasing companies. In 2023, a new company was added to consolidation, specifically the Serbian leasing company BKS Leasing d.o.o. The overview below presents the companies that belong to the BKS Bank Group pursuant to International Financial Reporting Standards. The inclusion of affiliated companies and associates in the consolidated financial statements is based on the application of uniform materiality principles for the entire group as well as quantitative and qualitative parameters.

A detailed description of the individual companies is given in the Annual Report starting on page 79.

### Key indicators used

All key indicators disclosed in this report relate to the BKS Bank Group. If different indicators are used in some cases or if the reporting of an indicator has changed compared to the preceding year, we point this out where it occurs in the text of the report. The single-entity financial statements of BKS Bank AG are not presented. BKS Bank AG has a dominant position within the Group, and therefore, its non-financial performance indicators differ only minimally from those of the BKS Bank Group.

Credit institutions and financial institutions	Consolidation	Accounted for using the equity method	Proportionate consolidation
BKS Bank AG, Klagenfurt	✓		
BKS-Leasing Gesellschaft m.b.H., Klagenfurt	✓		
BKS-leasing d.o.o., Ljubljana	✓		
BKS-leasing Croatia d.o.o., Zagreb	✓		
BKS-Leasing s.r.o., Bratislava	✓		
BKS Leasing d.o.o. Belgrade	✓		
Oberbank AG, Linz		✓	
Bank für Tirol und Vorarlberg Aktiengesellschaft, Innsbruck		✓	
ALPENLÄNDISCHE GARANTIE - GESELLSCHAFT m.b.H., Linz			✓

### Other consolidated companies

BKS Zentrale-Errichtungs- u. Vermietungsgesellschaft m.b.H., Klagenfurt	✓
E2000 Beteiligungsgesellschaft m.b.H.	✓
Immobilien Errichtungs- u. Vermietungsgesellschaft m.b.H. & Co. KG, Klagenfurt	✓
IEV Immobilien GmbH, Klagenfurt	✓
BKS Service GmbH, Klagenfurt	✓
BKS Immobilien-Service Gesellschaft m.b.H., Klagenfurt	✓
BKS 2000 - Beteiligungsverwaltungsgesellschaft mbH, Klagenfurt	✓

GRI 2-2 Entities included in the organization's sustainability reporting



## Economic development

**BKS Bank demonstrated its innovation capabilities and stability many times in 2023. Net income for the year after taxes rose to an all-time high of EUR 179.1 million. Total assets increased to EUR 10.7 billion.**

### Policy shift on interest rates created positive momentum

The financial year 2023 was overshadowed by geopolitical insecurity and sustained high inflation rates. In response, central banks raised interest rates. After four adjustments in 2022, six more were made in 2023. The last interest rate hike by the ECB was on 20 September 2023. At the time, the interest rate for the ECB's main refinancing operations as well as interest rates for the marginal lending facility and the deposit facility rate were 4.50%, 4.75% and 4.00%, respectively. After more than a decade of low interest rate policy, this development marked a return to traditional banking principles and led to a normalization in the lending business. Our focus was on adapting quickly to the new market conditions, enlargement of our portfolio of sustainable products, and at the same

time, carefully managing risks. Considering the changed interest rate situation, the lending business developed quite well in the reporting year. Interest income from the application of the effective interest rate method increased to EUR 322.3 million; other interest income rose by EUR 21.7 million to EUR 47.4 million, while interest expenses went up fourfold to EUR 121.1 million. For the year 2023, this resulted in net interest income of EUR 248.6 million, which is an increase of 58.8% year on year.

We have taken into account weak economic growth and higher insolvency risks, particularly in the real estate sector, when allocating risk provisions. Allocated risk provisions in the reporting year amounted to EUR 38.4 million, which is an increase of EUR 12.5% million (+48.1%). Net interest income after risk provisions rose from EUR 130.7 million to EUR 210.3 million, which is a significant increase (+60.9%).

### Key components of the income statement

in € million	2022	2023	± in %
Net interest income	156.6	248.6	58.8
Impairment charges	-25.9	-38.4	48.1
Net fee and commission income	68.2	64.9	-4.8
Profit/loss from companies accounted for using the equity method	20.7	90.4	>100
Net trading income	-1.2	0.3	>100
Other operating income/expenses	4.3	-8.3	>100
Profit/loss from financial assets	-8.1	1.9	>100
General administrative expenses	-136.0	-153.3	12.7
Profit for the year before tax	78.6	206.3	>100
Income tax	-15.0	-27.2	81.3
Profit for the year after tax	63.6	179.1	>100



### ***Differentiated development of fee and commission business***

The fee and commission business is a pillar of our business. During the reporting year, fee and commission income was EUR 64.9 million, which is slightly lower year on year (-4.8%). While we strengthened our market position in payment services and were very successful in acquiring new business accounts, the securities business saw a slight downturn. At a gain of 11.4% and a surplus of EUR 27.7 million, income from payment services was much higher. Payment services once again proved to be the most profitable area of our fee and commission business.

Demand for loans was subdued in the reporting year due to a generally more cautious stance regarding investments. Therefore, income from fees and commissions on loans dropped from EUR 20.3 million to EUR 14.7 million. A positive factor, however, is the fact that new lending picked up again in the last quarter, which had a positive influence on fee and commission income on loans.

Volatility on stock markets continued in 2023. Income from fees and commissions in the securities business decreased slightly from EUR 18.7 million to EUR 18.4 million (-1.9%). Bonds gained ground as a result of the policy reversal in interest rates.

Income from companies accounted for using the equity method also contributed significantly to earnings: it rose from EUR 20.7 million to EUR 90.4 million. The increase was due to the allocation of net profits for the period on a proportionate basis from our partner banks Oberbank AG and Bank für Tirol und Vorarlberg,

which also benefited from higher interest rates.

### ***Higher administrative expenses***

Considering the challenging market situation, we placed particular emphasis on rigorous cost discipline. Despite these efforts, general administrative expenses went up by 12.7%, which is higher by EUR 17.3 million. The sum of general administrative expenses was EUR 153.3 million in 2023. The increase is due primarily to inflationary effects, investments in the digital transformation and higher staff costs as a result of the robust increase in collective wages agreements.

### ***Profit for the year at new all-time high***

In the past financial year, BKS Bank earned an impressive profit after tax of EUR 179.1 million, which was EUR 115.5 million higher year on year.

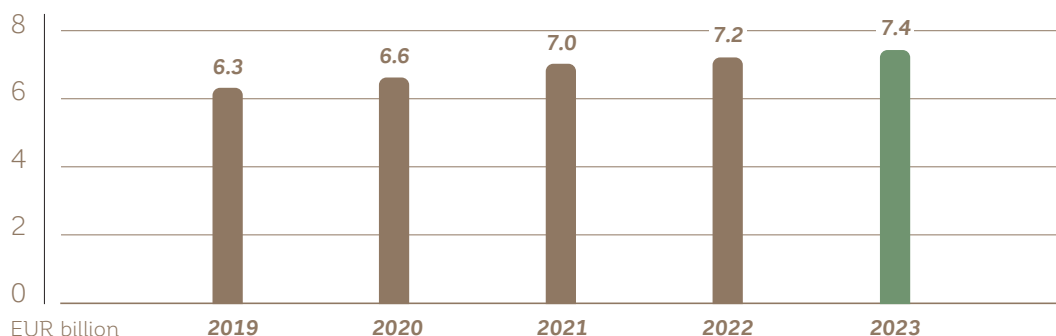
### ***Higher total assets***

The total assets of BKS Bank were EUR 10.7 billion on 31 December 2023, increasing by 1.3% year on year.

### ***Solid growth in lending volume***

The lending business performed very satisfactorily in the past financial year. At year-end, receivables from customers increased by 3.3% to EUR 7.4 billion. Considering the prevailing economic uncertainty and resultant restraint among consumers, we are very satisfied with the lending growth achieved. Confidence and optimism recovered around the end of the year, as seen in the rising demand for loans in the fourth quarter of 2023. In the reporting year, we granted a total volume of new loans throughout the group of EUR 1.5 billion. 90.9% of the loans were granted to corporate and business customers.



**Receivables from customers**

Demand in the retail customer segment was slow: Only 9% of new loans were extended to this target group. In 2022, around 14% were granted to retail customers, and in 2021, it was even 15.1%. Around one fifth of new loans were extended in our foreign markets.

Performance was also solid in lease finance in the reporting year. In the reporting year, our Austrian leasing company granted new finance in an amount of EUR 113.3 million. The subsidiaries in Slovenia, Croatia and Slovakia also achieved a satisfactory number of new contracts. The newly founded leasing company in Serbia also contributed to new business in its first financial year. In total, the value of receivables from Austrian and international leasing companies rose to EUR 659.4 million, which is an increase of 6.7% compared to the close of the preceding year.

The cash reserve is a key component of the counterbalancing capacity (CBC), which measures a credit institution's ability to generate sufficient liquidity over a longer term. On 31 December 2023, the CBC amounted to EUR 1.9 billion, which may be considered excellent.

**Primary deposits at stable level**

Primary deposits decreased slightly by

0.5% versus year-end 2022, and stood at EUR 7.8 billion. With respect to the composition of deposits, the trend towards deposits tied for longer terms continued. While it was mainly volumes on sight deposits and savings passbooks that decreased, the volume on term deposits increased by 62.7%. A new development was that the preference for term deposits was also evident in the corporate customer segment: In a year-on-year comparison, sight deposits in this segment decreased by 16.7%; by contrast, term deposits rose by 57.5%.

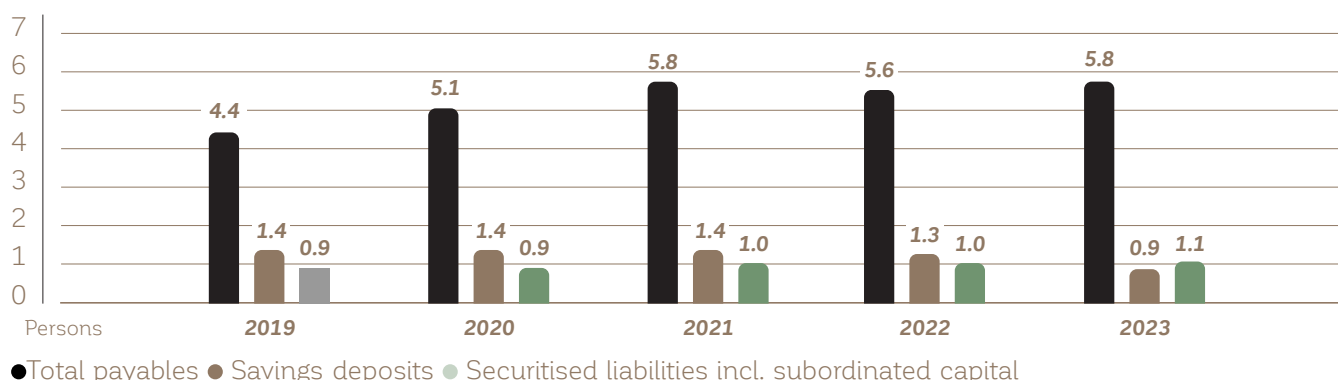
Demand for digital banking products continued to rise. Our online account "Mein Geld-Konto fix" was especially popular with retail customers and volumes increased steeply, thereby boosting term deposits. By contrast, volumes on traditional savings passbooks continued to decrease, dropping by 26.7% to EUR 922.5 million.

**Issuance business developing well**

We successfully placed three green bonds for funding sustainable energy generation again. This shows the growing awareness and engagement among investors with regard to the energy transition. In total, we issued bonds with a volume of almost EUR 100 million. Securitised liabilities totalled EUR 822.8 million at year-end,



### Development of primary deposits



which is a very satisfactory rise of 5.0% versus year-end 2022. Subordinated debt capital remained unchanged year at EUR 265.0 million.

#### Successful capital increase

Consolidated shareholders' equity was EUR 1.8 billion as at 31 December 2023, which is an increase of 14.6% year on year. Subscribed capital increased in the second quarter of 2023 to EUR 91.6 million after the successful completion of a capital increase. With the aim of enabling growth in the bank's core business, in March, the Supervisory Board approved the proposal of the Management Board of BKS Bank AG to increase the share capital from EUR 85.9 million up to EUR 91.6 million through the issuance of a maximum of 2,862,860 new ordinary bearer shares.

#### Solid equity base

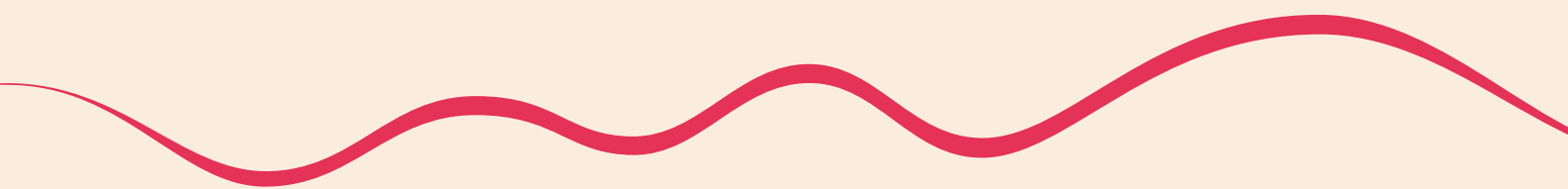
BKS Bank has a solid capital base, which is essential for stability and growth, especially in challenging times. As at 31 December 2023, the following minimum capital ratios were met:

- 5.4% for common equity tier 1 capital (CET1)
- 7.2% for tier 1 capital

- 9.6% for the total capital ratio

Common equity tier 1 capital of BKS Bank rose in the reporting year by EUR 129.2 million to EUR 907.5 million, which is a gain of 16.6%. The common equity tier 1 ratio increased from 12.5% to 13.6%. The tier 1 capital ratio rose from 13.6% to a pleasing 14.6%, and the total capital ratio increased from 17.0% to 17.8%.







# Strategy





**“Two decades ago, we recognised the significance of sustainability and took strategic decisions that are bearing fruit today. Our success and the many awards confirm the key role sustainability plays in our corporate strategy. And we will continue on this path.”**

**Herta Stockbauer**

Chairwoman of the Management Board  
Joined BKS Bank in 1992.







## CSRD & ESRS: New Approaches to Sustainability Reporting

The Corporate Sustainability Reporting Directive (CSRD) was published at the end of 2022. The European Union has established the new sustainability reporting requirements in European accounting law.

Compared to previous non-financial reporting requirements under the Non-Financial Reporting Directive (NFRD), companies are now subject to extensive reporting requirements which aims to ensure more efficient and transparent disclosure based on comparable and reliable sustainability information. The CSRD defines the obligation to audit the sustainability report and also mandates disclosure within the management report. This is a clear indication that sustainability reporting has been raised to the same level of importance as financial reporting.

The objective of making published sustainability information more comparable and reliable is guaranteed by the European Sustainability Reporting Standards (ESRS). The European Sustainability Reporting Standards are an integral part of the CSRD and their application is mandatory. At the end of July 2023, the European Commission adopted the first set of a total of twelve standards.

Apart from two general standards that cover various topics, there are ten cross-cutting standards with a focus on environment, social issues and corporate governance. However, a materiality assessment must be conducted for each of these ten standards applying the principle of double materiality.

The concept of double materiality makes it possible for a company to focus its reporting on material topics and apply only those standards that are considered material. Therefore, the materiality of sustainability aspects must always be considered from two perspectives: the inside-out perspective (also known as impact materiality) and the outside-in perspective (also known as financial materiality).

The inside-out perspective means that a company must determine the actual and potentially positive or negative effects of its business activities on a wide range of sustainability topics. The outside-in perspective means that a company looks at the opportunities and risks of the various sustainability topics and their impact on the financial position and earnings. A sustainability topic must be reported if it is assessed as material from one of the two perspectives.

The new sustainability reporting requirements pose an enormous challenge to companies with respect to the timely preparation of the reports in compliance with the law. However, this development is viewed not only as a burden, but also as an opportunity to communicate a company's engagement for sustainability to the world. Legislators and the public alike have growing expectations in of companies with regard to their sustainability activities. Awareness of the need to protect the environment, social responsibility and corporate responsibility has become widespread.

At BKS Bank, we have been publishing a separate sustainability report since 2012. We are excellently prepared for the upcoming changes.



# Corporate Strategy

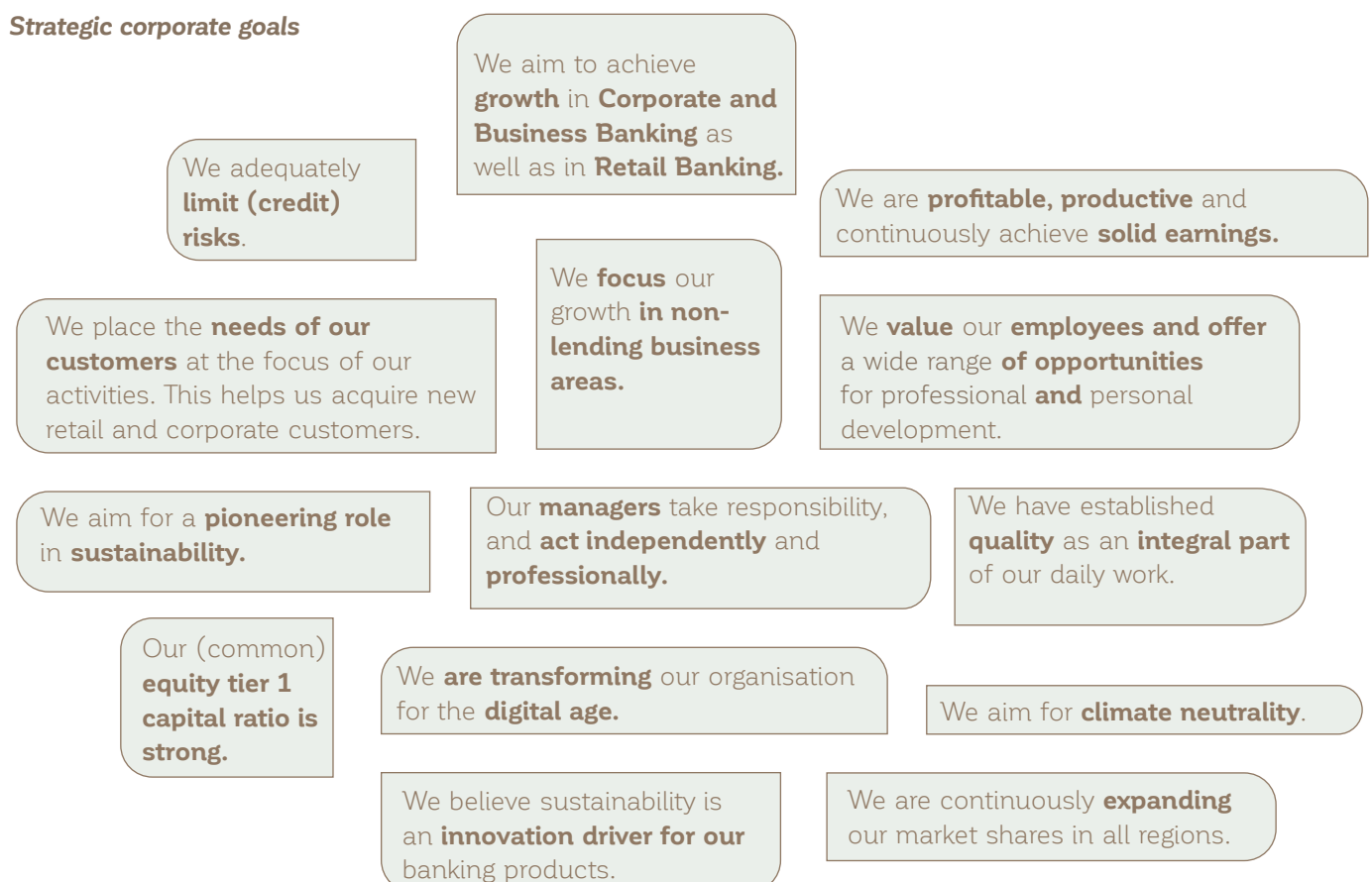
**BKS Bank pursues a growth strategy oriented on sustainability. This strategy has been the basis of our success for many years, with growth now focused less on expanding the branch network and more on acquiring new areas of business.**

Competition in the banking sector is intense. New competitors and also non-banking actors are entering the market, the price war is fierce and is squeezing margins, and digitalisation requires huge investments. Compliance with regulatory requirements require high levels of staffing and customer expectations have also changed dramatically. This already challenging environment has been compounded by global crises in recent years, and meanwhile, overcoming crises has become a routine item on the agenda for management.

Banks play a key role in the efforts to mitigate the effects of climate change – and we are highly committed to this objective. We are a founding member of the Green Finance Alliance. One of the main goals of this initiative is to align the loan and investment portfolios with the goals of the Paris Climate Agreement. We believe that to secure a livable future, we need to focus on the big issues. Therefore, we include sustainability targets in our key strategic goals.

A structured annual strategy process has been established to ensure that we address these challenges in a timely manner and are able to manage the entailing risks and make optimum use of opportunities. Our corporate strategy has several sub-strategies. The risk strategy, sustainability strategy, and ICT strategy are derived from the business strategy.

## Strategic corporate goals



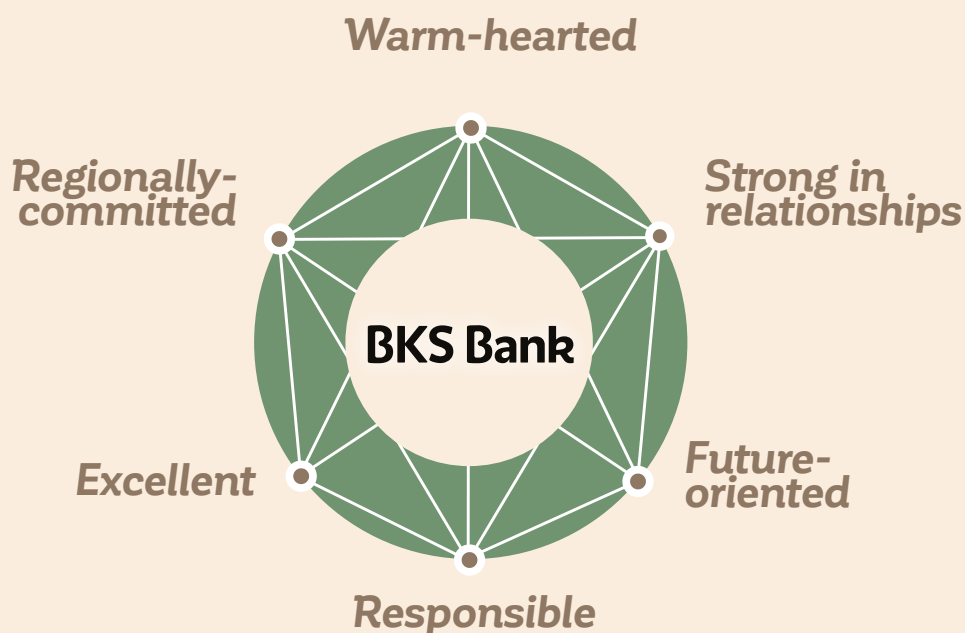


## Our brand positioning

As a bank that cares about people and has strong regional roots, our aim is to ensure the prosperity of our customers. We offer excellent advisory services and

products, and promote networks that foster the values we stand for. Together, we work to shape the future and assure a high quality of life.

**A warm-hearted bank working to secure a livable future**



## Our values

### **Future-oriented**

We are curious, recognize trends that fit our mission early on, and take advantage of these with a view to future benefits without losing sight of what is essential.

### **Excellent**

We only do what we are really good at, but better than our competitors and exceed the expectations of our partners and customers.

### **Warm-hearted**

We foster personal relationships and treat our customers as equals: respectfully and with empathy.

### **Responsible**

We are a flagship and multiplier for social responsibility; we work and invest to achieve healthy and long-term growth.

### **Regionally-committed**

We are proud of our origins, we work across regions and contribute to our local communities.

### **Strong in relationships**

We develop employees, customers and partners into real supporters and create networks that foster the values we stand for.



## Our mission

We are progressing one step at a time towards the goal of becoming one of the ten most important banks in Austria.

We see ourselves as a commercial bank, independent and autonomous in our decisions.

Our deep regional roots give us stability and permit us to grow in our regions.

Our employees act responsibly and strive to provide high quality. We offer our employees an attractive workplace and career prospects. We invest in their training and promote a good work-life balance.

Being part of the 3 Banken Group and the equal standing within the alliance gives us the strength of a major bank.

Living sustainably means assuming responsibility for our region and our future. We work to strengthen our pioneering role in sustainability.

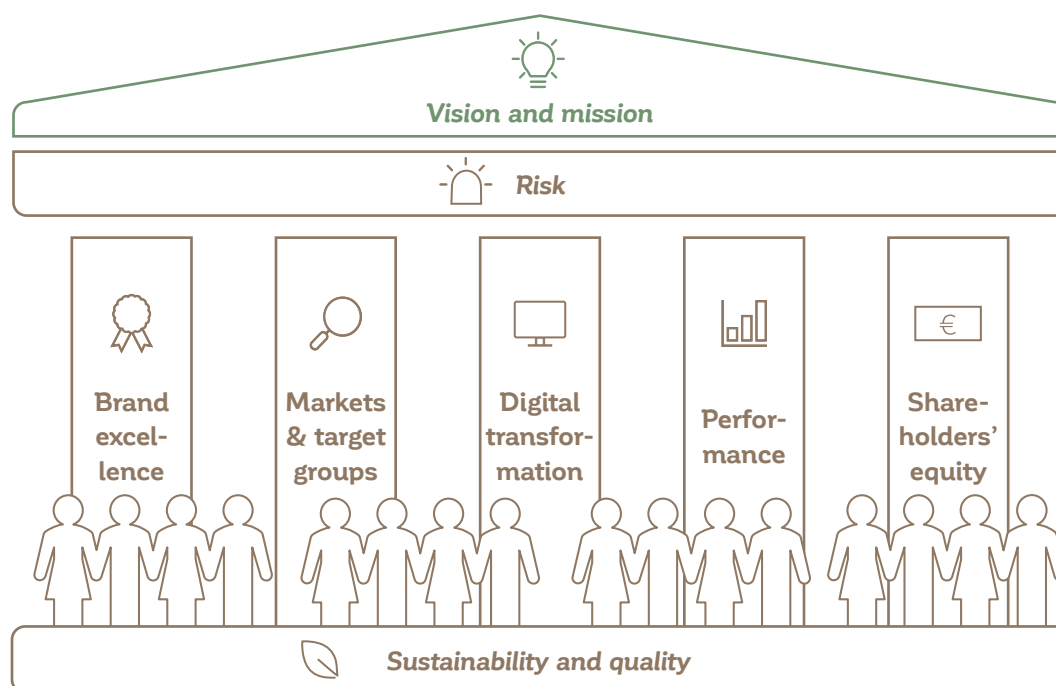
We offer shareholders long-term value appreciation and reasonable annual returns. This makes us appealing to investors and strengthens our capital base.

We take risks only when we are able to master them on our own strength. This helps us retain our independence and autonomy.

We understand the individual needs of our customers. We are the first choice for discerning customers and combine advisory excellence with modern digital solutions.



### BKS Bank's strategy model



#### Achieving our corporate strategy

We have modelled our corporate strategy on a Greek temple to achieve the defined corporate goals. The image of a building has been selected intentionally to illustrate the interdependence of the individual components. The stronger the foundation, the more stable the structure and the greater the resilience to changes in market conditions. The stronger the columns, the better they can carry the load on the roof. The long-term vision of BKS Bank's future is depicted above the image of the building. Each of the elements represents a strategic field of action on which we plan to focus in the coming years.

Strategic goals and strategic core indicators as well as a catalogue of strategic initiatives ensure operational implementation. The progress of implementation is regularly reported on within and outside the company. We report to the Supervisory Board within the context of strategic planning and non-financial reporting as well as in the Risk Committee.

#### Strategic initiatives 2023

##### Sustainability and quality

Sustainability and quality are the foundation of our strategy.

Acting responsibly is a defining part of our corporate culture. In 2023, we worked hard to achieve our sustainability goals and, among other things, launched new loan products for retail customers with a focus on the social aspects of ESG. As part of our work to achieve climate neutrality, we submitted our science-based climate targets to the Science-based Target Initiative for validation. We have made good progress in complying with the requirements of our membership in the Green Finance Alliance and in implementing of the various requirements of the EU Action Plan for Financing Sustainable Growth. Quality has always enjoyed high priority at our bank. Our activities to improve quality at our bank are evaluated externally by Quality Austria. In October 2023, we successfully completed the EFQM assessment and were awarded the internationally recognised seal of quality "Recognized by EFQM 6 Stars".



### **Brand excellence**

Strong brands provide consumers with guidance when reaching decisions. BKS Bank is a strong brand and we work hard to maintain and develop it.

A high degree of customer satisfaction is the result of an excellent brand strategy. We regularly conduct customer surveys. The results clearly show that our customers are very satisfied with the services we provide. A share of 95% of our customers rated overall satisfaction "very good" and "good". In the reporting year, we focused on the topic of employer branding and aligned our positioning on the job market with our core brand values.

### **Markets and target groups**

We aim to grow one step at a time on our own strength. To achieve this goal, we make every effort to acquire new customers in all regions, enlarge our market shares and enter new business fields. Our focus is on a hybrid sales model. In the reporting year, we successfully implemented the following initiatives in this strategic area of action, including: In April 2023, the newly founded leasing company in Serbia opened for business with six employees. In Austria, we focused our sales activities on acquiring non-profit housing associations and municipalities as new customers in 2023.

### **Digital transformation**

We understand the digital transformation to cover all initiatives to digitalise processes, products and working methods. User-friendliness and security are especially important in this context. The new financial planner we launched in the BKS app a few months ago also meets these two criteria. Since the autumn, corporate customers have been able to request a non-binding financing loan offer through the BizzNET customer portal

and the website. Shortly before the end of the year, we launched the option of opening a securities account online and expanded the digital range of services in the investment business.

### **Performance**

In this strategic field of action, we deal primarily with projects that address issues relating to improving efficiency and cost optimization. In the year 2023, work continued to work on the project "migration of the foreign markets core banking system". Another project with an international focus was launched in mid-year: The organization of foreign markets is being adapted to align more closely with our structures in Austria to make better use of synergies and reduce complexity in processes.

### **Shareholders' equity**

A strong capital base guarantees future growth, increases resilience and secures the independence of BKS Bank. In May 2023, we successfully completed a capital increase to increase equity. Moreover, we strengthened our capital ratios through retained profits.

### **Risk**

A key element of our business is knowingly assuming risks. Important in this context is the early recognition of all relevant banking and operational risks as well as their active management and mitigation by taking effective risk management measures. In the reporting year, we focused on the development of the interest rate risk management in the banking book.

For a detailed description of our corporate strategy, please refer to the chapter "Corporate Strategy" in the Annual Report 2023.



## Risk strategy

Our business policy motto is to secure our autonomy and independence by increasing profits through a sustainable growth strategy. A key element of our business is to specifically assume risks based on the premise of recognising all relevant risks early on that may result from the banking business and banking operations, and to actively manage and mitigate risks through effective risk management.

All individual risks are recorded, evaluated and analysed for this purpose. The capital available is used as efficiently as possible taking into account the medium to long-term strategic goals, with the risk/profit ratio being constantly optimised. A key principle of our risk policy is that we only focus our activities on business areas in which we have the expertise to assess the specific risks.

A solid, company-wide risk culture based on a comprehensive understanding of our risks and founded on our values has been established at our bank. The risk culture is defined at the highest level by the mission statement and the risk strategy as well as by the principles of proper business management of BKS Bank. The management board and staff are committed to the key risk policy elements and the corporate values, and their activities are guided by this value system, the defined risk appetite and the existing risk limits in place. BKS Bank promotes awareness of risks in day-to-day business transactions and also encourages critical discourse on these risks.

The risk strategy is updated at least once a year or ad hoc in the event of major changes to external circumstances. Risk Controlling is responsible for updating the risk strategy; final approval is given by the Management Board.

Furthermore, the risk strategy is brought to the attention of the Supervisory Board at the first Supervisory Board meeting. The Risk Committee monitors the implementation of the risk strategy and discusses the further development of the risk strategy and readiness at its annual meeting.

### Three lines of defense

BKS Bank is committed to the “three lines of defense” model, which states that risks should be addressed and managed according to the following three stages:

- **First line of defense:** Identify and manage risks confronting the operating divisions
- **Second line of defense:** Identify, measure, and recognize cross-functional risks by risk management units
- **Third line of defense:** Internal audit reviews to ensure that the risk management framework is effective and that defined procedures and policies are being followed.

A central element of risk culture is the integration of individual indicators from the Risk Appetite Framework into the compensation policy. This ensures risk-adequate assessment of remuneration in line with the risk appetite. Another important cornerstone of risk culture is the handling of sustainability risks. Sustainability risks are managed within the individual risk types. Therefore, the risk policy principles for managing sustainability risks and especially climate risks refer to the diverse management levels and risk categories at BKS Bank. For a detailed description on how we manage ESG risks and opportunities, please refer to Chapter G - Governance starting on page 128. Further information on risk management is disclosed in detail in the risk report contained in the Annual Report.

GRI 2-12 Role of the highest governance body in overseeing the management of impacts

GRI 2-13 Delegation of responsibility for managing impacts

GRI 2-23 Policy commitments

GRI 2-24 Embedding policy commitments

TCFD, governance, recommended information a)

TCFD, Governance, commended information b)

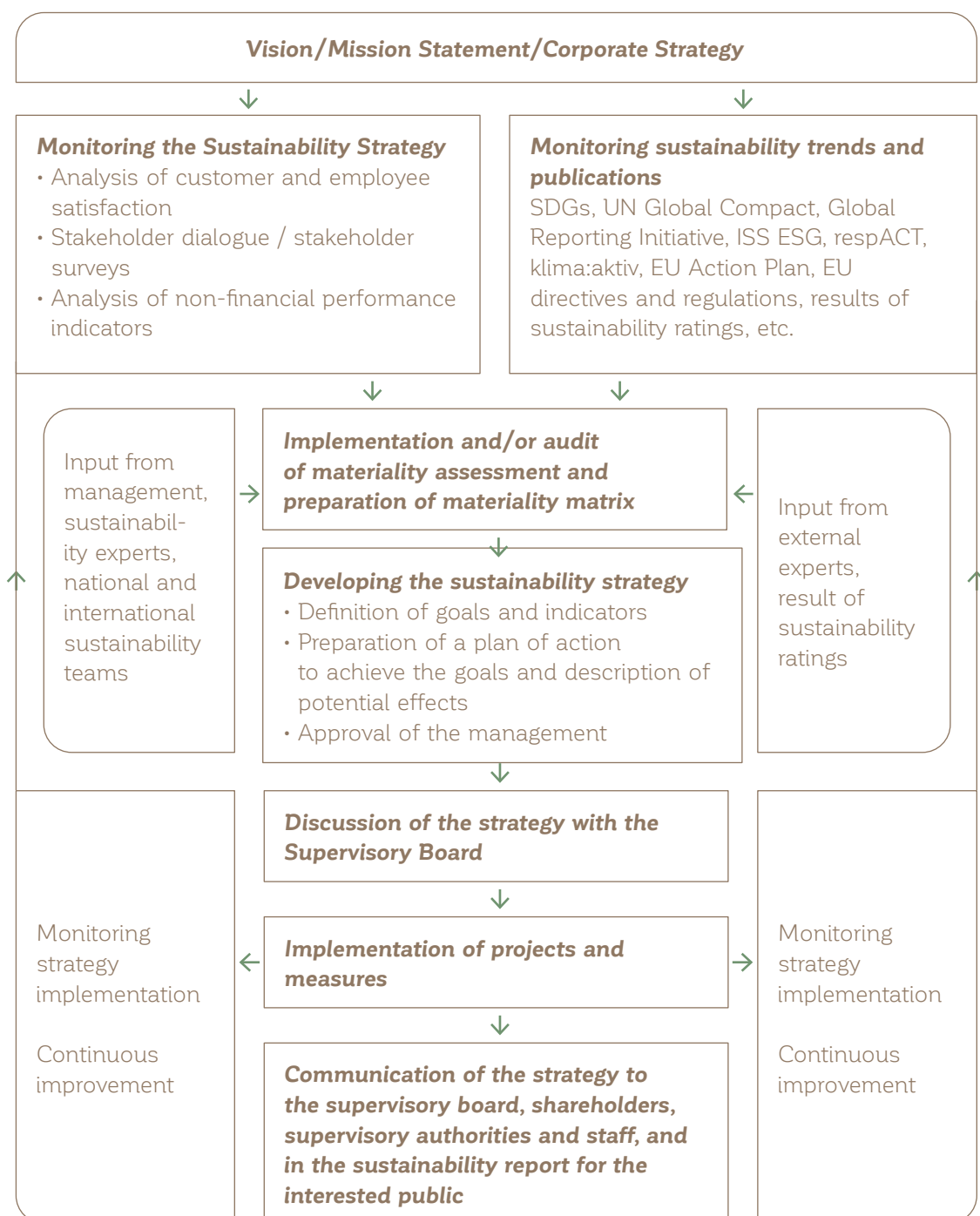


# Sustainability strategy

At BKS Bank, a structured process has been established for developing a sustainability strategy. Our values, mission, guiding principles and corporate strategy serve as a basis. The most important aspects in the development

of the sustainability strategy are stakeholder engagement, the materiality matrix and international standards and recommendations on sustainable development.

## Sustainability strategy process



GRI 2-12 Role of the highest governance body in overseeing the management of impacts

GRI 2-23 Policy commitments

GRI 2-24 Embedding policy commitments

GRI 2-29 Approach to stakeholder engagement



The sustainability strategy is usually defined for a period of five years. The current sustainability strategy 2021-2025 was developed in the year 2020 under the motto “With accountability into a liveable future”. We update our strategy regularly when there are significant changes to international standards or other developments that require an adjustment. The last revision of the sustainability strategy was completed in the year 2022. Among other things, we aligned the fields of action to E, S and G and expanded the SDGs we prioritize. In the reporting year, we reviewed the corporate strategy and made slight adjustments to the wording of key strategic goals. In the current financial year, we will thoroughly revise our sustainability strategy to meet the requirements of the CSRD.

### **Stakeholder survey 2023**

The Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS) require companies to provide more detailed and comprehensive reporting on sustainability aspects. The ESRS defines a new materiality process in which impact materiality and financial materiality must be assessed. Internal and external stakeholders must be included in the assessment and the topics listed in ESRS 1 - General Requirements must be considered. In this context, we conducted a comprehensive stakeholder survey in the reporting year. The survey was designed as an online survey to reach the most diverse and largest group of stakeholders possible.

The questionnaire covered various topics from the ESRS1 longlist, including questions on environmental sustainability, social responsibility and corporate governance. The online stakeholder survey is one of several components used to determine impact materiality.

### **Customer dialogue is an important driver of long-term success**

A high level of customer satisfaction is the foundation for lasting success. For this reason, we regularly conduct customer satisfaction surveys. For some years now, we have also conducted an online survey of customers after interaction with us at branch. The results of this contact feedback are evaluated, analyzed and communicated to employees, branch managers and executives on a quarterly basis. Apart from standardized surveys, our customer account managers are in regular contact with our customers. Another important format for engaging with customers are events at which customers have an opportunity to talk to the top management.

### **Engagement with employees**

Last year, there were again many exciting opportunities to actively involve employees in projects and plans. As part of the realignment of the employer branding strategy, employees and managers were involved in developing the new brand positioning. The LGBTQIA+ Business Resource Group met regularly and initiated the introduction of a gender-sensitive approach. Lively exchanges also regularly take place at the events organized for BKS Bank's training staff.



Some of the ideas discussed find their way into the new training courses of the BKS Bank Academy. A special highlight was the introduction of a reverse mentoring programme, which promotes cooperation between the generations and enables less-digitally savvy managers to learn about the benefits of

digital applications from digital natives. The active involvement of employees helps create a working environment that promotes diversity, innovation, cooperation and strengthens loyalty to BKS Bank.

## Relevant SDGs for BKS Bank

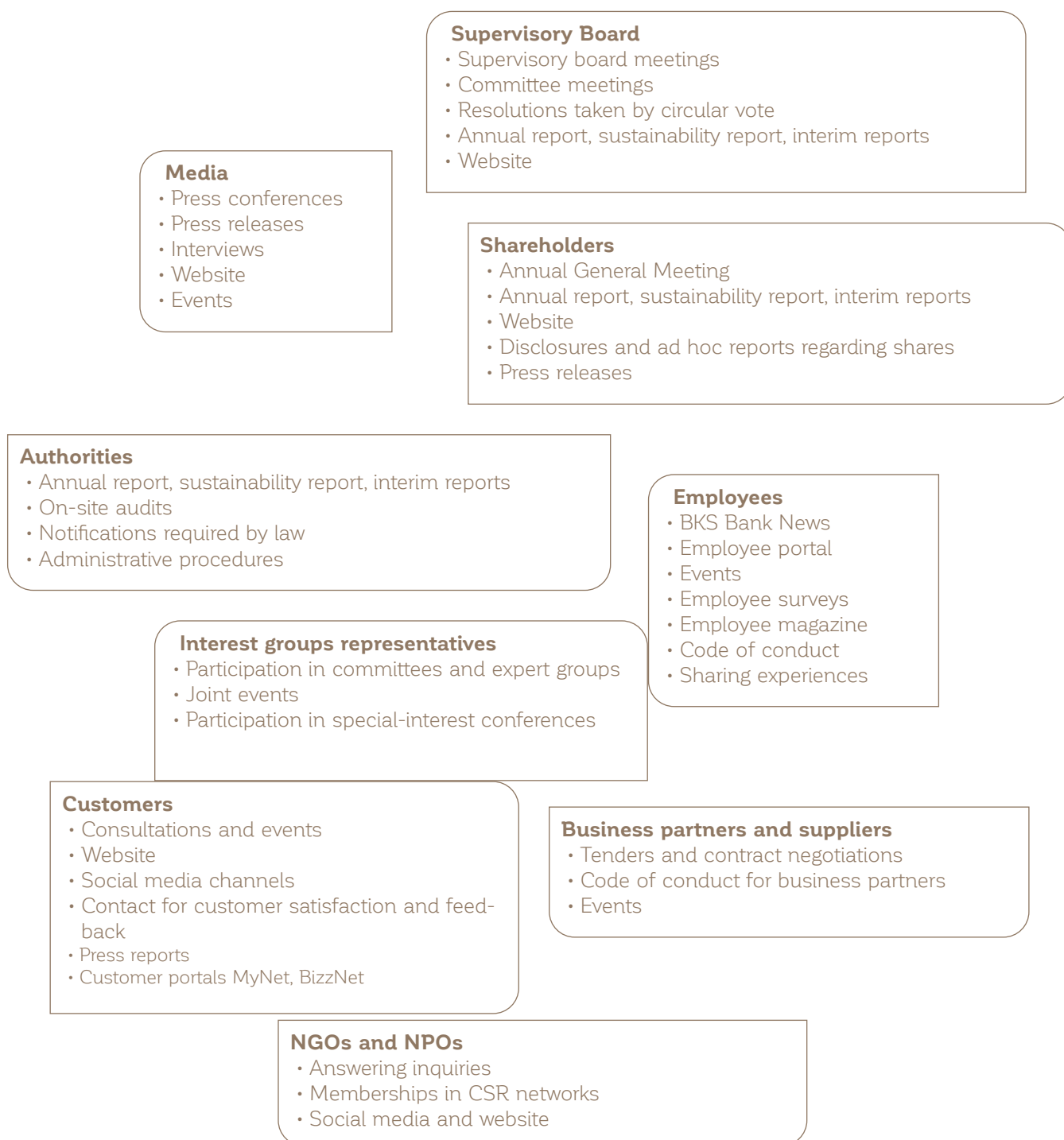
SDG	Reasons for the choice
	Poverty remains an issue that is present – albeit often hidden – in all of BKS Bank's market areas and disproportionately affects women, older people, and families with many children. We can alleviate poverty through our retirement, savings and investment products as well as financial education and sponsoring.
	Quality education is a key element for financial security. The professional competence of our employees is a valuable competitive advantage. We contribute to quality education by supporting educational institutions and through our education and training programme.
	Austria is still one of the worst performers in Europe in terms of the gender pay gap, and women are significantly underrepresented in management positions. BKS Bank is also working to increase the percentage of women in management positions and to significantly reduce the gender pay gap.
	Europe is currently still heavily dependent on fossil fuels. A successful transition to renewable energy is critical to achieving the goals of the Green Deal. BKS Bank can support change within the context of the environmental impact of operations and also with respect to sustainable financing and investments.
	BKS Bank offers its employees high-quality jobs. We also influence our customers' business policies through our lending policies and investment strategies. Our products and investments help to create new capital and contribute to economic growth. The payroll taxes, income taxes and charges we pay have a positive influence on development in our regions.
	Our bank is an important partner for businesses in our markets. We make investments in innovation and infrastructure possible, and also help create added in our regions through the loans we grant.
	Access to affordable housing and the climate-neutral orientation of cities and municipalities are core elements of SDG 11. Our range of products is a contribution to achieving these goals.
	We contribute substantially to sustainable consumption and production patterns. We are a reliable employer for our staff, offering fair incomes and many fringe benefits to ensure a good financial livelihood. We also contribute to the sustainable development of the environment and society through our loans and investments.
	We contribute directly to climate change mitigation by making our business operations environmentally-friendly. Green loans and sustainable investment products enable our customers to make investments in ecological production processes, renewable energy and sustainable mobility.



## Stakeholder engagement

Sharing ideas and views with our stakeholders gives us valuable inputs for the further development of our strategic goals. Stakeholders of BKS Bank are all persons and groups as well as organisations and institutions which have

an economic or social interest in the decisions we take. The following instruments are used in stakeholder engagement:





### Materiality analysis

The starting point for the sustainability strategy is the materiality matrix determined in 2020 as part of the strategy process. This is based on the results of several stakeholder engagement events at which the following topics were frequently mentioned by the individual stakeholder groups:

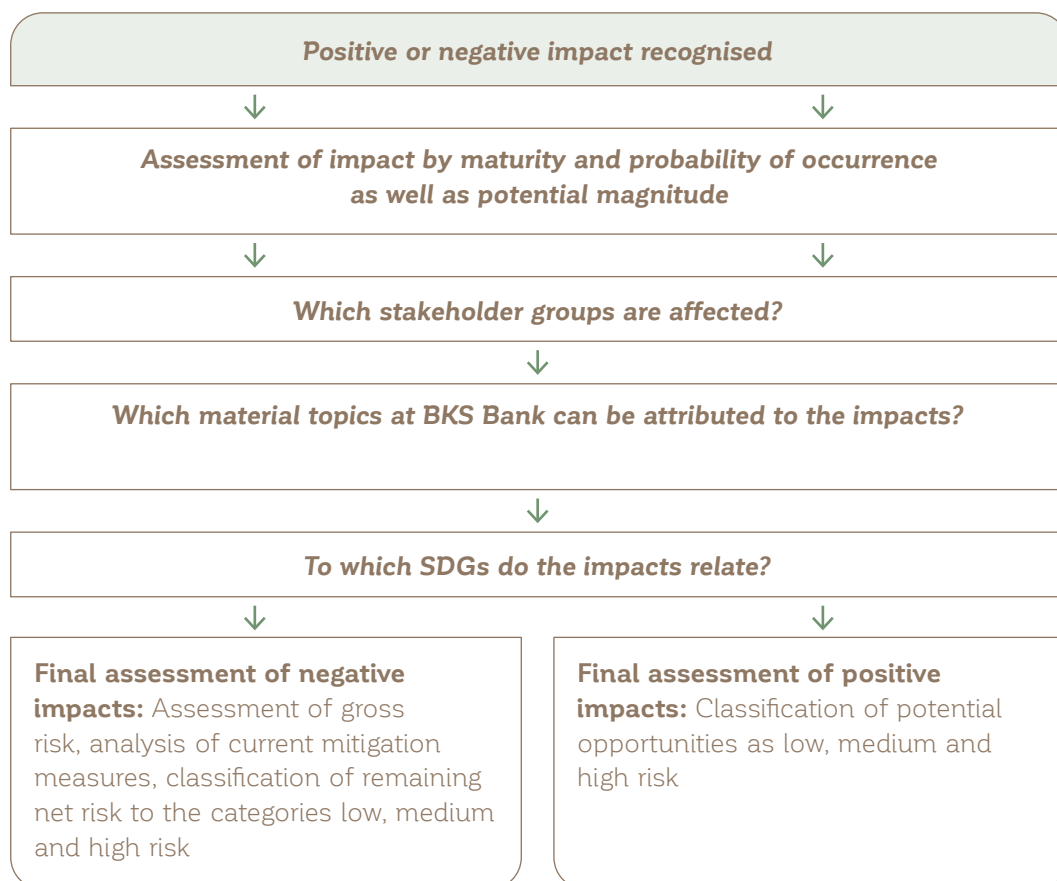
- **Shareholders:** Future-oriented business model, good governance and reputation, BKS Bank's shares as an attractive investment
- **Customers:** More sustainable services and digital products, excellent partnership on an equal footing, support for green energy and future technologies
- **Company's Boards and Officers:** Contribute to reducing poverty and

improving financial literacy, avoidance of greenwashing, promotion of arts and culture

- **Employees:** Jobs with good training and further education opportunities, flexible working hours and fair pay, work-life balance and secure jobs

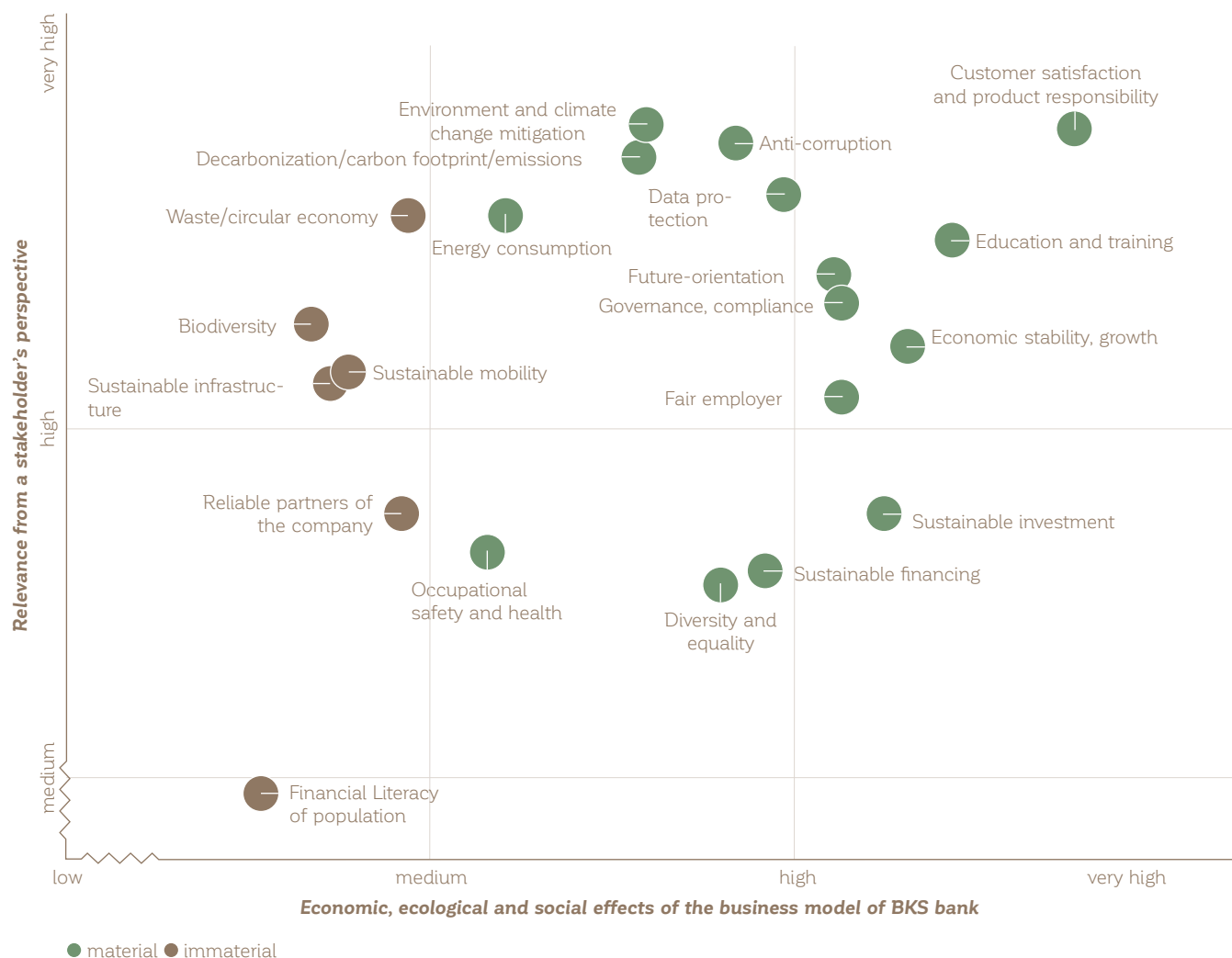
The materiality assessment process is being redesigned to be part of the implementation of the new sustainability reporting requirements. Many specifications and requirements are still under discussion. We therefore did not make any adjustments to the materiality matrix in the reporting year. In this report, we also provide information on some topics not identified as material such as sustainable mobility and green buildings.

### Process steps of the impact assessment





## Materiality matrix



## EFQM Excellence Model: Guidance for continuous development

The EFQM Excellence Model initiated by the European Foundation for Quality Management (EFQM) is a tried-and-tested quality management system. It stresses the importance of agility and sustainability, and takes all stakeholder needs into account. The model consists of three components and seven criteria. Its focus is on creating value for all stakeholders and continuous

improvement. Its flexibility makes it easy to apply to a wide range of organisations of different types and sizes, and also supports companies in mastering current and future challenges. BKS Bank has been using this model since 2012. We are regularly reviewed by Quality Austria – an external partner – to assess our organisational progress, with the most recent one having taken place in October 2023. The assessment process has two stages: First, a detailed self-description is drawn up based on the EFQM model.

Second, a team of assessors conducts an on-site visit lasting several days to talk to managers and employees about the criteria of the EFQM model. Afterwards, the assessment is made using the RADAR diagnosis tool. We are very satisfied with the results of last year's assessment. We are pleased that our efforts pay off and proud to have been awarded the international distinction **"EFQM Recognised for Excellence 6 Stars"**.



## Explanations on material topics

Material topic, field of action	Explanation	SDGs
<b>Occupational health and safety</b> S – Society and Social Engagement	Measures that contribute to the occupational safety and health of BKS Bank employees	8, 12
<b>Anti-corruption</b> G – Governance	Measures to prevent bribery	12
<b>Education and training</b> S – Society and Social Engagement	Measures for the further qualification of our employees	1, 4, 5, 8, 12
<b>Compliance, governance</b> G – Governance	Responsible business ethics with a greater customer focus and high standards for compliance, anti-corruption, prevention of money laundering and data protection	4, 5, 8, 12
<b>Data protection</b> G – Governance	Measures to ensure data security and data protection	8, 12
<b>Diversity and equality</b> S – Society and Social Engagement	Promoting diversity and equal opportunity for employees and in society, especially avoidance of age discrimination	1, 4, 5, 8, 12
<b>Energy consumption</b> E – Environment and climate change mitigation	Measures to improve energy efficiency at BKS Bank and throughout our value chain	7, 9, 11, 12, 13
<b>Fair employer</b> S – Society and Social Engagement	Behaviour of BKS Bank as an employer (job security, social benefits, fair income)	1, 4, 5, 8, 12
<b>Climate neutrality</b> E – Environment and climate change mitigation	Measures to reduce pollutant emissions released into the environment, with a particular focus on phasing out fossil fuels	7, 9, 11, 12, 13
<b>Customer satisfaction and product responsibility</b> G – Governance	Accountability towards customers and in product design as well as excellent advisory services resulting in high customer satisfaction	1, 7, 8, 9, 11, 12, 13
<b>Sustainable financing</b> E – Environment and climate change mitigation S – Society and Social Engagement	Sustainable lending and leasing products for our customers	1, 7, 8, 9, 11, 12
<b>Sustainable investments</b> E – Environment and climate change mitigation S – Society and Social Engagement	Offer sustainable investment and retirement products to customers	1, 7, 8, 9
<b>Environment and climate change mitigation</b> E – Environment and climate change mitigation	Measures that contribute to combating climate change and preserving biodiversity	7, 9, 11, 12, 13
<b>Economic stability, growth</b> G – Governance	Measures to ensure that BKS Bank is profitable and productive, achieves solid results regularly, and is able to grow on its own strength, thus making it a stable partner for businesses	1, 8, 9
<b>Future-oriented</b> G – Governance	Secure BKS Bank's high level of innovation and successful digital transformation	4, 8, 9, 12, 13



## Strategic sustainability goals

We defined strategic sustainability goals in 2020 to measure the success of our sustainability strategy and track our progress. The goals are based on indicators and the aim is achieve them by 2025. The base value for the

comparison is the year-end value of 2019. We present the attainment of our goals in the section "Key performance indicators of the sustainability strategy" as of page 152.

### Our employees are multipliers for sustainability and social responsibility

Our employees are important for promoting the sustainability activities of BKS Bank and supporting the transition to responsible business practices.

- Field of action: S – Society and Social Engagement
- Contributes to SDGs 1, 4, 5
- Derived from the material topic: diversity and equality
- Indicator for goal attainment:
  - At least 10% of all employees participate in corporate volunteering annually
  - 90% of our employees have completed at least one CSR training course by 2025

### Good governance in a wider sense is an integral part of our daily activities

BKS Bank is committed to the principles of good and responsible corporate governance and to the Austrian Code of Corporate Governance. We strive to comply with all laws, rules and regulations, and meet new requirements in time.

- Field of action: G – Governance
- Contributes to SDG 12
- It is derived from the material topics of compliance and governance, anti-corruption and data protection
- Indicators for goal attainment:
  - No substantial fines imposed by regulatory authorities
  - No substantiated complaints filed with data protection authorities

### We aim for climate neutrality

As a member of the Green Finance Alliance, we aim to align our loan and investment portfolio to the climate goals of the Paris Climate Agreement by 2040.

- Field of action: E – Environment and climate change mitigation
- Contributes to SDGs 7, 11, 12, 13
- Derived from the material topics: climate neutrality, energy consumption, environment and climate change mitigation
- Indicators for goal attainment:
  - We will reduce our carbon footprint per employee by 2025 to 2.0 t CO<sub>2</sub> equivalents
  - Total energy consumption decreases to 7.2 GWh by 2025
  - BKS Bank is climate neutral by 2050

### We value our employees and offer a wide range of opportunities for professional and personal development

Our employees are the backbone of our success. We work to attract the most talented people for our bank and aim for a high degree of employee satisfaction.

- Field of action: S – Society and Social Engagement
- Contributes to SDGs 4, 5, 8, 12
- Derived from the material topics: occupational safety and health, training and further education, diversity and equality, fair employer
- Indicators for goal attainment:
  - employee survey: Overall satisfaction is at least 1.9
  - Share of women in management positions increases to 35%
  - At least 25% of employees participate annually in the company health promotion programme
  - The gender pay gap has been reduced to 12%



### **We contribute to greater equal opportunity in society**

With products developed specifically for different target groups, activities to improve financial literacy and with secure jobs, we contribute to higher prosperity in the population and to reducing social inequality, especially age discrimination.

- Field of action: S – Society and Social Engagement
- Contributes to SDGs 1, 4, 5, 11
- Derived from the material topics: economic stability and growth, diversity and equality, environment and climate change mitigation
- Indicators for goal attainment:
  - We implement at least five measures annually to promote financial literacy

### **We believe sustainability is an innovation driver for sustainable banking products**

Our goal is to expand the share of sustainable products and fully exploit their innovation potential.

- Field of action: E – Environment and Climate Change Mitigation, S – Society and Social Engagement
- Contributes to SDGs 7, 8, 9, 11, 12, 13
- Derived from the material topics: climate neutrality, sustainable lending, sustainable investment, future-oriented
- Indicators for goal attainment:
  - Share of sustainable products in our total assets is 15%
  - The volume of new loans for sustainable finance is EUR 200 million per year
  - The share of ESG investment components in asset management increases to over 30%

### **We are members of accountability networks**

Together we can achieve more – therefore, we talk and share views with others and promote the idea of sustainability.

- Field of action: S – Society and Social Engagement
- Contributes to SDGs 1, 12, 13
- Derived from the material topics: Economic stability and growth, diversity and equality, environment and climate change mitigation, climate neutrality
- Indicators for goal attainment:
  - Member of the UN Global Compact, respACT – austrian business council for sustainable development, and Verantwortung zeigen!

### **We develop our properties into green buildings**

Our sustainable building strategy contributes to the reduction of energy consumption and carbon emissions.

- Field of action: E – Environment and climate change mitigation
- Contributes to SDGs 7, 9, 12, 13
- Derived from the material topics: climate neutrality, energy consumption, environment and climate change mitigation
- Indicators on goal attainment:
  - At least five green building activities per year
  - Our new buildings conform to the EU Taxonomy

### **We aim to be pioneers in sustainability**

We aim to strengthen our leading position in sustainability

- Field of action: G – Governance
- Contributes to SDGs 1, 4, 5, 7, 8, 9, 11, 12, 13
- Derived from all material topics
- Indicators for goal attainment:
  - Best-in-Class in sustainability: ISS ESG Prime Status, VÖNIX Index membership, EMAS certification, Green Brand

### **We work for sustainable growth and invest in the attainment of this goal**

We pursue a responsible growth strategy and as a reliable banking partner, we contribute to the sustainable development of our region.

- Field of action: G – Governance
- Contributes to SDGs 7, 8, 9, 11, 12, 13
- Derived from the material topics: economic stability and growth, future-oriented
- Indicators for goal attainment:
  - Lending growth of 4% to 5% per year
  - Increase in number of customers by 2% per year



## We are excellent

We are pioneers in sustainability and proud of this fact. Since 2015, we have been rated C+ “prime” by ISS ESG and thus rank among the best banks globally. In 2023, BKS Bank received several awards and completed certifications that serve as proof of our commitment to sustainability.

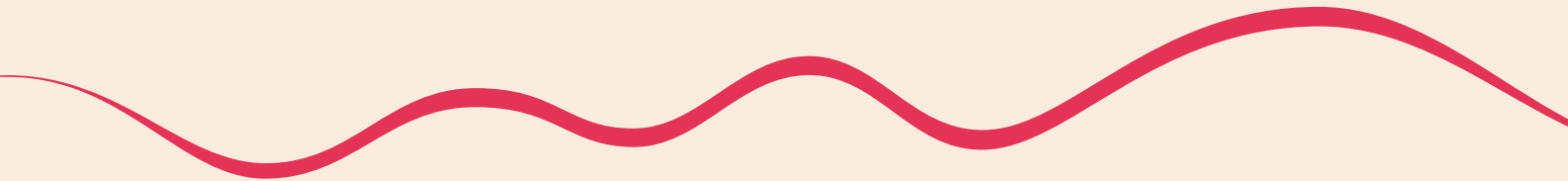
- We received the Sustainability Award of the **Vienna Stock Exchange** for a **third time** in a row.
- BKS Bank’s ordinary shares were included in the **sustainability index of the Vienna Stock Exchange, VÖNIX**, for the **eighth time** in a row.
- The magazine **“Der Börsianer”** designated BKS Bank “Austria’s Most Sustainable Bank” for a **fourth time**.
- Our Sustainability Report received the **ASRA** (Austrian Sustainability Reporting Award) in the category “Mandatory Reporting” – for a **third consecutive time**.
- We received the **Environmental Management Award** in the category of “Best Strategy for Sustainable Corporate Development”.
- Top ranking in the category **Work/Life-Balance** in Carinthia and East Tyrol in the market study “Best Employer”
- BKS Bank Slovakia was conferred the **EU “Green Brand”** warranty mark.
- **EMAS recertification** completed
- We received the quality seal for the **“berufundfamilie” audit** and for the “Workplace health promotion scheme”
- Recertification as a **family-friendly company** under the programme **MAMFORCE®** in Croatia
- Awarded the internationally recognized quality label for quality management **“Recognized for Excellence 6 Stars”** and included in the list of **excellent companies in Austria**
- Successful **ÖGNI certification** for the “Lebenswert” construction project in Eisenstadt













# E - Environment and Climate Change Mitigation





## Biodiversity Crisis and Biodiversity Strategy Austria 2030+

The biodiversity crisis – intensive land use, exploitation of organisms, as well as air, water and soil pollution – poses another ecological challenge in addition to the climate crisis. The loss of natural and semi-natural habitats leads to a loss of species, with current extinction rates being 100 to 1,000 times higher than the natural extinction rate without human influence.<sup>1</sup> It is estimated that around one million species are at risk of extinction, which corresponds to a quarter of all animal and plant species studied worldwide.<sup>2</sup> Habitats and species are also affected in Austria: At 68,000 animal and plant species, Austria is one of the countries of Central Europe with the most species, including almost 600 animal species and around 150 plant species that live only here.<sup>3</sup> At the same time, 44% of habitat types and 34% of species of European significance (Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora) in Austria have an adverse conservation status.<sup>4</sup>

The Austrian Biodiversity Strategy 2030+ is the central set of measures of the government's programme 2020-2024 to meet these challenges and comply with Austria's obligations as a party to the UN Convention on Biological Diversity. The strategy was developed in a broad participatory process and comprises a ten-point programme with quantitative and qualitative targets for the preservation and improvement of biodiversity in all habitats. The programme consists of six main objectives and four essential prerequisites. The six overarching goals:

- Improving the status and trends of species and habitats
- Effective protection and networking of all

- ecologically valuable habitats
- Restoration of ecosystems that are especially important for biodiversity and climate change mitigation
- Decisive reduction in land use and fragmentation
- Start of transformative change in society and integration of biodiversity into all sectors (mainstreaming)
- Strengthening global commitment

The four essential requirements:

- Improving the legal framework for biodiversity preservation
- Securing funding for the preservation of biodiversity and to support activities to promote biodiversity
- Appreciation of biodiversity in society and the economy
- Improving the scientific basis for achieving and evaluating biodiversity targets

The implementation of the measures is reviewed regularly by the National Biodiversity Commission. An interim report will be presented in 2026 and a final report on progress, status and trends in biodiversity in 2030. Criteria relating to biodiversity will also be developed within the Green Finance Alliance<sup>5</sup> and subsequently integrated into the initiative's guidelines. The existence of international scientific initiatives, standards and methods is an important prerequisite for the development of criteria, as this is the only way to achieve indicative and meaningful criteria.

Contributing author: Christoph Chrysalis,  
Green Finance Team  
Umweltbundesamt GmbH

<sup>1</sup> Pimm, S. L., Jenkins, C. N., Abell, R., Brooks, T., Gittelmann, J. L., Joppa, L. N., Sexton, J. O. (30 May 2014). The biodiversity of species and their rates of extinction, distribution, and protection. *Science* 344(6187):1246752.

<sup>2</sup> Ceballos, G., Ehrlich, P. R., & Raven, P. H. Vertebrates on the brink as indicators of biological annihilation and the sixth mass extinction. *Proceedings of the National Academy of Sciences of the United States of America* 117(24), 13596-13602. <https://doi.org/10.1073/pnas.1922686117>.

<sup>3</sup> Biodiversity Crisis and Biodiversity Strategy Austria 2030+ (2022) Vienna, Austria: Bundesministerium für Klimaschutz, Umwelt, Energie, Mobilität, Innovation und Technologie.

<sup>4</sup> Ellmauer, T., Igel, V., Kudrnosky, H., Moser, D., & Paternoster, D. (2020). Monitoring von Lebensraumtypen und Arten von gemeinschaftlicher Bedeutung in Österreich 2016-2018 und Grundlagenherstellung für den Bericht gemäß Artikel 17 der FFH-Richtlinie im Jahr 2019. Vienna, Austria: Federal Environment Agency

<sup>5</sup> <https://www.bmk.gv.at/green-finance/alliance.html>



***"We are dependent on an intact natural environment in many ways – it is our life insurance and also secures our future. But the global decline in biodiversity is endangering the basis of our existence. Austria's Biodiversity Strategy 2030+ pursues the goal of stopping the decline and integrating biodiversity into all sectors. The biodiversity crisis is also becoming increasingly important for financial markets, and also for the Green Finance Alliance. The protection and restoration of biodiversity is one of the six environmental goals of the EU Taxonomy. It contains specific criteria that will help members integrate biodiversity into their core business in the future."***

Leonore Gewessler, Federal Minister for Climate Action



## Strategic Climate Mainstreaming

Environmental protection is not an obligation for us, but a foundational element of our corporate philosophy. Therefore, the field of action “E” also plays a key role in our sustainability strategy. The following topics are considered material in this context:

- Sustainable finance
- Sustainable investment
- Energy consumption
- Climate neutrality
- Environment and climate change mitigation

We have identified the following positive and negative impacts in this field of action:

### **Inside-out perspective**

- BKS Bank contributes to reducing environmental pollution through targeted investments in ecological projects.
- BKS Bank actively contributes to climate change mitigation by withdrawing from lending for fossil fuels.
- BKS Bank renovates its own properties and develops them into green buildings, thereby reducing CO2 emissions, energy consumption and land use.
- Installations financed by BKS Bank could cause environmental damage and this may harm BKS Bank's reputation.
- BKS Bank could lose the trust of customers as a result of greenwashing activities.

### **Outside-in perspective**

- Growing environmental awareness in the population is raising interest in sustainable banking products and creating new business opportunities.
- The global energy crisis and the need for environmentally sustainable infrastructure are increasing interest in

green bonds.

- CO2 pricing could impact profitability of our customers.
- External risks such as natural disasters resulting from climate change influence BKS Bank's risk assessment and portfolio management.
- The development of new environmental laws and regulatory requirements poses a constant challenge to financial institutions.

### **Effects of climate change on the business model**

Climate change mitigation is a significant strategic priority in the EU. In the past few years, the EU Action Plan on Financing Sustainable Growth, the Green Deal and the EU Fit for 55 plan have created a framework to make it feasible to achieve the climate goals. These new regulations are impacting not only our core business, but will also bring about significant changes for the majority of our customers. As a financial institution, we believe it is our job to support our customers during this transformation as best as possible.

We can make a significant contribution to fighting climate change by supporting the use of renewable energy. Increasing energy efficiency is an important building block on the path to climate neutrality. Therefore, funding for energy systems that reduce energy consumption and for the thermal renovation of buildings – regardless of whether owned by customers or belong to BKS Bank – is of great importance. The direct risks of climate change will also have far-reaching consequences for people and the economy in our market areas. The sectors of tourism, agriculture and forestry will be the most affected.



Therefore, we will have to adjust the criteria for assessing collateral for loans.

### **Responsible products**

We are well aware of the great responsibility we have as a bank when granting loans and managing our product portfolio.

As a pioneer in sustainability, we launched the first ecologically sustainable products on the market back in 2013 and are very proud to be able to offer our customers at least one green alternative in all important product segments.

The development of ecologically sustainable products – new and current – is the responsibility of the following departments: Investment and Retirement Planning, Finance and Investment, and Payment Services and Transfers. Customer satisfaction surveys and the systematic evaluation of feedback forms as well as regular stakeholder engagement events ensure that we take customer expectations into account when developing products and services. The launch of every environmentally-sustainable product follows a standardized process.

External confirmations of sustainability in the form of certification such as the Austrian Eco-label for Sustainable Financial Products or second party opinions give customers additional certainty. Volume trends in sustainable products is part of the standardised reporting system. In the past financial year, the total volume of sustainable products increased by 23.4%.

### **Environmental Management System - EMAS**

EMAS has been implemented at BKS Bank since 2019. It is the foundation for the continuous development of our

efforts to control the environmental impact of our operations. The environmental team headed by the Environmental Officer develops an annual plan of action based on the auditors' assessment reports, with the Management Board being regularly informed of progress. In addition to the external assessment, the Environmental Officer conducts audits of central departments, main offices and branches for compliance with the EMAS guidelines in three-year intervals. The 2023 audit was completed without any major or minor nonconformities.

### **Climate neutrality goal**

We aim for climate neutrality in the long term. We joined the Green Finance Alliance in May 2022 to achieve our goals. Joining the Green Finance Alliance is part of our commitment to achieve climate neutrality in our investment and loan portfolio by 2050. Decarbonization activities regarding products are the responsibility of the respective competent department.

In the reporting year, we developed science-based targets (see next page) and submitted them to SBTi for validation. Taking measures to achieve science-based targets makes it possible for us to define the path to climate neutrality more precisely and pursue it more rigorously.

We have been calculating the carbon footprint for our own activities since 2012 and aim to reduce carbon emissions to 2.0 t<sub>CO2</sub> equivalents by 2025. The share of emissions caused indirectly by our product portfolio is much higher. We calculate the financed emissions in accordance with the Partnership for Carbon Accounting Financials Standard.



## The path to climate neutrality

The EU has assigned banks a key role in the endeavour to achieve climate neutrality. As a reliable and forward-looking banking partner, we are willing to take on this great responsibility because we also believe it has great opportunities.

### **On course with the Green Finance Alliance**

In May 2022, the Green Finance Alliance started its work as the world's first initiative established for the purpose of guiding financial companies on the path to climate neutrality. As a sustainability pioneer among Austria's banks, BKS Bank is one of the founding members and has committed itself to achieve climate neutrality in our portfolio and business operations.

To achieve these goals, we submitted our science-based climate targets to the Science-based Target Initiative<sup>1</sup> for validation at the end of 2023.

Science-based targets support our efforts to decarbonize our own business model and define ambitious climate goals. These targets also form the basis of the climate transition plan, which is part of the CSRD.

The main groups of emissions for financial companies as defined by the Science-based Target Initiative were used in the calculation of our science-based targets. These asset classes include Scope 1 and 2 as well as parts of Scope 3.15 emissions; Scopes 3.1 to 3.14 are optional and we did not take these into account. In a first step, we determined the GHG footprint of our Scope 1 and 2 emissions, and subsequently took into account Scope 3.15 emissions for the asset classes of energy project finance, financing for energy producers, commercial real estate, private mortgage loans, listed shares and bonds, equity investments and traditional corporate loans. Specific science-based targets were defined for these asset classes. The so-called base year is the 2022 financial year and the horizon for achieving the targets has been set at 2028 and 2030.

We have excluded two mandatory asset classes, namely steel production and/or iron, and paper as our portfolio contains only few such cases.

TCFD, strategy, recommended information b)

### **What are Science-based-Targets?<sup>1</sup>**

Science-based targets (SBTs) are targets defined by companies to significantly reduce their greenhouse gas emissions. These targets are based on the latest climate science and aim to limit global warming to a maximum of 1.5°C above pre-industrial levels – in line with the goals of the Paris Climate Agreement. SBTs provide a structured framework that enables companies to contribute to the avoidance of the worst impacts of climate

change. SBTs define clear, measurable ways to reduce emissions over a defined period of time to support global climate change mitigation efforts.

The Science-based Targets Initiative (SBTi) plays a central role in this context. As a global NGO, the Initiative supports companies in defining and implementing their SBTs. Overall, SBTs help companies play a leading role in combating climate change, while at the same time

developing sustainable business models. Over 6,900 companies worldwide have committed to reducing their emissions in accordance with SBTi requirements.

<sup>1</sup> Based on the explanations in the Financial Sector Science-based Targets Guidance, see also [www.sciencebasedtargets.org](http://www.sciencebasedtargets.org)



These loans were allocated to the "corporate loans" asset class. Furthermore, we have decided not to include loans to small and medium-sized enterprises (SMEs) in the "corporate loans" asset class. The SBTi grants this option to financial companies, as SMEs are not (yet) subject to the CSRD and are therefore not included in the Taxonomy. Nonetheless, SMEs are essential to achieving our decarbonization targets, as demand for project finance and commercial real estate predominantly comes from SMEs.

We expect to receive the results of the validation by the Science-based Target Initiative by mid-year 2024. These results will determine the further course of our actions on the path to decarbonization.

#### **Climate strategy**

It is a priority to consider climate-related issues in all of our business areas. Therefore, we have developed our own climate strategy in accordance with the requirements of the Green Finance Alliance that mirror BKS Bank's strategic, climate-based goals and objectives. The climate strategy includes clearly defined targets by when the exit from coal, oil, natural gas and nuclear energy must happen.

We published the climate strategy at the beginning of the 2023 financial year. It has since been evaluated by the Green Finance Alliance and slight adjustments have been made. Among other things, we revised our exclusion criteria for granting loans so as to foment the prevention of further investments in fossil fuels, rather than rejecting these. We want to support our customers as a strong partner and

provide them with expert support in the transformation to a greener economy.

#### **Engagement strategy**

A decisive factor for the attainment of the goals of the climate strategy is the expansion of green economic activities and the decarbonization of existing processes at companies. As a member of the Green Finance Alliance, we are called on to enter into a dialogue with our customers to jointly develop measures for climate change mitigation and environmental protection to achieve the transformation. This approach is known as engagement. We have defined the activities planned in an engagement strategy that we published for the first time on our website in the reporting year. Furthermore, we have also prepared and published an engagement report for the 2022 financial year.

#### **Knowledge transfer**

The exchange with the nine other members of the Green Finance Alliance on an equal footing is very important and valuable for the further development of sustainability in the banking industry. We are also collaborate in an open and constructive exchange with representatives of the Federal Ministry for Climate Action and the Umweltbundesamt (Austrian Federal Environment Agency) who provide essential support to achieve our goals. Among other things, a roadshow was held in the autumn with the Green Finance Alliance in which managers and employees from our bank took part. At a several-hour workshop at our headquarters, lively discussions developed and open issues were clarified.



### **Implementation of the EU action plan progressing**

The EU Action Plan for Financing Sustainable Growth covers the following objectives:

- Introduction of a Taxonomy to establish a classification system and clarify what may be considered environmentally sustainable. This also entails new disclosure requirements and indicators.
- Definition of the green asset ratio as a core ratio for financial institutions
- Increase the transparency of sustainable investments
- Embedding sustainability risks into the risk management of banks
- Improvements in sustainability reporting by expanding the user group and the standardization of the information reported

The requirements under the numerous new regulations affect almost all areas of our core business and are addressed in an implementation project started in 2019.

### **Preparations for the CSRD in progress**

The new Corporate Sustainable Reporting Directive (CSRD) came into force as of the 2024 financial year. We are preparing carefully and are closely following current developments and publications on the subject. We expect the costs and time required for reporting in accordance with the CSRD to increase considerably in the future.

### **Green asset ratio computed for first time**

BKS Bank calculated the share of Taxonomy-compliant economic activities for the first time for the 2023 financial year. The key reporting metric is the green asset ratio (GAR). The GAR indicates the ratio of assets that can be classified as sustainable within the meaning of the EU Taxonomy in relation to the total assets

recognized ("covered assets"). As part of the project "Implementation of the EU Action Plan", an interdepartmental project team worked on measures to ensure compliance with the criteria and also prepared for the Taxonomy audit. We also use the external "Climcycle" software for individual case reviews in this context.

In the reporting year, the focus was placed on setting up the IT infrastructure to systematically collect and record the data required for the Taxonomy. For this purpose, we worked closely with our partner banks, Oberbank AG and Bank für Tirol und Vorarlberg AG, and our IT service provider, 3 Banken IT GmbH.

In the financial year 2023, the green asset ratio based on turnover KPI was 0.5%, and based on capex KPI, it was 0.8%.

We also use the "Climcycle" tool to determine ESG risk scores for individual customers and the portfolio. We achieved good progress with the integration of ESG factors into collateral management. A process was also created for a location-based climate risk analysis to check the Taxonomy. We also used a collateral management tool to create climate-related heat maps and better assess the climate risks of collateral deposited.

### **Disclosure Regulation and MiFID II**

The survey of sustainability preferences pursuant to MiFID II has been fully integrated into our advisory process in Austria and Slovenia since 2022. It is a matter of course for our customer advisors to point out options for sustainable investments when providing investment advice. We also expanded our fund recommendation list to include information on the type of



sustainability preference to which the product corresponds. Since MiFID II came into force, 39.03% of Austrian customers surveyed selected sustainable investments.

We successfully implemented the new disclosure requirements of the SFDR (Sustainable Finance Disclosure Regulation) for products marketed with ecological or social features ("Article 8 Products") or that pursue the goal of sustainable investment ("Article 9 Products"). To render sustainable investment products easier to compare for investors, the information is presented using standardized EU templates. This refers to "BKS Portfolio-Strategie nachhaltig" in Austria and "BKS Trajnostnost" in Slovenia which are both Article 8 products.

The EU templates have been used in advisory services since January 2023. The documents relating to products which do not pursue a sustainable strategy have been supplemented with the required regulatory information. The bank's first Principal Adverse Impact Statement was published on 30 June 2023.

### **Risk management**

Risk Management is continuously working to improve the analytical procedures we use to identify environmental risks.

In 2023, we focused on the calculation of financed emissions in real estate finance, the development of the process for recording Taxonomy compliance, the disclosure of a green asset ratio, and the analysis and identification of sustainability risks in the real estate sector.

GRI 2-23 Policy commitments

TCFD, strategy, recommended information (a) and (b)

TCFD, metrics and targets, recommended information c)

### **An alliance for climate change mitigation<sup>1</sup>**

The Green Finance Alliance is an initiative of the Ministry for Climate Action for sustainability pioneers in the banking industry.

The members of the Green Finance Alliance are committed to achieving climate neutrality in their investment and loan portfolios step by step. Members of the Green Finance Alliance play a pioneering role in climate action and demonstrate the compatibility of climate action and sustainable business. The

aim of the Green Finance Alliance is to guide banks towards more sustainability in their core business activities. The following five target dimensions are defined for the core business of members:

1. Portfolios are aligned with the 1.5°C target of the Paris Climate Agreement
2. Greenhouse gas neutral portfolios by 2050
3. Expansion of green activities in core business

4. Actively manage climate risks and promote resilience to climate change impacts

5. Promote good climate governance

The ambitious criteria provides members with guidance to accompany them step by step on the way to achieving their targets. In this way, the Green Finance Alliance helps Austria and the EU to achieve the agreed climate targets.

<sup>1</sup> [www.bmk.gv.at/green-finance/alliance/ueber-uns.html](http://www.bmk.gv.at/green-finance/alliance/ueber-uns.html)



# Greenhouse gas emissions balance

### Financed emissions

Compared to conventional manufacturing, the majority of our emissions are caused by the carbon emissions we finance.

Financed emissions continue to be calculated based on the PCAF Standard. After continuing to work on data quality and standardization in data collection in the preceding year, three additional asset classes were added in the reporting year. For the first time, we are reporting the financed emissions for residential mortgage loans, commercial real estate loans and project finance. We also calculated financed emissions for government bonds as at 31 December 2023.

It was necessary to collect data on financed emissions for the various asset classes in the autumn of 2023 when preparing to submit the science-based climate targets. Among other things, this survey created the basis for the publication of data on the three new product classes in the loan portfolio.

At BKS Bank, we are committed to supporting our customers on the way to decarbonization and assist them as a reliable banking partner.

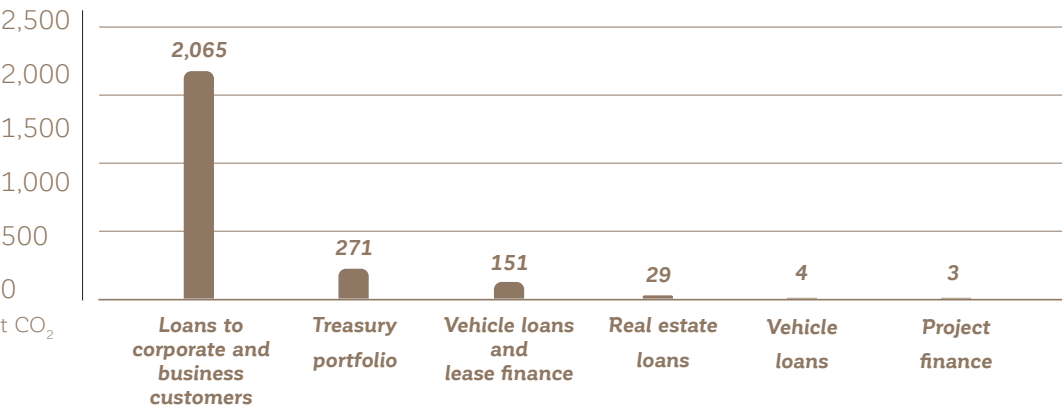
In this context, knowledge of our carbon footprint plays a relevant role, especially with regard to lending and the selection of investments. Science-based climate targets make this data even more relevant.

Looking back, we can say that we achieved important milestones over the course of 2023 when determining the financed emissions. A key factor is high quality of the data. Therefore, we have taken numerous measures to improve the quality of existing data and ensure that all relevant data is recorded in new business. For example, it has been defined that energy performance certificates must be requested from customers in the case of home loans and recorded in our systems. This measure ensures that we have more actual data for our calculations. A detailed description of the methodology, data collection and results is presented in the chapter Sustainability in Number starting on page 149.

### Loans to corporate and business customers

After expanding the scope of loans to corporate and business customers to include loans with an unspecified purpose to small businesses last year, the focus in the reporting year was on integrating further product classes.

Distribution of financed emissions by asset class





For the calculation of financed emissions in the asset class of corporate loans we recognised a loan volume of EUR 3.9 billion. Scope 1, 2 and 3 emissions amounted to 2,065 thousand tons of CO<sub>2</sub> equivalents in the reporting year and the intensity was 530 tons of CO<sub>2</sub> equivalents per million euro in credit volume. We recorded a slight improvement compared to the preceding year.

It should be noted that the calculations were based on sector data from the respective countries in which our customers operate. Therefore, this is not data at the individual customer level, as currently our customers cannot provide such data. In this regard, we are still facing the challenge that our customer portfolio consists primarily of small and medium-sized enterprises, which are currently not yet required to report their CO<sub>2</sub> emissions. We expect data quality to improve as soon as a certain section of these companies become obligated to report pursuant to the CSRD. However, we are already working on adjusting our IT systems to record and process the reported data in a structured manner.

### **Residential and commercial real estate**

When preparing to submit the science-based targets, we calculated the financed emissions for the residential mortgage loan portfolio and the commercial real estate loan portfolio for the first time in 2023. The calculation refers to real estate loans but only for the Scope 1 and 2 emissions of the properties. Data quality and the small number of energy performance certificates are still a challenge. This is why we aim to further improve data quality in the coming year. Scope 1 and 2 emissions amounted to 16.5 thousand tons of

CO<sub>2</sub> equivalents for the asset class of residential mortgage loans and the intensity was 16 tons of CO<sub>2</sub> equivalents per million euro loan volume. Scope 1 and 2 emissions amounted to 12.8 thousand tons of CO<sub>2</sub> equivalents for the asset class of commercial loans and the intensity was 21 tons of CO<sub>2</sub> equivalents per million euro loan volume. Overall, we calculated Scope 1 and 2 emissions for a total surface area of 3.6 million square meters.

### **Project finance, energy**

We also calculated the emissions for our project-based loans as part of the science-based targets application. This asset class includes all loans for hydropower plants, wind farms, biomass power plants and photovoltaic systems. These loans fall under the Sustainable Finance Framework. In 2023, financed emissions amounted to 3.4 thousand tons of CO<sub>2</sub> equivalents and the intensity was 34 tons of CO<sub>2</sub> equivalents per million euro loan volume. In total, 3.2 thousand CO<sub>2</sub> equivalents were for loans for biomass power plants. The largest share in the loan volume (EUR 58.4 million) was attributable to PV systems, which caused only 0.03 thousand tons of CO<sub>2</sub> equivalents.

### **Vehicle finance**

Vehicle loans account for only a small part of BKS Bank's financing volume. Furthermore, these loans are mainly in the form of lease contracts. The calculation of financed emissions included the relevant lease contracts and vehicle loans to individuals and companies. The calculations related to the vehicle types of passenger cars, trucks and buses. Scope 1 and 2 emissions relevant to vehicles were used for the calculation.



In total, vehicle finance caused 156.0 thousand tons of CO<sub>2</sub> equivalents with a total finance volume of EUR 363.0 million, with the largest share being attributable to lease finance with a volume of EUR 334.8 million.

### Sustainable own investments

BKS Bank's securities portfolio consists largely of government bonds issued by solid European countries. Mortgage-backed bank bonds (covered bonds) with the highest credit ratings are added to the portfolio. Direct equity investments are made mainly in European companies and are limited to a maximum of EUR 10 million. We base the selection of our investments on the ethical and ecological principles of the exclusion and positive criteria for agent and proprietary transactions. We also strive to expand the share of sustainable investments in our nostro portfolio. At year-end, we had fourteen green bonds with a volume of approximately EUR 101.8 million, three social bonds with a volume of around EUR 27.9 million, and one sustainability bond with a volume of EUR 5.3 million in our treasury portfolio. This corresponds to 11.5% of all investments in the

treasury portfolio.

In the reporting year, we calculated the financed emissions of the treasury portfolio again and included some EUR 1,030.9 million in our calculations, with the carbon footprint of government bonds being included for the first time. In total, the equities, bonds and investment funds included in the calculation of the treasury portfolio caused Scope 1 and 2 emissions of 159 thousand t CO<sub>2</sub> equivalents, and Scope 3 emissions of 112 thousands t CO<sub>2</sub> equivalents, which corresponds to an emissions intensity of 263 t CO<sub>2</sub> equivalents per million EUR invested.

### Asset management

We publish the Principal Adverse Impacts (PAIs) statement for our asset management on the website, in which all CO<sub>2</sub> values and GHG values are calculated and disclosed based on the quarterly average values of the MSCI ESG. This also includes the financed emissions, see [www.bks.at/nachhaltigkeit/nachhaltigkeitsbezogene-offenlegung](http://www.bks.at/nachhaltigkeit/nachhaltigkeitsbezogene-offenlegung).

GRI 305-1 Direct GHG emissions (Scope 1)  
GRI 305-2 Indirect energy-related GHG emissions (Scope 2)  
GRI 305-3 Other indirect GHG emissions (Scope 3)  
GRI 305-4 GHG emissions intensity  
TCFD, strategy, recommended information b)

## Treasury portfolio

	Volumes recognized in €k	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Scope 3 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> -equiv./million EUR invested <sup>1</sup>
<b>Treasury portfolio</b>				
Investment funds	36,541	1,560	8,914	287
Shares	3,103	341	3,712	1,306
Corporate bonds/bank bonds	345,300	10,892	6,972	52
Sovereign bonds	645,954	146,393	92,090	369
<b>Total</b>	<b>1,030,898</b>	<b>159,186</b>	<b>111,688</b>	<b>263</b>

<sup>1</sup> Total emissions intensity does not result from just adding the figures, but relates to volume invested and absolute emissions.



### Carbon Footprint

We have been calculating our carbon footprint since 2012. We started by calculating Scope 1 and 2 emissions, and since 2021, we have also been calculating selected Scope 3 emissions.

- **Scope 1** - Emissions caused by heat, the vehicle fleet, and refrigerant losses
- **Scope 2** - Purchased energy in the form of electricity and heat
- **Scope 3** - Emissions caused by business travel, employee travel to and from work, paper consumption, and new IT equipment purchased

The calculation is based on the guidelines developed by the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD).

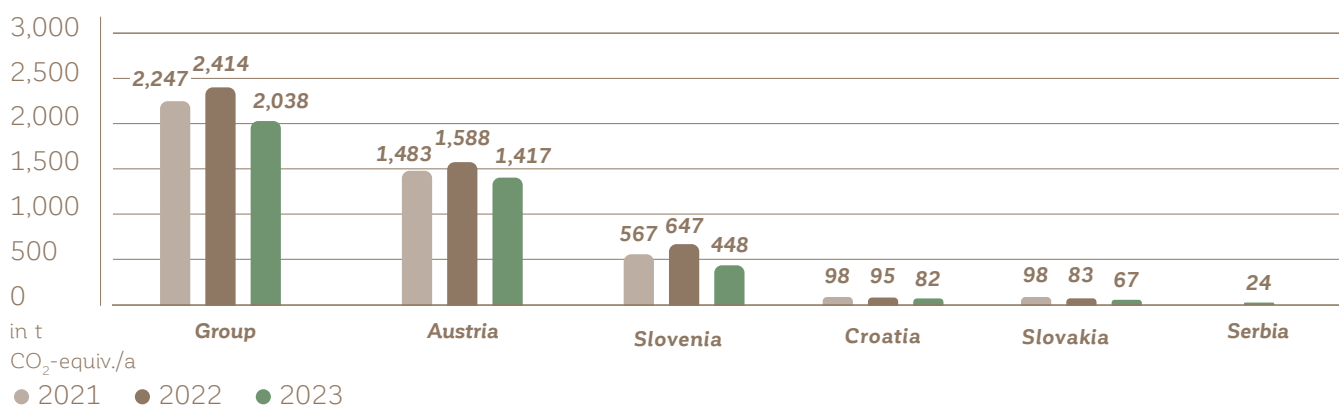
The calculation of the carbon footprint includes the data for the Oscar restaurant operated by BKS Bank and data for BKS-Wohnpark. Additionally, we also include our employee branch located at the headquarters in Klagenfurt when calculating the carbon footprint.

The detailed calculation method is explained starting on page 167.

We are very pleased to report that we reduced our carbon footprint also in the reporting year despite expanding the range of our market area. The carbon footprint caused directly by our business operations was reduced from 2,414 tons CO<sub>2</sub> equivalents to 2,038 tons of CO<sub>2</sub> equivalents. This represents a decrease of 15% versus 2022. This results in emissions per employee of 2.0 t CO<sub>2</sub> equivalents (-16.0%). Therefore, we already achieved our goal of reducing emissions to 2.0 t CO<sub>2</sub> equivalents per employee by 2025.

In Austria, the EMAS environmental management system supports us in achieving our decarbonization targets. Numerous energy-reducing measures were implemented in the reporting year. For example, data was collected from further locations and integrated into the central control system, and lighting timers were installed at the headquarters. We now also have the first water consumption figures for 2023.

### Carbon footprint of BKS Bank





The switch to electricity from renewable energy sources in Slovenia enabled us to reduce greenhouse gas emissions from electricity consumption by 58% in the reporting year.

The CO<sub>2</sub> equivalents caused by diesel fuel decreased by a pleasing 27%. On the other hand, we recorded an increase of 27% for gasoline.

On account of specific internal communication and the revision of internal travel guidelines, rail travel was used more frequently for business trips in the reporting year. Accordingly, greenhouse gas emissions from rail travel have risen by 34%.

The trend in employee travel to and from work was very pleasing.

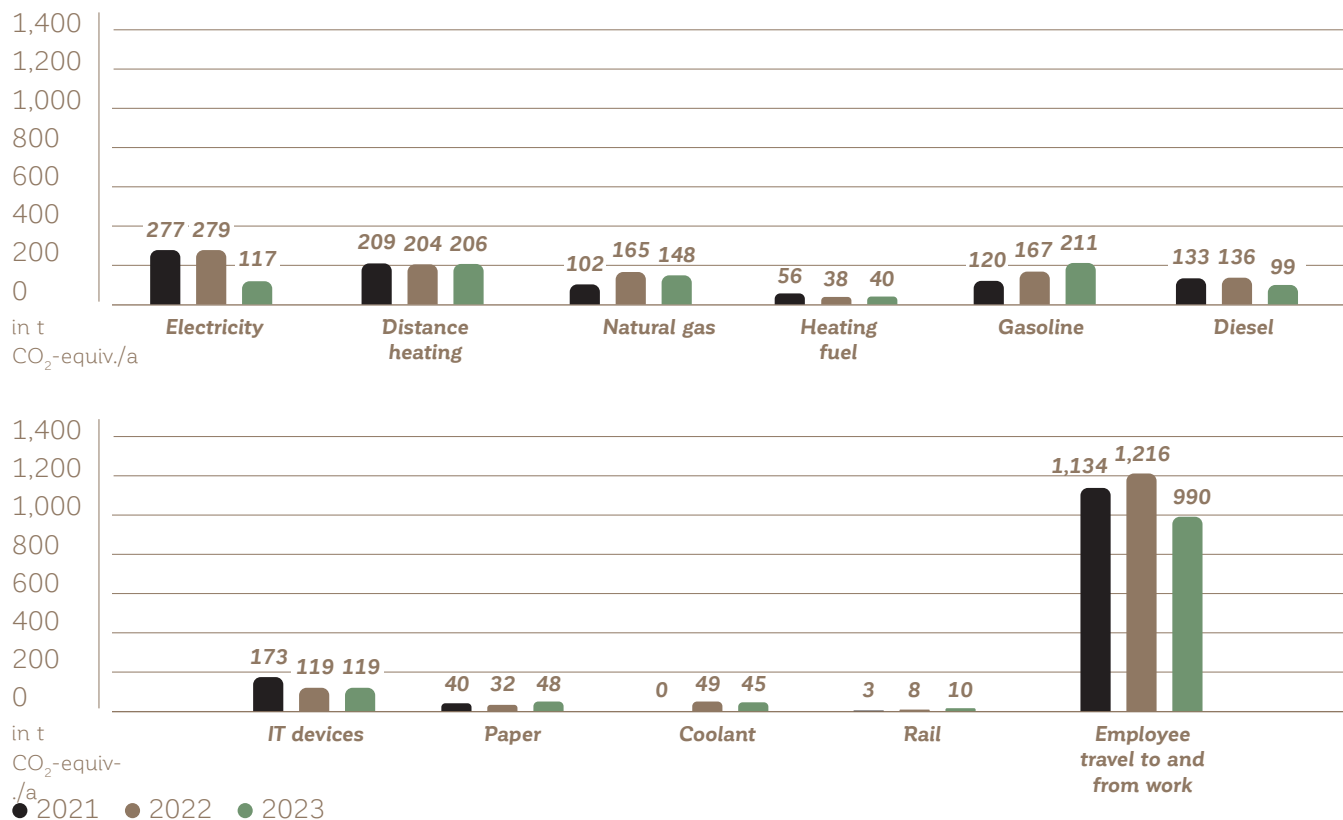
Emissions decreased 19% to 990 t CO<sub>2</sub> equivalents.

### Austria

In 2023, the carbon footprint in Austria decreased year on year from 1,588 to 1,417 tons CO<sub>2</sub> equivalents (-11%). Electricity consumption was lower by 7.7%, while district heating consumption increased by 4% due to additional installations. At a share of 88%, district heating is by far our most important source of heat, with greenhouse gas emissions decreasing 4% over the course of the 2023 financial year.

Our work to convert the passenger car fleet from diesel to hybrid gasoline models continued in 2023. Total fuel consumption fell by 1%. The number of kilometres travelled by rail increased 30%.

### Distribution of carbon footprint





### Slovenia

In Slovenia, we reduced our carbon footprint by 31% – from 647 t to 448 t CO<sub>2</sub> equivalents due to the changeover to renewable energy. Electricity consumption decreased by 17.2%, but at the same time, district heating consumption rose by 22% and natural gas consumption by 47%. In total, heat consumption went up by 34%. We reduced fuel consumption by 32% and paper consumption by 44%.

### Croatia

The carbon footprint in Croatia decreased year on year from 96 t to 82 t CO<sub>2</sub> equivalents (-15%). This also includes electricity consumption, which decreased by 10%. The purchase of another hybrid vehicle in Croatia increased fuel consumption slightly (+15%).

### Slovakia

The trend in Croatia was also pleasing, with the carbon footprint decreasing year on year from 83 t to 67 t CO<sub>2</sub> equivalents (-20%). Electricity consumption dropped by 19% and district heating consumption by 2%. Fuel consumption decreased by 10%, while rail travel has increased by 73%.

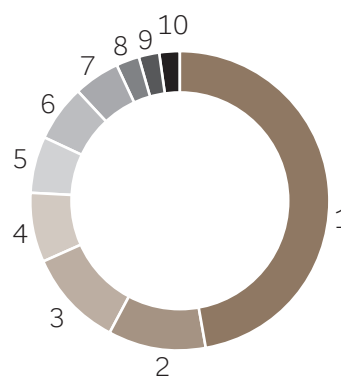
### Serbia

Our new leasing company in Serbia commenced operations in April. However, the site itself has been included in the carbon footprint calculation since 1 January 2023. The carbon footprint of the leasing company in Serbia was 24 tons of CO<sub>2</sub> equivalents. At 11 t CO<sub>2</sub> equivalents, gasoline accounted for the larger share, followed by 6 t CO<sub>2</sub> equivalents for electricity and for employee travel to and from work in each case. Paper consumption was 0.11 t CO<sub>2</sub> equivalents.

### Share by emissions source

in %

1	Employee travel to and from work	48.6
2	Gasoline	10.4
3	Distance heating	10.1
4	Natural gas	7.3
5	IT devices	5.8
6	Electricity	5.8
7	Diesel	4.9
8	Paper	2.4
9	Coolant	2.2
10	Heating fuel	2.0





***“It is very important to me to travel to work by environmentally-friendly means of transport. Everybody can contribute to the protection of the environment and to climate change mitigation.”***

**Bettina Kugi**  
EMAS Coordinator & PR Officer  
Joined BKS Bank in 2012







### Energy consumption

In the reporting year, we lowered total energy consumption by 1.7% to 8.12 GWh. This is a very pleasing development considering the fact that we have expanded data collection to include the new site in Serbia. The continuous expansion of photovoltaic systems is also having a positive effect on our energy consumption.

We believe that raising awareness among our employees regarding energy consumption is an important factor for reducing it further. Using the motto "turn-off instead of stand-by", attention was drawn to the topic of "energy conservation" in the 2023 financial year.

### Electricity

We purchase green electricity in Austria, Slovenia, Croatia and Slovakia and operate ten photovoltaic (PV) systems. In the reporting year alone, five new PV systems were installed in Mattersburg, Villach Süd and Villach Ost, Oberpullendorf and Pörschach. To monitor and control electricity production efficiently, all PV systems were connected to the central control system at the end of 2023. Data collection will start in the first quarter of 2024. Five new PV systems are being planned.

Electricity accounts for the highest share of total energy consumption in all markets. In 2023, it was 7.5% lower at 3.30 GWh than in the preceding year.

A share of 3.27 GWh of our electricity is produced from renewable energy sources, which is an impressive 99%. Estimates of consumption state 2.53 GWh in Austria, 0.32 GWh in Slovenia, 0.4 GWh in Croatia, 0.05 GWh in Slovakia and 0.01 GWh in Serbia.

### Heating

We recorded a slight increase (3.4%) in heating consumption. In the financial year 2023, we required 3.89 GWh for heating of which 2.19% was generated from renewable energy sources. The most important heat source with a consumption of 3.18 GWh is district heating. Our consumption of natural gas and heating fuel amounted to 0.71 GWh.

A breakdown by country shows that Austria accounted for the largest share of heat consumption at 3.19 GWh, followed at a considerable distance by Slovenia with 0.58 GWh and Slovakia with 0.12 GWh. In Croatia and Serbia, we heat exclusively with electricity.

### Fuel

Fuel consumption increased only minimally (+0.1%) in the reporting year. Consumption was 0.93 GWh throughout the group. We reduced diesel consumption by 29.8% to 30,000 litres, but at the same time petrol consumption increased by 24.8% to 76,000 litres. This shift was due to the purchase of three new hybrid vehicles.

### Consumption by main energy source

GWh	2021	2022	2023
<b>Total energy consumption</b>	<b>7.92</b>	<b>8.26</b>	<b>8.12</b>
• thereof from renewable energy sources	5.33	5.34	5.49
Electricity	3.65	3.57	3.30
• thereof from renewable energy sources	3.39	3.30	3.27
Heat	3.48	3.76	3.89
• thereof from renewable energy sources	1.91	2.01	2.19
Fuels	0.78	0.93	0.93
• thereof from renewable energy sources	0.04	0.04	0.04

GRI 305-3 Other indirect GHG emissions (Scope 3)

GRI 305-5 Reduction of GHG emissions

TCFD, metrics and targets, recommended information c)



### Mobility

Emissions caused by employee travel to and from work had the biggest impact on our Scope 3 emissions. We therefore try to motivate our employees to travel sustainably. We focus on awareness-raising measures and are a partner of "EcoPoints". Employees who travel to and from work by environmentally-friendly means – on foot, by bike, public transport or car pools – collect points that can be redeemed for vouchers. At the end of 2023, 148 employees were registered, 16 more than in the year before.

Business trips are replaced by online meetings where possible. If this is not possible, we recommend the use of public transportation. Our policy for employee travel was also revised in the reporting year.

Our vehicle fleet <sup>1</sup> consists of 68 vehicles. Three new hybrid vehicles were purchased in the reporting year. One of them is used by the new leasing company in Serbia, another is available to a member of the Management Board and the third vehicle is used in our market region in Croatia. Our vehicle fleet includes 20 hybrid vehicles and one electric vehicle. For short trips within the city of in Klagenfurt, BKS Bank employees may also use the Nextbike bicycle rental system. One of our

branches is equipped with an e-bike.

### Green IT

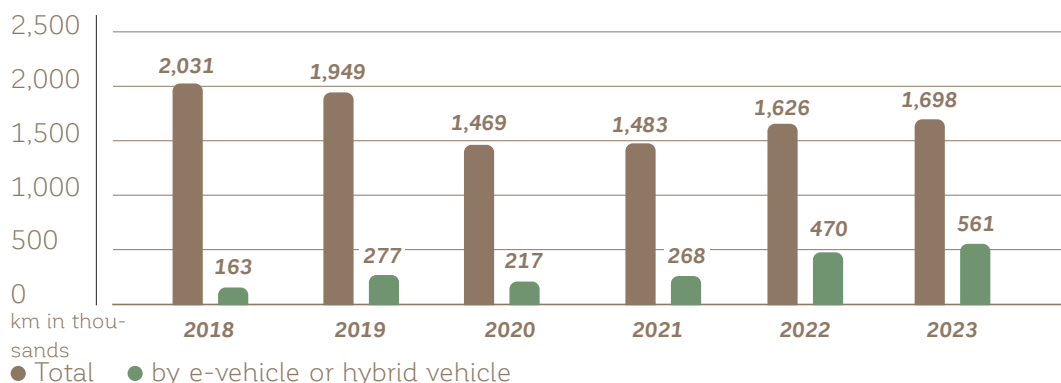
3 Banken IT GmbH, a joint company of Oberbank AG, Bank für Tirol und Vorarlberg AG and BKS Bank AG, operates the data center for the three banks in Linz. Since 2022, 3 Banken IT GmbH has also been EMAS certified. We have taken many measures in the past few years to increase energy efficiency. Among other things, we now only purchase energy class B monitors.

### Paper consumption

At BKS Bank, we use mostly recycled paper. Where this is not possible, we use FSC paper. In 2023, paper consumption was 44 t, which is 6 t more than in the preceding year. The reason for the increase is the enlarged base of data gathered, as we now include toilet paper and paper towels.

An important factor in resource conservation is digitalisation. For example, we use the E-Box on our customer portals to deliver documents, the U-Pads for digital signatures and Yoga tablets for our sales employees. We expect further savings from the Room Bar Wifi system which has been installed in all meeting rooms at the head office and will be installed in all meeting rooms at the branches. Most printed advertising materials used in Austria such as

### Km travelled by company vehicles in thousands



<sup>1</sup> Further indicators for BKS Bank's vehicle fleet and business trips are given on page 149 in the chapter "Sustainability in Numbers".



leaflets, flyers, brochures etc. are printed using climate-neutral processes.

### **Waste management**

A waste management scheme has been developed for the head offices in Carinthia and Styria as well as the branches Villach-Hauptplatz and Mattersburg. The waste management scheme is in place for all locations at which we employ more than 20 people.

The routine operations of BKS Bank generally produce waste paper, printer ink residues and toner, and waste similar to household waste. Waste separation systems are available at all departments, head offices, regional head offices and branches, therefore, employees can separate waste properly. Renovation work produces municipal waste and bulky waste. Hazardous waste occurs in the form of batteries, fluorescent tubes and electrical appliances. All waste is disposed of properly.

As a contribution to the circular economy, we have been delivering hardware that is no longer needed to “AfB mildtätige und gemeinnützige GmbH” (AfB) since 2015. AfB specializes in taking over used hardware, refurbishing it and deleting data in conformity with standards. AfB then resells the devices.

All work flows within the company are designed barrier-free and the work can also be performed by impaired employees.

In the reporting year, we handed over a total of 545 pieces of equipment with a total weight of 2.4 t to AfB, including 233 PCs, 92% of which are included in the reuse cycle. In 2023, the partnership with AfB helped us reduce 67.6 t CO<sub>2</sub> equivalents, 269.8 MWh of primary energy usage, and 473.372 thousand litres of water. As part of the Ö3 radio station’s “Wundertüte” campaign, we collected 51 smartphones in the reporting year and handed them over to Ö3. The radio station supports the “Licht ins Dunkel” campaign.

### **Green Brand**

BKS Bank has been a Green Brand since 2020. The quality label is awarded to companies that make a significant contribution to climate change mitigation, and the conservation of the environment, nature, biodiversity and resources. BKS Bank’s assessment is for the category “service provider”.

In 2022, we completed the first recertification process, which takes place every two years, and attained an excellent average score of 78% out of a minimum of 51% points. This places us above the average for service providers. We are very proud of the fact that for the first time, our branches in Slovakia also obtained Green Brand certification in the reporting year.



### **Environmental Management System - EMAS**

We have been applying the EMAS environmental management system to manage environmentally relevant matters since 2019. In the reporting year, we successfully completed our third monitoring audit by Quality Austria. No minor or major deviations were detected. A high potential for further development was recognized.

The audit highlighted the following matters: the organisation of the legal register into environmentally relevant core topics and Taxonomy topics as well as the excellent quality of the content. The legal register contains a list of all ESG-relevant rules and regulations. These include not only the acts on fundamental rights but also the delegated acts adopted in this context. When compiling the register, we aimed for a high degree of granularity and each of the articles of the legal acts are listed. This was necessary to make the register useful not only for monitoring the legal basis, but also as a working document. This makes it possible to compare in detail the legal conformity of current and future documents. It has been in use since November 2023 as audit guidelines and for audit documentation. The legal register will be continuously updated based on the continuous monitoring of new rules and regulations.

The audit also highlighted as positive the new framework for internal audits conducted by the bank's Environmental Officers that are carried out at the branches and central departments at least once every three years.

The numerous activities to raise awareness and make managers and employees more perceptive of ESG were assessed as very positive.

The annual audit covers the activities of BKS Bank in Austria, the Oscar restaurant, BKS-Wohnpark and the training centre in Palais Christalnigg.

Implementation is the responsibility of an environmental team headed by an Environmental Officer. The Environmental Officer reports regularly to the Management Board on the progress of project implementation.

The Environmental Statement 2022, which is available on our website, was published in December 2023. The Statement covers all key elements of the environmental management programme such as measures taken and their impact, and also presents the development of the core indicators energy, materials, waste and emissions. The next monitoring audit by Quality Austria is scheduled for October 2024.

### **Environmental Management Award**

We received the Environmental Management Award for the first time in the reporting year. The Environmental Management Award conferred annually in three categories by Germany's Federal Ministry for the Environment and the Austrian Federal Ministry for Climate Action. BKS Bank won a distinction in the category of "Best Strategy for Sustainable Corporate Development". Only three other German companies and one other Austrian company (Zotter Schokolade GmbH) were recognized in this category. A total of around 100 companies applied for the Environmental Management Award.



## Green Buildings

BKS Bank aims for climate neutrality. On the path to this goal, the bank's portfolio of real estate properties plays a key role, considering that according to an estimate by the EU 36% of emissions are produced by buildings. We owned a total of 65 properties in the reporting year.

All major new construction projects are monitored from the outset by "ÖGNI - Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft" to achieve our goal of climate neutrality. The extensive certification process is conducted parallel to all construction phases. The external auditors can only complete the audit when all final invoices are available. Therefore, the properties are usually already occupied before the final decision is reached on the applicable certification standard. Within the scope of the certification process, ÖGNI also checks for conformity of the buildings with the Taxonomy.

Our flagship projects – BKS Holzquartier and Urban Living – located in the centre of Klagenfurt have already been awarded the "DGNB Gold Standard". The properties are assessed not only as "green buildings", but also as "blue buildings"\* (see the information below).

In the reporting year, certification was also completed for the project "BKS-Lebenswert" in Eisenstadt, which was also awarded the "DGNB-Gold-Standard". The property features 26 rental flats, around 1,600 m<sup>2</sup> of commercial space and a BKS Bank branch.

### Current certifications

In Villach, one of our oldest branches in the centre was extensively renovated and refurbished. Construction phase 1 that refers to the space for business operations has been completed. The start of construction phase 2 which involves 13 rental apartments is planned for 2024. Currently, coordination work

with the Federal Office for the Protection of Monuments and building code authorities is underway. A further branch is currently being renovated in Villach. In this case as well, the work not only involves the renovation of the branch in line with the new design concept, but we are also creating new urban housing. Completion is scheduled for the summer of 2024.

Since April 2023, extensive renovation work has been under way at one property in Klagenfurt and the attic space is being converted into rental apartments. Completion is scheduled for the summer of 2024.

At our branch on Hauptplatz in Mattersburg, the space used by the bank is being optimized to be combined with the Marz branch, and the remaining space will be converted into urban housing. The project will be implemented in two construction phases: construction phase 1 with the space for banking operations will be completed in the spring of 2024, and subsequently extended for housing.

Two further certification projects are planned for 2024 in Klagenfurt at Baumbachplatz and Radetzkystraße.

### Housing instead of vacant places

Our strategy of converting space no longer used for banking operations into high-quality residential space contributes to the prevention of soil-sealing. In the past few years, we have reduced floor space by 1,500 m<sup>2</sup>. We plan to further reduce space used for operations in Burgenland and Carinthia by a further 315 m<sup>2</sup> in 2024.

### We invest in photovoltaics

Ten years ago, BKS Bank became a pioneer in the banking industry when it installed a photovoltaics system on the rooftop of its head office. Today, we have five PV systems in operation. These



systems have produced 687 MWh of renewable energy to date and have helped save around 167 t of CO<sub>2</sub> equivalents in a comparison with the electricity mix we purchase, which now originates 99% from renewable sources. Five systems have been put into operation in the last twelve months. These five PV systems have an output of around 83 kWp. We expect these to help us reduce a further 10 t of CO<sub>2</sub> per year. Five further photovoltaic systems are currently being installed. These will have a total output of around 166.48 kWp and help save 21 t CO<sub>2</sub>.

#### **Exit from oil almost completed**

Only one oil-fired heating system has been in operation since 2021. The replacement of the heating system was planned to take place after the end of the heating period in the summer of 2022. However, the energy crisis foiled our plans. The bank branch that uses oil-fired heating was to be connected to the gas grid of the city of Klagenfurt. We have refrained from doing this for two reasons: Even though gas is classified as a sustainable transition technology in the Taxonomy, we believe it is ecological only to a limited extent. Therefore, a development study was conducted for the property in the reporting year. The

start of renovation work at the branch and the construction of new housing space is planned for 2024. The conversion of the heating system from oil-fired to district heating from the city of Klagenfurt will be implemented as part of project implementation.

#### **Optimising heating, ventilation and air conditioning systems**

At two of our large buildings in Klagenfurt, we inspected the air conditioning, heating and ventilation systems in the reporting year. In 2024, we will refurbish and upgrade the HVAC systems. We expect this to help us cut annual energy consumption by 12% to 20%, and save some 65 t of CO<sub>2</sub> equivalents.

#### **Energy indicators of buildings**

As a management element for future investments in our buildings to improve energy efficiency, we have collected data on energy consumption, heating type, PV systems, battery storage and e-charging stations for all properties we own in Austria. Pursuant to the draft version of the Energy Performance of Buildings Directive, total energy performance of buildings, or GEE for short, may not be worse than rating “E” as of 2030, and not worse than “D” as of 2033.

### **Blue is the new green in construction**

The challenges of climate change and resource scarcity call for urgent changes in the entire construction industry. The real estate sector is currently responsible for around 36% of CO<sub>2</sub> emissions in Europe. Sustainable approaches based on ecological responsibility and resource efficiency will become the order of the day in the construction industry in the future. We are currently seeing far-reaching structural changes in the industry in which energy efficiency alone is

no longer the central issue, but sustainability as an overarching principle. Green buildings rely on innovative technologies and environmentally-friendly materials to substantially reduce energy consumption and minimize the carbon footprint. Sustainable construction methods contribute to the protection of the environment and increase the quality of life of the residents. However, the future belongs to so-called Blue Buildings, which focus on the health and well-being of the

residents. In this context, economic and ecological aspects are taken into account throughout the entire life cycle as well as technical performance and the sustainable use of resources. This approach is the basis of the certification system applied by “Deutsche Gesellschaft für nachhaltiges Bauen” (DGNB, German Sustainable Building Council)



***“We set great store by sustainable building methods in our construction projects to reduce our carbon footprint. As Environmental Officer, I am very proud of the significant contribution BKS Bank is making to a greener world.”***

**Johannes Kirisits**  
Environmental Officer & Construction Manager  
Joined BKS Bank in 2018







## Green activities in our core business

BKS Bank recognised the opportunities of sustainable financial products early on and has been a pioneer in this field. Our “BKS Portfolio-Strategie nachhaltig” was the first asset management product in Austria to be awarded the Austrian Ecolabel in 2013, and in 2017, we were also the first bank in Austria to issue a social bond.

In 2022, the volume of sustainable products reached the threshold of 1 billion euro and increased further in 2023. Lending is becoming increasingly important in this context because the investment volumes required to achieve climate neutrality are enormous. The Federal Environment Agency (Umweltbundesamt) estimates that the additional investment volume required in Austria for industry, energy, buildings and transport will be EUR 145 billion until 2030.<sup>1</sup>

### Green finance

As we can make a valuable contribution by granting sustainable loans, we expanded our range of products and services again in the reporting year in response to changing customer demand: This loan is granted for the purpose of erecting photovoltaic systems, heat pumps, the conversion of heating systems and energy efficiency technologies. In the reporting year, we also promoted the refurbishment bonus scheme of the Ministry for Climate Action. Our customers were actively informed about this option in advisory talks and we also launched a new product, the “Wohn- und Sanierungskredit” (home and renovation loan) in the reporting year.

As a rule, every time we grant a new loan we check the intended use to see if it can be attributed to an ecologically-sustainable investment.

### Examples of the ecologically-sustainable use of loans

Contribution to SDGs assessed as priorities

Ecologically sustainable				
Renewable energy: solar, wind and hydroelectric power plants	7	9	11	13
Biomass plants				
Increase in energy efficiency				
Sustainable mobility: e-vehicles and hybrid vehicles	7	9	11	13
Alternative fuels				
Public transport				
Circular economy: Recycling and reuse	7	9	11	12
Waste prevention				
Waste separation				
Preservation of biodiversity: Renaturation projects	7	9	11	13
sustainable farming and forestry				
Protection of bodies of water and seas				

<sup>1</sup> See Michael Miess, Natalie Glass, Analyse des Investitionspotenzials bis 2030 auf dem Weg zur Klimaneutralität. Focal Group Green [www.umweltbundesamt.at/news/220517](https://www.umweltbundesamt.at/news/220517)



In 2022, the criteria was developed into a Sustainable Finance Framework to support the issuance of green, social and sustainability bonds. This pool covers loans to companies and investments in companies, assets and projects with a positive environmental and/or social impact or that help to alleviate social problems or support the transition to a clean, energy-efficient and sustainable economy.

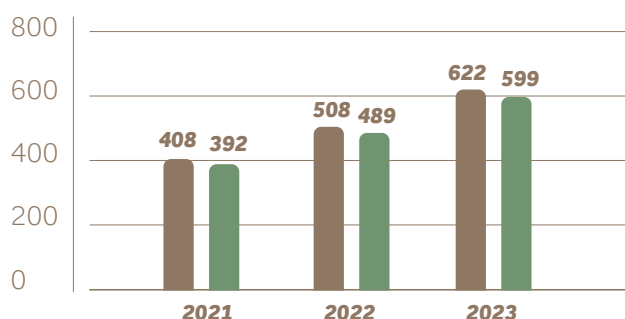
We have defined the following types of loans as green loan categories: loans for energy-efficient buildings, loans for the expansion of renewable energy and for sustainable mobility. Clear eligibility criteria have been defined to assess whether the loans may be classified as belonging to the Sustainable Finance Pool. The Sustainable Finance Framework is also designed to guarantee the use of deposits on “Natur&Zukunft” accounts exclusively for ecologically-sustainable purposes.

In total, the volume of sustainable loans granted was EUR 1.1 billion. A breakdown by intended use is as follows: EUR 621.9 million for loans with an ecological purpose and EUR 482.6 million for loans with social aspects. A small portion, specifically EUR 30.6 million is attributable to loans that combine ecological and social purposes.

In the financial year 2023, the volume of new loans<sup>1</sup> granted for environmentally-sustainable purposes was EUR 169.4 million (+14.7%). Demand is high for green loans for the implementation of green technologies and to achieve the transition to a low-carbon economy. We also achieved growth again in green leasing products. The leasing volume rose from EUR 18.9 million to EUR 23.0 million.

Apart from the sustainable loans defined on the basis of our criteria, our loan portfolio includes ESG-linked borrower's notes with a volume of EUR 125.0 million.

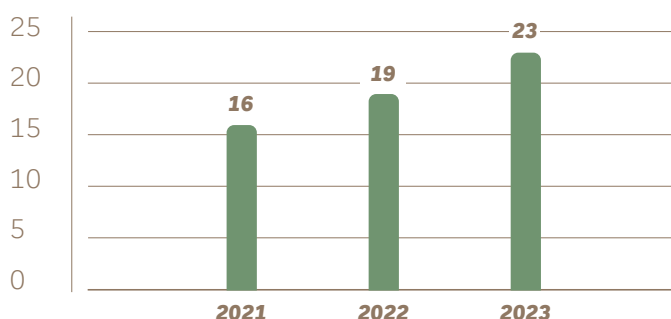
### Environmentally-sustainable loans



EUR million

● BKS Bank Group ● BKS Bank AG

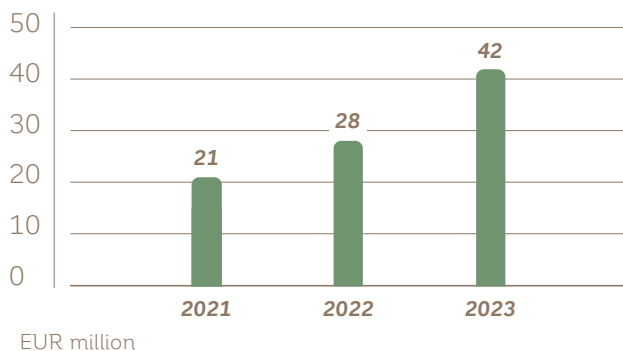
### Green leasing



EUR million

<sup>1</sup>We define the new volume of sustainable green loans as finance with an ecologically sustainable purpose granted in the reporting year. As repayments are made during the year for existing finance arrangements, this amount is higher than the difference between the loan volume at the beginning of the year and at the end of the year.



**Issuance volume, green bonds**

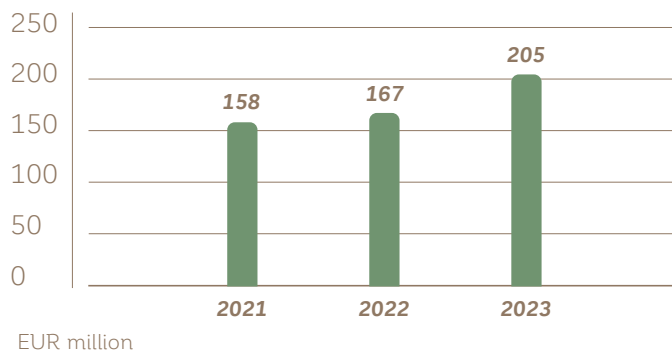
This instrument is used by many customers to fund the green transformation and also to improve social production factors.

**Environmentally sustainable investments<sup>1</sup>**

The share of sustainable investments has more than tripled since 2018 and is now EUR 578.1 billion in Germany and EUR 67 billion in Austria.<sup>2</sup> An unprecedented development, but one that also carries a risk. According to the FNG (Forum Nachhaltige Geldanlagen) Market Report 2023, more and more providers are facing accusations of greenwashing. A problem that is having negative effects on a positive trend. The Disclosure Regulation of the EU Action Plan on Financing Sustainable Growth has therefore been adapted several times to counter such allegations.

As a pioneer in sustainability, we have focused on ensuring the transparency of our sustainable products from the very start. All green, social and sustainability bonds are audited externally and each has a second party opinion (SPO).

We issued three new green bonds in the reporting year. The proceeds of first two bonds issued at the beginning of the

**Volume invested in sustainable funds<sup>2</sup>**

year were used to fund the construction of a biomass plant by Hasslacher Energie GmbH. The proceeds of our ninth green bond helped to finance a flagship project in Carinthia: the construction of several photovoltaic plants with an output of 8.6 MWp by Kelag, Carinthia's largest electricity utility. As the bond had a denomination of EUR 1,000, it also appealed to retail investors. The entire issuing volume of EUR 8.0 million was placed successfully within just a few weeks. We would like to emphasize that for the first time the Green Bond was offered not only to Austrian customers, but also to investors in Slovenia.

With this issue, the volume of green bonds issued increased to EUR 42.0 million. The ratio of climate-linked bonds as compared to the total issuance volume of BKS Bank increased from 3.0% to 4.1% year on year.

**Ecological responsibility in asset management**

We offer asset management services in Austria and Slovenia. Asset management is provided by local experts and pursues various investment strategies, with the common goal of increasing the share of ecologically and socially sustainable investments. Investment modules that

<sup>1</sup> Disclaimer: The information provided in this chapter serves only as non-binding information and does not replace in any way advisory services for the purchase or sale of securities. It is neither an offer nor a solicitation to buy or sell the investments mentioned, and neither does it constitute a recommendation to buy or sell.

<sup>2</sup> The sustainable fund volume includes the volumes in sustainable investment funds of all "BKS Portfolio-Strategie" variants", individual asset management accounts, as well as the volumes on customer custody accounts invested in the sustainable funds of 3 Banken-Generali Investment-Gesellschaft.



take ESG factors into account are a very good supplement to investments without a sustainability filter. They improve diversification and are on par with conventional investment instruments. Apart from our fund “Portfolio-Strategie nachhaltig”, which carries the Austrian Ecolabel for Sustainable Financial Products, ESG investments are also increasingly being used in all other asset management variants.

#### **Green investment funds of 3 Banken-Generali Investment-Gesellschaft m.b.H.<sup>1</sup>**

In 2023, our long-time partner, 3 Banken-Generali Investment-Gesellschaft, achieved first place in the fund of funds award conferred by “Geld” magazine in the category “Gemischte Dachfonds – flexibel” for a five-year period. Seven investment funds, including “3 Banken Nachhaltigkeitsfonds”, “3

Banken Dividende+Nachhaltigkeit 2022” and “BKS-Strategie nachhaltig” are certified under the Austrian Ecolabel for Sustainable Financial Products. Key ecological factors considered in the fund’s design include climate change mitigation, adaptation to climate change, preservation of biodiversity and the sustainable use of resources. Six of the sustainability funds also carry the European Transparency logo “Eurosif”. Currently, the company, in which BKS Bank holds a 15.4% stake, manages a volume of EUR 1.6 billion (+1.4%) in sustainability investment funds. Assets under management of BKS Bank customers amounted to EUR 106.4 million (+19%) with respect to sustainable products of 3 Banken-Generali Investment-Gesellschaft in the reporting year.

<sup>1</sup> Disclaimer for the products of 3 Banken-Generali Investment-Gesellschaft m.b.H.: Information on the products of 3 Banken-Generali Investment-Gesellschaft m.b.H. is non-binding and is neither an offer nor an invitation to buy or sell, and in no way replaces an advisory talk on the purchase or sale of investment fund units. The exclusive basis for the purchase of investment fund units is the key information document (KID) and the respective prospectus made available in the currently valid version in German on the website [www.3bg.at](http://www.3bg.at), as well as at the Austrian paying agent for the investment fund.

BKS Bank indicator: volume development of sustainable investments  
TCFD, metrics and targets, recommended specification (c)

## **Impact reporting 2022**

We have issued twelve sustainable bonds since 2017 of which nine were green bonds, two social bonds and one a sustainability bond. By increasing the issues of environmentally and socially sustainable bonds, we aim to contribute to a faster pace of transformation towards sustainability. In 2022, the green and social bonds we issued enabled the generation of around 39 GWh of renewable energy and CO<sub>2</sub>

savings of 7,863 t. To meet our high standards of transparency and confirm the positive impact of the bonds, we started preparing an impact report a few years ago based on the ICMA Handbook – Harmonised Framework for Impact Reporting. The specification of environmentally and/or socially sustainable projects for which the bond proceeds are to be used makes it possible to assess the impacts of the green

bonds, social bonds and sustainability bonds. Furthermore, we believe that by specifying the use of the proceeds we are helping to direct the flow of capital into environmentally and/or socially sustainable investments. Further information is available on the website at [www.bks.at/nachhaltigkeit/nachhaltigkeits-bezogene-offenlegung](http://www.bks.at/nachhaltigkeit/nachhaltigkeits-bezogene-offenlegung).



### **Green savings accounts**

As an alternative for customers who do not wish to invest in the capital market, BKS Bank also offers a green savings passbook which is available only in the form of a bonus savings passbook. In the reporting year, the volume increased by EUR 0.9 million. At year-end 2023, the total volume was EUR 1.4 million. We plan to introduce the ecology savings product “Mein Geld-Konto fix” (launch originally planned for 2023) in the course of the current financial year.

### **Natur & Zukunft account**

Our “Natur&Zukunft” account continues to be very popular. This account contributes to the long-term reforestation project for our protection forests in Austria. In the reporting year, the net balance on these accounts increased to EUR 94.4 million, which is a gain of 32.0%. The total number of “Natur & Zukunft” accounts at the close of 2023 was 11,000, which is higher by 4,439 accounts (+67.7%) in the reporting year. We are happy to report that for every account opened, we have kept our promise to plant one tree.

In the autumn of 2022, 5,000 trees were planted in a protection forest above the railway line “Tauernbahn” near Mallnitz. A further 5,000 trees were planted in the spring of 2023.

The forest belongs to an organic mountain farming enterprise at an altitude of 1,200 meters. The farm covers a surface area of 56 hectares, including 34 hectares of forest land that have suffered massively from storm damage and bark beetle infestation in recent years. The farm was selected in cooperation with the Carinthian Chamber of Agriculture, which contributed its expertise in the selection of seedlings.

Since the introduction of the “Natur & Zukunft” account in 2020 – the idea for this type of account was developed at a training course for future managers – BKS Bank has planted 14,680 trees. Furthermore, the funds on the “Natur & Zukunft” accounts are used exclusively for loans that support ecologically sustainable projects.

The trees planted under the “Natur & Zukunft” scheme will also contribute to climate change mitigation by serving as a carbon sink. A calculation by c7-consult estimates a CO<sub>2</sub> absorption of around 29,000 t CO<sub>2</sub> throughout the total lifespan of the trees. The sustainable nature of the “Natur & Zukunft” account was verified externally in 2022 when it was certified in accordance with the Guidelines of the Austrian Ecolabel for Sustainable Financial Products UZ 49.





**A tree for every account**

BKS Bank's "Natur & Zukunft" account supports the reforestation of protection forests in Austria. In Mallnitz, a forest that serves to protect a specific property was reforested with larch, spruce and sycamore maple saplings. The 10,000 trees grow in a forest owned by Robert Egger, an organic farmer with dairy cows and 34 hectares of forest in Mallnitz.



## The future of mobility: Are e-fuels the key to climate change mitigation?

**At a time when climate change and sustainable energy sources are being discussed globally, we will take a closer look at the role of e-fuels for achieving climate targets and transforming mobility. We invited Jürgen Roth, Head of the Energy Sector Association at the Federal Economic Chamber of Austria to an interview.**

**BKS Bank:** Austria, the EU and the international community are currently not on course to climate neutrality. What is the fastest way for Austria to achieve its climate goals and ensure a stable supply of energy?

**Jürgen Roth:** If Austria uses all options available to it. All of these options should contribute as much as possible. One very productive option are e-fuels. These can help remedy the situation quickly. If we start soon, e-fuels can help us achieve the 2030 target and keep millions of CO<sub>2</sub> emissions off our roads. We can get off to a fast start with the passenger car segment.

**BKS Bank:** What role do you think e-fuels will play in the future energy supply? Is it certain that they will be a component?

**Jürgen Roth:** To achieve the energy transition, we need to rethink our energy system. First of all, we need a well-structured energy mix.

Apart from green electricity and green gas, we need “green liquids”. Electricity alone cannot fix the situation, also because electricity is scarce, especially during low-wind conditions and the dark winter season. Additionally, scarcity will also worsen in the coming years. Coal, oil and natural gas cannot be completely replaced by electricity. Green electricity for e-fuels comes from propitious locations where inexpensive wind and solar energy are hardly used.

So it's very clear when it comes to cars: Only the combination of electro-mobility and e-fuels will enable emissions to decrease rapidly. Therefore, we need the “green combustion engine” as a supplement. At present, 3% of cars are electric vehicles, and the changeover to electric cars will take decades, apart from the fact that there is not enough clean electricity available.

**BKS Bank:** Climate change is a global challenge that can only be overcome through joint action. What measures should be taken at the national and international levels to reduce emissions and achieve the climate targets?

**Jürgen Roth:** We have to think globally when it comes to climate change mitigation. Global emissions are more than 500 times higher than emissions in Austria. It will be faster for 1.5 billion cars to switch to e-fuels than it would be to replace them by e-vehicles. This can cut a lot of CO<sub>2</sub> emissions and no new infrastructure needs to be procured.



Climate-friendly mobility starts with e-fuels at the pumps. It is not very smart to commit now to technologies that cannot deliver to the extent required and will make us dangerously dependent on raw materials.

**BKS Bank:** Supporters of e-fuels argue that prices will fall over time, while critics denounce the high initial costs. How do you expect the price of e-fuels to develop?

**Jürgen Roth:** Believe me, it won't fail because of costs. It is well-known that new technologies enter the race at higher prices, as we know from wind and solar power, which have decades of cost degression behind them. If e-fuels are mass-produced, prices will fall substantially. If filling stations were to sell 100% e-fuels, we would escape CO<sub>2</sub> pricing which increases every year. Electricity is also becoming more expensive, also because of surging grid costs, apart from the fact that shortages cause market prices to skyrocket, as we have seen in the past.

**BKS Bank:** There are concerns that e-fuels will not be available in time to make a significant contribution to achieving the climate targets. What is your view of the opportunities and challenges regarding the introduction of e-fuels on the market?

**Jürgen Roth:** Why so faint-hearted, surely we can't give up right before even trying? I know that the technologies, the projects, the locations and the finance are there. We have to work to achieve everything.

Entrepreneurial spirit, innovative engineers and public acceptance can make the seemingly impossible possible. E-fuels are at least as realistic as the two Austrian 100% targets for 2030 (green electricity) and 2040 (climate neutrality). And e-fuel technologies "Made in Austria" can be at the forefront. This would be good for the sluggish economy in Austria.

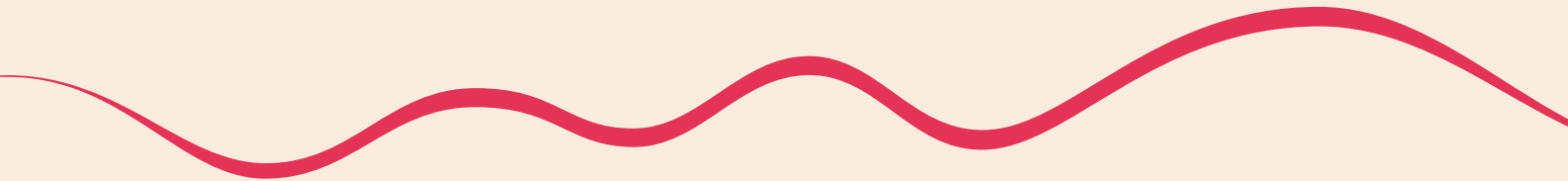
**BKS Bank:** What potential do you see with regard to the global scale-up of e-fuel production? And what role does politics play in this?

**Jürgen Roth:** Mega projects for e-fuels are under development in Chile, Namibia, India, Australia, the USA and Denmark. A hundred more countries are set to follow suit. The locations are spread across so many countries that no new vulnerability to blackmail can develop. It is ludicrous that regulations are hindering businesses in fulfilling the goals defined in policy goals. We should follow the recommendation of the International Energy Agency that states that even though e-fuels are initially expensive, they must be promoted. It also states that the aviation and shipping sectors need to scale up the use of e-fuels much faster than previously planned. I would like to add that we need the automotive sector, as this is where the struggle for global climate neutrality will won or lost.

**BKS Bank:** Thank you very much for the interview.

**Jürgen Roth**  
Head of the Energy Sector Association at the Austrian Federal Economic Chamber and member of the Governing Board of the "eFuel Alliance" in Austria







# S – Society and Social Engagement





## Social foundations achieve long-term impacts

***In Austria, foundations play a central role as civil society actors that provide a variety of social impulses through their philanthropic work.***

In the year 2023 there were<sup>7,691</sup> non-profit foundations in Austria, which are subject to various legal regulations, including the Austrian Private Foundation Act (Privatstiftungsgesetz) and the Federal Act on Foundations and Funds (Federal Act on Foundations and Funds). There are 147,000 foundations throughout Europe that manage a total of EUR 511 billion and invest some EUR 60 billion annually in civil society, promote good governance, network on common issues and help initiate innovation.<sup>2</sup>

Compared to donations, endowments have a long-term effect and offer a much greater scope for individual decisions and are tax-deductible in addition to the deductibility of donations. The tax deductibility can be doubled pursuant to Income Tax Act (EStG) § 4a and § 4b. Donors may be individuals as well as companies and this enables them not only to make a social impact through philanthropic investments, but also helps them communicate their ESG values externally.

### ***“Du & Wir Stiftung”***

An excellent example for social engagement is the “Du & Wir-Stiftung” set up by the listed company, BKS Bank. The “Du & Wir-Stiftung” foundation was set up with a founding capital of EUR 500,000 under the patronage of the non-profit Caritas Stiftung Austria. The foundation supports sustainable and socially valuable projects in Austria with a special focus on people in need and people with care and nursing requirements. The foundation’s Advisory Board, consisting of two representatives each from BKS Bank and Caritas

Carinthia, decides each year on the long-term projects will receive proceeds from the foundation.

Customers also have the opportunity to make donations of EUR 5,000 or more. The foundation makes it possible to effectively meet social challenges in the areas of education and migration as well as with regard to the aging population. To give access to a wider public to the social foundation, customers also have the opportunity to make valuable contributions by opening a “Du & Wir-Konto” account with BKS Bank. A portion of the account management fee goes to the foundation for each account.

### ***A strong alliance***

BKS Bank and Caritas Carinthia have been partners for many years. Among other things, we support children and young people at the Caritas Lemcafé in Spittal an der Drau whose parents cannot afford tutoring. In addition to financial support, our employees also volunteer personally in the Lemcafé project. This relationship based on deep trust has now been expanded to include the “Du & Wir-Stiftung” foundation. Under the patronage of the Caritas Stiftung Austria, wealthy individuals and companies have an opportunity to contribute long term to social projects. The Caritas projects implemented in 2023 range from support for disadvantaged children to the promotion of schools and an entrepreneurial bakery and a well project in Africa.

The unique partnership between BKS Bank and Caritas creates a new pillar of social security in Carinthia, which is particularly valuable in view of the current social challenges.

<sup>1</sup> Source: WU Erhebung, Stand 2023/Stiftungsreport 2023/Verband für gemeinnütziges Stiften/Kompetenzzentrum für Nonprofit Organisationen und Social Entrepreneurship der Wirtschaftsuniversität Wien

<sup>2</sup> According to Philea – Philanthropy Europe Association



## S – Society and Social Engagement

The “S - Social and societal engagement” field of action of our sustainability strategy covers activities relating to employees, human rights, and social and societal matters. These also include socially sustainable products, a wide range of measures for our employees, and our sponsorships and corporate volunteering activities. The following topics were identified as material for this field of action:

- Sustainable finance
- Sustainable investment
- Occupational safety and health
- Education and training
- Diversity and equality
- Fair employer

These topics entail a wide range of positive and negative impacts we have identified as material for economic development, society and our employees. Examples include

### Inside-out perspective

- By financing green and social projects, BKS Bank contributes to the further development of society, the economy and the region.
- With its range of products and services, BKS Bank contributes to the inclusion of older people in the financial market.
- We ensure that our employees are also qualified for new challenges and the future by offering extensive training and further education opportunities.
- Training and further education reduces processing errors that may result in financial disadvantages for customers.
- We support cultural diversity in the region by sponsoring art and culture.

### Outside-in perspective

- As an employer, BKS Bank strengthens the economy of the region and contributes to social cohesion.
- Demographic change increases diversity at companies.
- Greater financial knowledge in the population raises awareness of the need to provide financially for old age.
- Poverty limits demand for banking products and increases the need for financial aid.
- The progress of digitalisation is making it more difficult for persons who are not digitally savvy to access banking services.

Our advisory services and products increase the prosperity and security of our customers. By offering socially and societally sustainable products, we make it possible to invest in barrier-free access, construction of nursing homes, hospitals and educational institutions. Sales Controlling monitors how the sustainable products develop and regularly reports on developments. The departments “Investment and Retirement Planning”, “Finance and Investment”, “Payments and Transfers” are responsible for development and social innovation.

### Employees are crucial to our success

Our most valuable capital is not on custody or giro accounts, but in our committed employees who work for our customers and stakeholders every day, and strengthen the BKS Bank brand within and outside the company. BKS Bank's managers promote the well-being of our employees and in this way maintain and increase the 'return' on this capital.



We are an attractive employer and an important goal is employee loyalty. We work to retain employees long term – which is also an indicator of the appeal of BKS Bank as an employer. Staff expertise that increases over the years of service also increases productivity and reduces operational risks.

We attach great importance to equality and have defined targets for the share of women in management positions and to reducing the gender pay gap. We use external certification and evaluation services. Our next employee survey will take place in 2024 with the aim of identifying and working on the key concerns of our workforce, and keep job satisfaction and motivation high.

As we also see that the many challenges confronting the banking sector are increasingly burdening our employees, we offer them numerous support measures, including some that go beyond their work settings. These include, for example, our workplace health scheme and activities to achieve a good work-life balance. All employees have access to extensive training and further education courses. These courses are designed not only to help them pursue careers, but also to ensure they can remain active despite far-reaching, permanent change processes within the company. The Works Council is an important institution for balancing employer and employee interests.

### **Social engagement**

The year 2023 was overshadowed by high inflation that had a harsh effect on many people. Social organisations were confronted with significantly higher operating costs.

As a reliable partner to society, we support numerous organisations with financial resources, contributions in kind and corporate volunteering. When deciding which projects to support, we are guided by our sponsorship principles. Our sponsorship activities focus on culture, social matters and education. We attach particular importance to a high degree of ethical quality of the measures supported and avoid any support for activities that could potentially conflict with anti-corruption law or indicate close ties to political parties. We strive to establish long-term partnerships, as we know from experience that a higher impact can be achieved with ongoing support than through one-time funding.

As a bank that sets great store by strong relationships and its regional roots, it is important to us to engage in ESG networks. When selecting networks to join, we pay close attention to their objectives regarding social and environmental sustainability as well as to see if they are well-established regionally.

### **“Du & Wir Stiftung”**

In December 2023, we founded the “Du & Wir-Stiftung” foundation under the patronage of the Caritas Stiftung Austria. The purpose of this foundation is to provide direct support for people in need and for people with care and nursing requirements, regardless of age or gender, religion, nationality and ethnic affiliation or political convictions and regardless of fault. BKS Bank contributed founding capital of EUR 500,000 to the foundation. Donations from third parties are encouraged to ensure the long-term and continuous support for social projects from the returns earned on the invested capital of the foundation.



## Social sustainability in products and services

BKS Bank works to promote sustainability in society and socially in its core business. In this context, we focus on products and services for the elderly, on the financing of non-profit residential construction projects, and on the construction of local medical care centres. At the same time, the next generation is also very important to us. With our special account types for pocket money and the young people, we support children and youths in learning how to handle money responsibly.

### Solving relevant social concerns through loans

The loan product “Silberkredit” launched in 2016 continues to be a popular, socially sustainable product. This loan type was created specifically for older people who, due to their age, have limited access to finance at many banks. Many of our older customers use these loans to invest in accessibility, for example. Senior

citizens' organizations also appreciate the loan type “Silberkredit” and frequently invite BKS Bank to present the product in their circles.

Socially sustainable purposes of the loan include, for example, financing of homes for the elderly and nursing homes. We expect demand for places in care and nursing homes to continue to rise as well as demand for health care centres.

We also finance the construction of educational facilities. We also provide funding for training and further education activities of customers through the Bildung- & Zukunft” loans.

In total, BKS Bank had granted EUR 482.6 million in socially sustainable loans at year-end 2023. In this context, we are pleased to report a new lending volume of EUR 58.8 million.<sup>1</sup>

### Examples of socially sustainable uses of loans

Contribution to SDGs assessed as priorities

Socially sustainable	
Social housing	  
Educational institutions: Daycare centres and kindergartens Schools and after-school care Universities and technical colleges	   
Care and welfare facilities: Residential homes for the elderly Nursing homes Assisted living	 
Healthcare facilities: Hospitals and outpatient clinics Medical practices Facilities for other healthcare professions	 

<sup>1</sup> We define the new volume of sustainable social loans as financing with a socially sustainable intended use.



### **Social responsibility in investments<sup>1</sup>**

Social bonds and sustainability bonds have become popular investment instruments. As early as in 2017, BKS Bank issued the first ever social bond for the construction of a dementia center. This was followed by another bond for the construction of educational facilities. In 2022, we issued the first sustainability bond, which was used to finance the construction of a health care center in St. Pölten. The building features a high degree of ecological sustainability and excellent energy efficiency ratings. The centre opened as planned in 2023.

### **Investment funds**

We also offer our customers sustainable investment opportunities in the form of investment funds. The sustainable investment funds also invest in several funds with a social focus, including the “3 Banken Mensch & Umwelt” equity fund. This fund was launched in 2019 by 3 Banken-Generali Investment-Gesellschaft<sup>2</sup>, which is the joint investment fund subsidiary of 3 Banken Group and Generali Versicherung. Investments in these funds give a high weighting to SDG 3 (Health and Wellbeing) and SDG 11 (Sustainable Cities and Communities). At year-end 2023, the fund volume was EUR 230 million. Other sustainable funds include the “3 Banken Nachhaltigkeitsfonds”, the “BKS Strategie nachhaltig” fund and the “3 Banken Unternehmensanleihen Nachhaltig” fund.

### **Bank accounts for everyone**

In Austria, the so-called basic account has been established for many years. According to the Consumer Payment Account Act (Verbraucherzahlungskontogesetz), every consumer legally residing in the EU has the right to such a basic account. This also applies to persons without a permanent residence. BKS Bank offers its customers this type of account in all of its markets. Demand for basic accounts was very subdued also in the current reporting year.

### **“Du & Wir” account helps people in need**

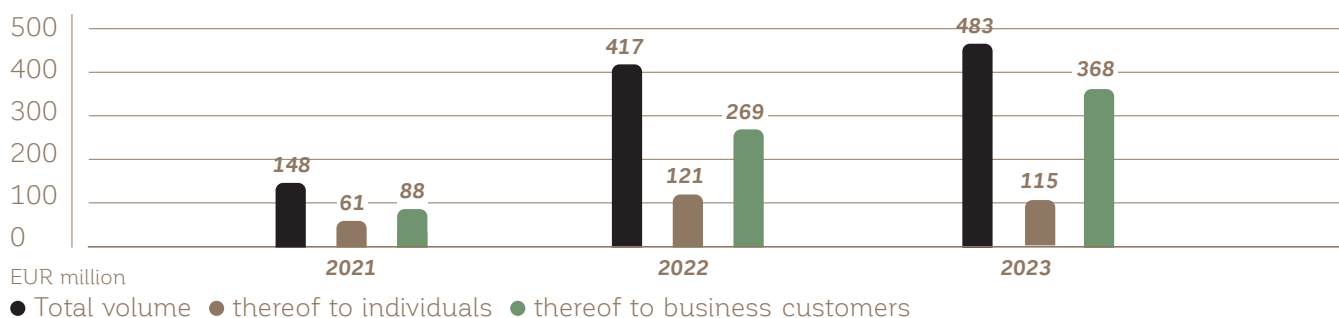
In the reporting year, we prepared the introduction of a new account type for retail customers. The “Du & Wir” account is a supplement to the “Du & Wir Sozialstiftung” which we set up in cooperation with Caritas. The new “Du & Wir” account makes it possible for customers to contribute their support for social projects. For every account opened, EUR 12 are transferred to the “Du & Wir-Stiftung” foundation. The foundation supports people in need and people who require care and nursing. The account is part of our efforts to develop financial products that offer sustainable added value. The account is unique in Austria and highlights our ability to develop innovative solutions to meet the needs of our customers while also making a positive contribution to society.

<sup>1</sup> Disclaimer: The information contained in this report is non-binding and does not replace in any way advisory services for the purchase or sale of securities. It is neither an offer nor a solicitation to buy or sell the investments mentioned, and neither does it constitute a recommendation to buy or sell.

<sup>2</sup> Disclaimer for the products of 3 Banken-Generali Investment-Gesellschaft m.b.H.: Information on the products of 3 Banken-Generali Investment-Gesellschaft m.b.H. is non-binding and is neither an offer nor an invitation to buy or sell, and in no way replaces an advisory talk on the purchase or sale of investment fund units. The exclusive basis for the purchase of investment fund units is the key information document (KID) and the respective prospectus made available in the currently valid version in German on the website [www.3bg.at](http://www.3bg.at), as well as at the Austrian paying agent for the investment fund.



### Socially sustainable lending



#### Branches are important for personal talks

Branches play a significant role in our sales strategy. Digitalisation and a declining number of bank branches are making it more difficult for older and less digitally-savvy people to access banking services. Our "branch of the future" counteracts this by specifically promoting personal talks between our customers and employees. We offer

training as needed on how to use the online services to customers who would like to use these. As part of our cybersecurity training for employees, we also focus on the risks the cyber world presents to people who are less digitally knowledgeable. Such risks and fraud patterns are discussed in advisory meetings as well as the measures that can be taken to counter them.

#### Giving access to banking for older people

As a responsible bank, we are aware of demographic trends and the increasing population aging. In Austria, there is a clear shift in the population structure. The number of people over 65 is rising steadily compared to the total population, according to forecasts by Statistik Austria. This trend is expected to continue and underlines the need to adapt our services to the needs of this growing population group. The integration and well-being of older people are therefore at the heart of our revised sustainability strategy. We believe the customer

group of older people as an opportunity to strengthen our role as an inclusive financial partner. Therefore, we have expanded our communication and our product range to cover the needs of older people, including an advertising line developed specifically for this group. The series of events "Securing assets, passing on wealth" organized jointly with civil law notaries, marked the beginning of our activities for this customer group. This initiative underlines our efforts to create value beyond financial services by helping close the pension gap and actively combat age

discrimination. There are studies that investigated age discrimination in the banking sector – difficulties in accessing loans and challenges in online banking – that puts older people at a disadvantage. Our aim is to counteract such discrimination and create a banking environment that is accessible and easy to use for all age groups. Our branch network and the high level of advisory expertise of our employees enables us to offer an environment geared towards promoting and maintaining the financial health and independence of older people.



**“Our employees are the heart of  
BKS Bank. We invest in their diverse  
training and further education and promote  
professional and social skills.  
This is how we encourage responsible behaviour  
in all areas.”**

**Werner Laure**

Head of Personnel Management  
Joined BKS Bank in 1989







## Fair employer

**We develop employees, customers and partners into real supporters and create networks that foster the values we stand for.**

These words describe a core value of our brand: “warm-hearted”. This means that we promote talented employees, work to ensure a good work-life balance and offer our employees fair pay, flexible working hours, health promotion activities, employee performance talks, a wide range of training and development opportunities and comprehensive social benefits. Social benefits are granted regardless of the extent and type of employment. There are no benefits that are exclusive to full-time employees. However, some benefits are only available after a certain period of time with the company. Furthermore, the features of the benefits vary across the different market regions.

In 2023, we revised our employer branding strategy. BKS Bank’s strategy defines our company as a highly reliable employer that offers opportunities for

people who plan for the long term, thereby solidifying our reputation as an employer.

### Work-life balance

A core element of a modern working environment are measures that promote the work-life balance for employees. In Austria, Slovenia and Croatia, BKS Bank holds the respective local certifications as a family-friendly company. There is no such certification scheme in Slovakia. A good work-life balance is a valuable factor for the following aspects:

- Compatibility of career and family
- Greater employee satisfaction
- Equal opportunity for all employees and applicants regardless of family status, age or gender
- Low staff fluctuation and retention of valuable expertise in house
- High ratio of employees return from childcare leave, and
- Increase in share of women in management positions

GRI 3-3 Management of material topics

GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

### BKS Bank is top choice for people who plan for the long term

In view of the increasingly challenging situation on the job market and the need to position ourselves as an attractive employer, we have reviewed our employer branding. The goal was to bring our branding as an employer in line with our core brand values. We conducted a thorough analysis of our competitors and also considered the expectations of generation Z and interviews with managers and

employees to develop a deep understanding of current demands on the labour market. On this basis, we developed a clear positioning that reflects the bank’s core brand values. As a central component of the realignment process, we used the Employer Journey Mapping method. This method gave us a detailed insight into the entire journey of potential employees in detail.

The process helped us to identify the key contact points.

Our current focus is on optimizing the points identified to ensure a consistent presence across all brand contact points. This project illustrates our commitment to creating a sustainable and attractive working environment and offer future-oriented people numerous opportunities.



The remote work arrangement at BKS Bank has been designed with a view to supporting ambitious women working part-time and offer them an opportunity to increase their level of employment. Criteria for granting remote work include distance from workplace and duration of journey to the workplace.

The "berufundfamilie" audit defined that an evaluation of the arrangements for remote work was to be conducted in 2024. Based on the findings, targeted measures for the continuation and further development of this new form of work are to be developed.

The numerous offers to help employees achieve a good work-life balance are open to all employees. These include flexible working hours, the Kinki daycare center and childcare available on days between holidays and weekends, and during vacation periods. In Rijeka, our employee's children can do their homework in the Kid's Corner. BKS Bank also motivates fathers to take the one-month paternity leave after the birth of a child or parental leave. In 2023,

three men took paternity leave and six others took the one-month leave after the birth of a child. In December 2023, we were happy to be recertified under the "Mamforce" scheme with "grow status" as "Croatia's most family-friendly company".

#### **Works Council - a partner**

The Works Council is an important partner for when selecting and implementing measures for employees. In 2023, the Works Council was reorganized and a Works Council for Austria was constituted in May 2023. Five members (three of which are women) of the Works Council are on the Supervisory Board and its committees. All benefits granted that are not covered by the collective agreement for the banking industry are agreed in a separate works agreement signed by the company and the Works Council. BKS Bank provides the Works Council with an annual budget for social benefits; employees do not pay contributions to the Works Council.

#### **Warm-hearted**

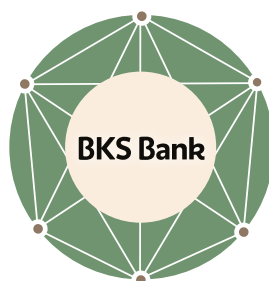
We foster personal relationships, interact with people on an equal footing, and work to create a respectful environment to promote a good work-life balance.

#### **Regionally-committed**

We are proud of our origins, we work across regions and contribute as reliable employers to our local communities.

#### **Excellent**

We train our employees to excellence by investing continuously in knowledge transfer and developing competence.



#### **Strong in relationships**

We foment strong relationships, develop employees into real supporters and create networks that foster the values we stand for.

#### **Future-oriented**

We are open, recognize suitable employees early on and support them by showing them long-term, concrete prospects.

#### **Responsible**

We are a flagship and multiplier for social responsibility; we work for equality and invest in the effective promotion of women.



## Diversity is a success factor

In 2023, BKS Bank had 1,146 employees<sup>1</sup>, of which 1,056 were employed at BKS Bank AG. 295 people worked for our company in Slovenia, Croatia, Slovakia, Serbia and Italy. The share of women was 59%. Our employees come from 15 nations. At 52%, the largest the age group of 30 to 50-years-olds. We believe diversity is an opportunity and work to make it visible. In 2023, we continued the internal diversity campaign launched in 2022. We launched a diversity campaign in social media and on the employee portal in which we introduced employees under the motto “My heart beats for...”. The testimonials of 14 employees were filmed on camera.

The topics of diversity and diversity management are also on the agenda of several training series including the “BKS Colleg” for new employees, the talent programme, the basic training for management staff and the “Excellence Programme” for experienced managers. This helps make our employees and managers multipliers of diversity. In a specially-designed training for recruiting, managers are sensitized to approach all applicants objectively to increase diversity on teams. To make recruiting more objective, we are constantly optimising the associated processes. We explicitly invite people with disabilities and persons seeking to change career paths to apply and highlight equal opportunity at our company when advertising open positions.

The LGBTI Business Resource Group initiated by our Diversity Officer in 2022 is committed to creating an environment in which all employees can develop their full potential every day.

At our bank, we ensure equal opportunity for all employees in accordance with the Universal Declaration of Human Rights and the Principles of the UN Global Compact regardless of age, gender, ethnicity, religious affiliation, sexual orientation or physical impairment. Our mission statement, our values and our code of conduct serve as guidance for a good working environment. English is the Group language, and important documents are also available on the employee portal in the local languages. We are a member of the “Diversity Charter” of the Carinthian International Center and the initiative “#positivarbeiten”.

### Diversity in management

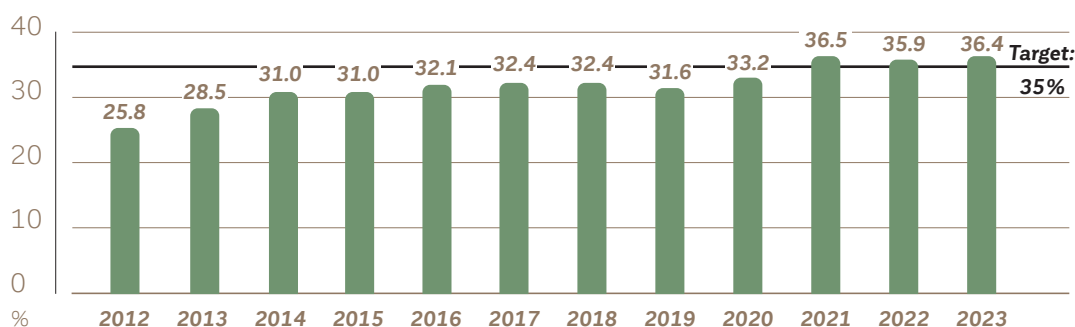
The share of women on the Management Board is 40%, and on the Supervisory Board it is 46.6%. Therefore, we significantly exceed the statutory quota of 30% women on the Supervisory Board. The criteria and diversity aspects used to assess proposals for filling vacancies on the Supervisory Board and Management Board are explained in the Annual Report on page 34 and as of page 44.

When filling management positions, the same career opportunities are open to all employees. Whenever possible, management positions are filled from within the company. Therefore, there are a number of promotion and development programmes to achieve this goal. Persons interested in such positions may apply at any time – also without consulting their superiors. This ensures equal opportunity.

<sup>1</sup> A detailed presentation of key employee indicators is given in the section “Employees” in the chapter “Sustainability in Numbers” as of page 154.



### Share of women in management



55% of managers are 30 to 50 years old, and 45% are over 50 years old. Around half of the over 50-year-olds have already reached the age of 55. Therefore, the generational change is being prepared prudently.

We aim to achieve a ratio of at least 35% women in management positions. As at the end of December 2023, this target had been exceeded by reaching 36.4%. At BKS Bank AG, the share of women in management positions was 34.9% (excluding the Management Board). The proportion of women in the second management level, which reports directly to the Management Board, has also significantly increased in recent years. While there were only two women as heads of departments and of regional head offices in 2019,

today there are six. Four more women hold managing director positions in our leasing companies. Our measures to promote women played a major role in this positive development. Women are given preference for management positions if they have the same qualifications. To date, 86 female employees have completed the women's career programme. 75 of the participants were from Austria, 11 from Slovenia, Croatia and Slovakia. The programme designed specifically for the participants focuses on training for management and specialist functions. BKS Bank's corporate membership in the Business Women's Center Carinthia offers our female employees the opportunity to present their achievements to the public, to network and to develop professionally and personally.

### Promotional programmes create opportunities

Apart from bank-specific training courses, we offer employees various development programmes. These include the women's career programme, the talent programme, the basic training for management staff and the excellence programme for experienced managers. The women's career programme has the aim of increasing the share of women in management and expert positions. The talent programme helps participants identify their strengths and

potential to use these in their daily work. The programme gives participants an opportunity to reflect on their own behaviour manage it in the face of irritation. It is also an opportunity to network and apply new work techniques. The basic management training course is designed for employees who have just taken on a management role or are about to do so. The course has several modules in which they learn the instruments of responsible

management. Experienced managers who complete our excellence programme are well-schooled in self-management, diversity, recognizing trends, agility, appreciative communication and information as well as conflict and change management. All development programmes serve the goal defined in our strategy of striving to fill management positions from within our own ranks wherever possible.



## Income

### **Remuneration of the Management Board**

The remuneration policy for the Management Board and Supervisory Board was amended in 2023. The policy is available online at <https://www.bks.at/investor-relations/berichte-und-veroeffentlichungen>.

The remuneration policy of the Management Board is based on the values of sustainability, stability, security and credibility. The interests of shareholders, customers, employees and other groups associated with BKS Bank are taken into account in a balanced manner. The remuneration policy also aims to ensure that the total remuneration of the Management Board is commensurate with the economic situation of BKS Bank. The remuneration paid to the Management Board is based on areas of activity and responsibility, the contribution to profits, and on industry standards applicable to companies of comparable size.

A balanced ratio of fixed and variable components is taken into account. A total of four performance categories were defined for measuring the variable remuneration of the Management Board: financial performance criteria, risk criteria, individual performance criteria per Board member, and four non-financial performance indicators. These are the ISS ESG rating prime status, sustainable product volume, EMAS certification and the staff fluctuation rate. The sustainability targets are weighted with 30% in the Management Board's remuneration system, and therefore, with the same percentage as the financial and risk criteria. The performance assessment of the Management Board members is done annually by the members of the Remuneration Committee. Variable remuneration is only paid out – 50% in cash and in shares respectively – to the Management Board if this is reasonable considering the financial situation of BKS Bank.

If, after the variable remuneration has been awarded, it turns out that it was paid out on the basis of false data or with fraudulent intent, it may be reclaimed in part or in full. However, this has never been necessary at BKS Bank in the past. A company pension scheme is in place for all Management Board members based on a multi-employer pension fund model.

### **Remuneration of the Supervisory Board**

The remuneration of the Supervisory Board is defined in the Articles of Association of BKS Bank. Amendments must be adopted by the Annual General Meeting. As a general rule, the members of the Supervisory Board are remunerated for their activities commensurate with their tasks, responsibilities and the situation of the company. Additionally, remuneration should be in line with market practice and suitable for attracting qualified persons to the Supervisory Board. The members of the Supervisory Board receive a fixed annual remuneration as well as additional compensation for committee work. The payments are decided at the Annual General Meeting.

Additionally, cash expenses incurred as a result of activities for the Supervisory Board are reimbursed. There is no variable performance-linked remuneration for the members of the Supervisory Board and no share-based compensation. Payment is made after the Annual General Meeting has approved the actions of the Supervisory Board for the relevant financial year. The members delegated by the Works Council do not receive any remuneration. Once a year, the Supervisory Board assesses the efficiency of its activities as part of a self-evaluation.

An overview of the remuneration paid to the Management Board and Supervisory Board for the financial year 2023 and the remuneration-linked voting results



of the 84th Annual General Meeting are presented in the tables as of page 162. The detailed remuneration report for the financial year 2023 will be presented to the 85th Annual General Meeting in May 2024 and made available online briefly before the AGM.

### Income of employees

The remuneration of employees of the BKS Bank is based on the applicable collective bargaining agreement (see page 165) and on an employee's respective activity and qualification. Furthermore, we voluntarily offer our employees additional social benefits. Examples are contributions to retirement planning and healthcare as well as family-related benefits.

### Gender pay gap

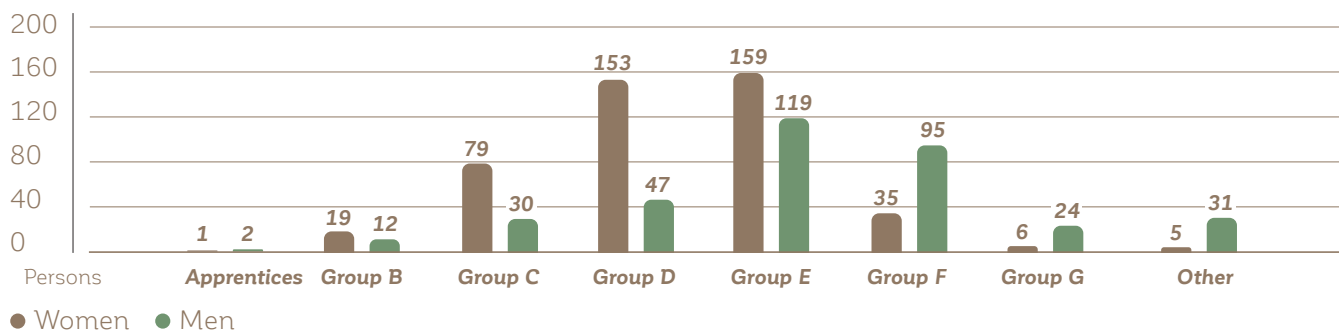
BKS Bank is strongly committed to reducing the gender pay gap to 12% by 2025. We are very pleased to have reduced the gender pay gap in Austria from 19.2% to 15.8% since 2016. Nonetheless, much remains to be done, especially in our foreign markets. In Slovenia, the income gap was 18.6%, in Croatia 21.4% and in Slovakia 31.6%. One important measure for reducing the gender pay gap is to give women with equal qualifications preference when filling management positions.

### Employee participation

We believe our employees should also have a share in the company's success. On the one hand, we make it possible for employees to acquire shares in BKS Bank directly and tax-free within the framework of the employee share ownership scheme, and on the other hand, they are allocated BKS Bank shares free of charge through the BKS Mitarbeiterbeteiligungsprivatstiftung. Eligible are employees who have been employed for at least three years with an unlimited work contract and have not been given notice. Furthermore, our employees receive BKS Bank dividends through the BKS-Belegschaftsbeteiligungsprivatstiftung. Employees are entitled to dividends if they have been employed for at least 18 months without notice of termination on the date of payment.

On 31 December 2023, BKS-Belegschaftsbeteiligungsprivatstiftung held approximately 2.55% of shares with voting rights. BKS-Mitarbeiterbeteiligungsprivatstiftung held BKS Bank shares with 0.27% of the voting rights. It held these shares in trust for employees or for the scheduled sale to the employees. A further 1.14% of shares with voting rights were held directly by active or retired employees.

### Wage structure of BKS Bank AG in Austria



GRI 405-2 Ratio of basic salary and remuneration of women to men  
TCFD, metrics and targets, recommended disclosures a)



**“As a new member of the ESG team, I experience every day how our bank offers opportunities to people with a future-oriented outlook. At BKS Bank, sustainability is not a trend, but a future-proof and exciting way forward that I have the privilege of actively shaping.”**

**Jakob Behrent**  
ESG Manager  
Joined BKS Bank in 2023







## Education and training

Excellent advisory services can only be provided by well-trained employees. BKS Bank therefore attaches great importance to high-quality training for its employees. In 2023, our employees spent 41,024 hours in training and further education courses; these were held as in-person events, online and e-learning courses.

The management of the training and further education courses is done using our digital learning platform. Employees register for training and further education courses on the platform, actively receive reminders, and can also take part in e-learning courses. Managers control the further development of their teams and their employees via the learning management system. Generally, the goal is for all employees, regardless of age and qualification to take advantage of the seminars offered for their further development. Personality development courses are also an important part of the BKS Bank Academy's offering. In 2023, we also trained four apprentices and ten trainees.

### **EU Action Plan, EMAS and more**

One of the focal points of the courses was the topic of sustainability. The Green Day training courses were successfully continued. In this courses, participants were introduced to the changes resulting from the EU Action Plan for Financing Sustainable Growth and learned about the EMAS environmental management system. All European Investment Practitioner (EIP)-certified investment advisors completed the sustainability preference training in accordance with MiFID II. Training was also provided on the topic of diversity. A total of 618 participants took part in CSR training courses.

In 2023, ESG training focused on making our employees fit for advisory services relating to the Taxonomy and ESG factors in ratings. A highlight was the awareness training course for corporate account managers in cooperation with WWF Austria. As part of our Green Finance Alliance membership, we also took part in numerous presentations and networking events.

We have been cooperating with the innovation ecosystem weXelerate for several years. The cooperation includes various types of events that are open to managers and employees. As part of the "Innovation Days", for example, workshops were combined with presentations by weXelerate and innovative external keynote speakers.

In 2023, we offered monthly online leadership coaching lectures for all managers for the first time. They receive one-hour online inputs from external trainers on the latest trends in management and leadership. As a supplement, they may book individual coaching sessions for their personal development.

The topics at the annual development conference of senior management staff are the development of leadership qualities and strengthening awareness of strategic personnel and organisational development issues. Seven senior managers started the new reverse mentoring programme on the topic of digitalisation as mentees in 2023. First, this promotes their further development regarding digital topics and, second, enables the sharing of experiences with employees across hierarchical levels. Additionally, senior managers discussed the topics of employee onboarding, succession planning, fluctuation and diversity on the basis of specific key indicators.



## Health comes first

The risk of occupational accidents at BKS Bank is low, unlike at manufacturing companies. When accidents do occur, they are usually traffic accidents during business trips or falls. However, primarily sedentary work increases the risk of illness associated with lack of physical activity. To counteract this trend, more and more workplaces are being equipped with height-adjustable desks. There are also several seat balls and seat cushions available to give employees the chance to sit more dynamically.

Our employees are sometimes exposed to psychological stress that they often are unable to cope with on their own. These are sometimes triggered by external crises such as inflation and geopolitical uncertainties. In other cases, by change processes such as tightening regulatory measures, digitalisation and the rise of competitors from outside the industry that are increasingly influencing the banking business. We help our employees cope with these stress factors by offering anonymous and free counselling provided by the “EAP-Institut für Mitarbeiterberatung”. This organisation provides uncomplicated support in difficult professional and also private life situations. In 2023, 133 hours of counselling were used. Our employees in Slovenia and Croatia may also use such counselling services offered by local institutes.

### Workplace health management

Workplace health management and occupational safety follows the principles of the EFQM quality management system practiced at our company. Various occupational safety aspects are also covered by the EMAS Management System. All workplace health promotion

offers are available to employees on the employee portal. It is mandatory for all employees to take note of occupational safety regulations. Employees may direct suggestions relating to health promotion and occupational safety to Personnel Management, the Works Council, the occupational company physician, and the Occupational Safety Officer at any time and also submit these in the “IdeenRaum”.

### Occupational health services

To ensure good medical care for our employees, we employ an occupational company physician. The focus of her work is to provide occupational health advice and support. The physician is also involved in all health-promotion measures. She is available to employees once a week for any questions relating to health and the workplace, and carries out regular workplace/work process evaluations.

Health teams are active throughout the Group as well as the health committees required by law. The occupational company physician, occupational safety specialists, managers, employees and Works Council members take part in the bi-annual health committee meetings. This ensures that all locations, activities and all employees are considered. This ensures that 100% of employees<sup>1</sup> are represented. The committees have the power to decide on the implementation of any necessary measures. More cost-intensive measures are coordinated with the Management Board. The committees discuss, among other things, measures to increase workplace safety and bank security, healthcare offers for employees, and training for safety experts and officers.

GRI 403-1 Occupational health and safety management system

GRI 403-3 Occupational health services

403-4 Worker participation, consultation and communication on occupational health and safety

403-5 Worker training on occupational health and safety

403-6 Promotion of worker health

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

GRI 403-8 Workers covered by an occupational health and safety management system

GRI 403-9 Work-related injuries



**Indicators**

We use the ratio of leaves of absence due to illness as an indicator for measuring employee health. The ratio was only 3.6% for the entire Group. The number of sick leave days per employee per year was on average nine days, which shows that the extensive health promotion measures are effective. Another indication of the quality of the health promotion activities at BKS Bank is the "Gütesiegel für Betriebliche Gesundheitsförderung" (quality label for company health promotion), which we have been awarded every year since 2010.

**"Durch die Bank gesund" scheme**

We offer health promotion activities to our employees in all market areas. A highlight is the annual employee health programme "Durch die Bank gesund" (health promotion scheme). In the year 2023, the focus was on metabolism. After a kick-off talk on how metabolism works, participants took part in a metabolism analysis in the form of spirometry test. In Austria, 332 employees took part. We attained our target of a 25% participation rate.

**Workplace safety<sup>1</sup>**

To identify any safety defects, the safety experts and in-house technicians conduct regular inspections of the premises of the head office and branches. In cooperation with the police, safety measures for the prevention of bank robberies were reviewed. The potential for improvement identified is documented in writing and remedied as quickly as possible.

At BKS Bank, four persons are employed as safety experts and 18 persons as safety officers. Safety experts are

primarily responsible for occupational safety at BKS Bank. Their responsibilities include

- Development of safety standards
- Initial briefing of new employees
- Employee training and awareness of workplace safety
- Safety checks
- Implementation of improvement proposals

In our international market areas, external companies specializing in occupational safety are entrusted with these tasks.

Safety officers support the safety experts as the first point of contact for employees at the regional head offices and branches. They must also complete several days of training.

<sup>1</sup> 99.7% of all employees of BKS Bank are salaried employees. Therefore, there is no reporting on employees without salaried employee status regarding occupational safety.



## Promoting arts and culture

One component of social responsibility is the promotion of arts and culture. BKS Bank has been promoting arts and culture for over 50 years.

### **Concerts, opera and film**

Our cooperation with the Carinthian Summer event is a regular and popular activity. Since 1975, BKS Bank has been one of the sponsors of the Carinthian Summer event. In the reporting year, we once again sponsored the event with around EUR 25,000 and invited our customers to an impressive concert given by “Orchestra della Svizzera italiana”. Another highlight was a special concert evening during advent season which spent with customers at the Feuerberg Mountain Resort. The renown international quartet “Alpine Carolers” presented Christmas carols with great swing rhythms in the best a cappella tradition. The donations collected at this charity event went to the “Kärntner in Not” campaign. We also continued our cooperation with Stadttheater Klagenfurt.

Stadttheater attracts international attention in cultural circles with high quality performances. In addition to theatre production “Lavant!” and the opera “Koma”, we also supported a commissioned work with around EUR 24,000 and invited customers and partners to the preview of the opera HIOB. Stadttheater Klagenfurt was filled to capacity. This special play is a modern staging of a biblical theme that provides a moving, powerful and grandiose opera experience.

To mark the 50th death anniversaries of two great Carinthian writers, Christine Lavant and Ingeborg Bachmann, film documentaries were produced about these two impressive women. The films were shown to a wide audience at two customer events.

### **“Tage der deutschsprachigen Literatur” (German Literature Days)**

We are also a reliable partner for the event “Tage der deutschsprachigen Literatur” that was held for the 47th time at the ORF Theater in Klagenfurt.

### **Great cinema at the Head Office**

The BKS event hall at the Head Office was converted into a movie theatre twice during the reporting year. A screening of the TV documentary “Die Fremde(n)” was held on the occasion of the 50th death anniversary of Ingeborg Bachmann jointly with the Austrian broadcasting company, ORF. In this historical masterpiece, three generations of female writers talk about the influence and legacy of Ingeborg

Bachmann on the image of women in general and, in particular, on her personal development as a writer. Shortly before Christmas, BKS Bank, in cooperation with Graf Film, invited customers and partners to another film screening: “Christine Lavant - Wie pünktlich die Verzweiflung ist”; this is a touching cinematic document about the extraordinary Carinthian lyricist. Many

Carinthian artists were involved in the production. The live film music by composer Edgar Unterkirchner and the insightful moderator Arnold Mettnitzer completed the enjoyable evening. The customer feedback on the event was overwhelming. We were delighted to be able to present this wonderful film at our Head Office.



BKS Bank has supported the most important literature award in the German-speaking region with EUR 20,000 since 2012. Twelve authors took part in the traditional literary competition in 2023. Martin Piekar won the BKS Bank audience award.

He impressed the audience and the jury with a text about the relationship of a mother and her son defined by the mother's experience of war and having to flee from Poland, and the expectations of the teenage son. The audience award is endowed with EUR 7,000 plus the City of Klagenfurt's "Stadtschreiberstipendium".

#### **Promotion of talented young writers**

We also sponsored the 31st Junior Bachmann Literature Competition as part of the German Literature Days. This time, the motto was "Schräge Vögel. Bunte Hunde." (Strange Birds. Mavericks.) and invited young people from 10 to 19-years-old to a creative writing competition. Yannis Pagger won first place with his literary work "weichlicht".

#### **Great young musicians**

"prima la musica" is Austria's biggest music competition for young musicians who have resided in Austria for at least three years. The young horn player Helena Pirker from Hermagor was the

national winner in 2023. Our heart also beats for the young musicians of the Gustav Mahler Private University. We supported chamber music students in the reporting year with scholarships of EUR 3,000. As a sponsor, we again supported the Althofen master classes in 2023. Students from all over the world receive musical training of the highest quality at these master classes. The highlights included concerts at which the participants showcased their skills.

Once again, we also supported the International Johannes Brahms Competition. Every year, 400 outstanding artists from all over the world compete in the disciplines of piano, violin and cello.

#### **Great stage for the Ljubljana Festival**

The scenic cantata Carmina Burana by the German composer Carl Orff is a famous piece of music and consists of 24 movements; it was performed by the symphony orchestra and the choir of the Slovenian National Theatre Maribor with three opera soloists. In the reporting year, we provided financial support for the production of the masterpiece and invited customers to enjoy a special concert.



## Diversity in Social Engagement

Sponsorships, in-kind contributions and donations are the principal way we contribute to SDG 1 "No poverty" and SDG 4 "Quality education". Our guidelines exclude sponsorship of political parties and related entities, as well as institutions and persons who support and/or spread racist, anti-Semitic, violence-glorifying, discriminatory or otherwise offensive notions and ideas. The projects supported are selected in consultation with the Management Board, and to a lesser extent by our regional head offices and branches. The activities described below briefly are just a few examples of the 127 projects we supported with EUR 200,000 in the reporting year.

### **Social engagement**

BKS Bank has been a principal sponsor of "Kärntner in Not" since 2008. It was originally a fundraising initiative started by "Kleine Zeitung" during the Christmas season, and later developed into a year-round active association. The Christmas campaign continues to be an important component in fundraising. In cooperation with Caritas Kärnten, "Bürgerservice" (Citizens Service) of the Province of Carinthia, "Kinderrettungswerk" (Children's Rescue Service) and "Rettet das Kind" (Save the Children), donations are raised for families who have suffered calamities. "Kärntner in Not" gives unbureaucratic help to persons in various emergency situations, aiming for a lasting effect. In the reporting year, donations amounted to around EUR 2.2 million. Our bank covers a large part of the administrative costs of the organisation with a sponsorship of EUR 30,000.

### **A heart for children**

Many of our sponsoring activities benefit children and young people. Education opens doors and creates the conditions for a promising future. We have a

27-year partnership with SOS Kinderdorf in Moosburg. Currently we are sponsor of house number 18 where six children live. The financial means provided by our sponsorship made purchases possible that would not have been feasible using only state financial aid. It is important for us to stay in personal contact with the children, which is why we like to bring presents at Easter and Christmas and engage with the children. As a Christmas present in the reporting year, every child received a "fun day" at the resort Warmbad Villach.

The "Care Leaver" project of Volkshilfe Wien is designed for young people that must leave assisted living facilities when they turn 18. BKS Bank supports the education of one young person who fled Afghanistan with a monthly contribution.

### **"Caritas Lerncafé"**

To increase equal opportunity for children whose parents cannot afford tutoring, Caritas has set up learning cafes. The opening of one such Lerncafé in Spittal in 2021 was made possible in part by our sponsorship, which was continued in 2023 with a donation of EUR 5,000. We also took 15 children on a trip to the climbing hall in Mühldorf to forget their everyday worries for a while.

### **Fundraiser for victims of severe weather event**

In the reporting year, Carinthia, Styria and Slovenia were hit by flooding following severe storms in the summer that caused extensive damage to buildings and the farming land.

Our employees donated EUR 11,893 in a fundraising campaign to help the victims of the severe weather events. BKS Bank increased the sum to EUR 26,000 which was distributed among "Kärntner in Not", Caritas Styria and Caritas Slovenia.



We are pleased to report that our staff are glad to provide financial support: Our long-standing cooperation partners ensured that the assistance reached those who needed it most, quickly and without complications.

#### **Support for aid projects**

The “Österreichische Bergrettung” (Austrian Mountain Rescue) provides valuable assistance to mountaineers, hikers and ski mountaineers in distress and regularly saves lives. Our Bank again gave financial support to the Carinthia Regional Group in the reporting year.

In Slovenia, BKS Bank made a donation to a humanitarian organization that promotes social responsibility and justice for children, young people and families. In return, our customers received a thank you card instead of a Christmas present. In Croatia, colleagues showed a heart for horses and gave stables and barns a fresh coat of paint during their charitable work for Pegaz, the equine therapy association in Rijeka.

#### **Volunteering activities**

We regularly encourage our employees to become involved in non-profit organizations in the form of corporate volunteering. We believe that such activities broaden a person’s horizon also increases social competence. As part of the engagement days and the advent calendar activities organized by “Verantwortung zeigen!”, employees went on a alpaca hike with young people in need of support from a day care center.

A team from Carinthia showed their creativity and painted the rooms of the B3 network in Villach together with the young people. At the Ronald McDonald House of Kinderhilfe in Styria, one day was spent making jams and Christmas cookies during the Advent season, which were sold there for a small donation. Our employees performed a total of 421 hours of community service in the reporting year.

We also support the association “Together”. This association pursues the basic idea of raising awareness for both personal relationships and environmental topics. The association initiated various projects in Carinthia, including food-sharing programmes, post-harvest projects and offering second-hand clothing to those in need in return for a donation. Our employees also volunteer to help socially disadvantaged persons, for example, by distributing food and second-hand goods at Together-Points.

A wonderful experience for everyone was the carriage ride along the Advent Trail on the Carinthian Katschberg to which we invited children from the SOS Kinderdorf. We also organized a visit to Stadttheater Klagenfurt to which we invited children from Point Don Bosco to a performance of Alice in Wonderland. On the last working day of 2023, employees of BKS Bank in Croatia distributed gifts to young patients of the Kantrida Children's Hospital in Rijeka to help make their holidays at the hospital a bit less harsh.



## Financial literacy

SDG target 4 "Quality education" is one of the SDGs we are working on as a priority. A good education and financial knowledge play an important role in achieving an adequate standard of life. People with a higher level of financial literacy are more likely to make provisions for old age and more likely to avoid unnecessary spending on consumer goods. BKS Bank supports projects and institutions that increase knowledge in the population and helps create job opportunities. In 2023, students from the course of study "Environment and Sustainability Management" at Krems University of Applied Sciences and students from HAK Klagenfurt were guests at our Head Office. A workshop was held for the students to impart valuable information about the day-to-day banking business and our sustainability activities.

We also supported two lecture series given by the "Volkswirtschaftliche Gesellschaft Kärnten" (VWG). The VWG is an educational institution with the aim of educating interested persons competently and objectively about economic and social issues. The presentations by experts explained, among other things, new structures for achieving a sustainable economy in the future.

In Austria, many women cannot support their families on their own income without a partner. The income gap is often due to long periods of parental leave and part-time work, and it is usually not possible to recuperate time lost. The consequences of lower income are felt mainly in old age, which is why poverty in old age affects mostly women in Austria. We believe it is important to raise awareness to mitigate this situation. We are happy to use our advisory talks at branches to give female customers

tips on they can improve their financial independence.

### **Support for entering the job market**

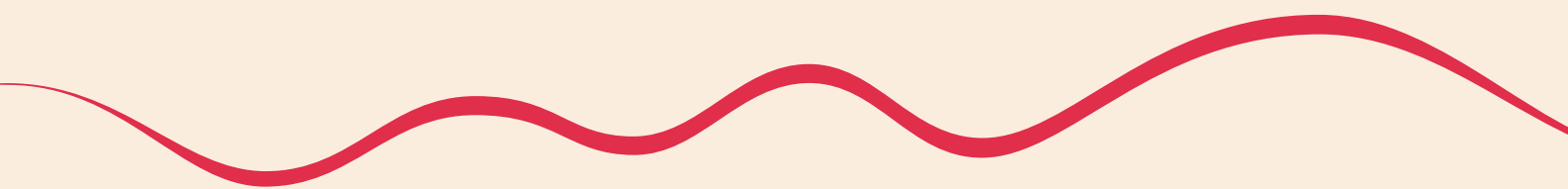
All beginnings are difficult – this saying often applies to the first job applications that young people write after completing their education. Our recruiting team offered job application training courses on several occasions to help young people enter the job market. Apart from feedback on the job applications, recruiting interviews were also simulated. At the event "lange Nacht der Karriere" (long night of careers), we gave school students insights into our daily work and we had an opportunity to meet potential new employees.

BKS Bank is a member of the Carinthian International Club. This organisation supports skilled foreign workers who want to settle in Carinthia. We believe it is important to make it easier for people from other countries to settle in our region and in this way we help to establish more skilled workers in Carinthia – a policy that also supports Carinthia's economy.

BKS Bank also trained three apprentices in the reporting year. Apprenticeship training is completed by the final apprenticeship exam. One of our Styrian branch managers is also an examiner for apprentices in Styria and makes a valuable contribution to preserving the profession of "bank clerk".

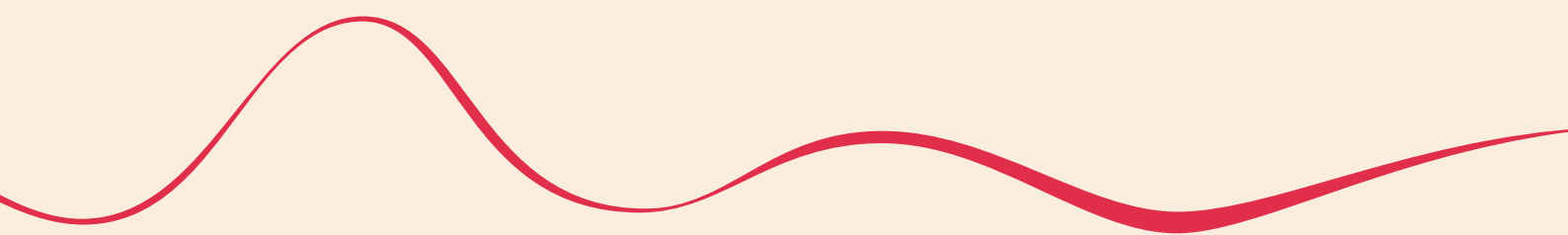
A new scheme we promote is the financial support Carinthia's banks provide to the Carinthian Chamber of Commerce for debt counselling. This scheme funds debt counselling training courses, which are held above all in the compulsory school segment.







# G Governance





## ESG – A Global Trend?

**The EU aims to play a pioneering role in climate change mitigation and a lot of change is also happening with respect to human rights along the supply chain. But what is the situation in the US and China?**

The EU's Green Deal has the goal of achieving climate neutrality by 2025 and cutting greenhouse gases by 55% by 2030. The EU Corporate Sustainability Due Diligence Directive that regulates supply chains and the new Corporate Sustainability Reporting Directive (CSRD) are heightening pressure on companies to take action regarding sustainability along the value chain. But is this trend a purely European one? This is clearly not the case when it comes to climate change mitigation.

Unsurprisingly, the world's largest emitter of greenhouse gases<sup>1</sup> is China, with a share of 30.9%, followed by the US with 13.5%. The ranking of energy-related CO<sub>2</sub> emissions per capita<sup>2</sup> is led by Qatar and the United Arab Emirates, with the US in fifth place and China in twelfth – thus behind Germany (10th place). Like the EU, China is also aiming for climate neutrality, albeit with a head start of ten years. Peak carbon emissions are expected to peak in 2030 and carbon neutrality reached in 2060. The state-owned oil companies Sinopec, Petro China and CNOOC have defined CO<sub>2</sub> reduction targets and want to become climate-neutral by 2050<sup>3</sup>.

Environmental aspects are becoming increasingly important in China and changes in energy policy have become quite clear. On the other hand, human rights and social issues continue to play a subordinate role. The Fragile State Index 2023, which compares indicators for the rule of law and human rights, ranked China slightly improved, but still has a lot of catching up to do<sup>4</sup>.

When the US presidency changed from Donald Trump to Joe Biden, climate change mitigation gained importance in the United States. The US rejoined the Paris Climate Agreement in 2021. At the time, it was announced that the US aimed to achieve climate neutrality by 2050<sup>5</sup>. However, current discussions show just how divided the US still is with regard to ESG. Conservative Republican circles are openly opposing this trend and are trying to stop ESG by all means. For example, there are efforts to ban investments based on ESG criteria<sup>6</sup>. 18 federal states with a Republican majority have already passed the corresponding laws. Under such laws, state pension funds will be obliged to divest from asset managers who consider climate and racial equality concerns when managing investments.<sup>7</sup> The 2024 presidential election may be crucial for the future of sustainable development in the US.

<sup>1</sup> See Statista, CO<sub>2</sub>-Emissionen: Größte Länder nach Anteil am weltweiten CO<sub>2</sub>-Ausstoß im Jahr 2021, <https://de.statista.com/statistik/daten/studie/179260/umfrage/die-zehn-groessten-co2-emittenten-weltweit/>

<sup>2</sup> See Statista, Energiebedingte CO<sub>2</sub>-Emissionen pro Kopf weltweit nach ausgewählten Ländern im Jahr 2021, <https://de.statista.com/statistik/daten/studie/167877/umfrage/co-emissionen-nach-laendem-je-einwohner/>

<sup>3</sup> See Reuters, China oil majors improve ESG reporting, but lag peers, research finds, 29.11.2023, <https://www.reuters.com/sustainability/climate-energy/china-oil-majors-improve-esg-reporting-lag-peers-research-finds-2023-11-29/>

<sup>4</sup> See Fragile State Index Annual Report 2023, Anfrage Mitwirkung „Gesellschaftspolitische Gespräche“ 13 November 2023

<sup>5</sup> See WWF, Ein neuer Klimabeitrag der USA, <https://www.wwf.de/themen-projekte/klimaschutz/klimapolitik-international/ein-neuer-klimabeitrag-der-usa-ein-wichtiger-schritt-fuer-den-klimaschutz>

<sup>6</sup> See Carsten Roemheld, Woke Capitalism? Über die kontroverse Nachhaltigkeitsdebatte in den USA; <https://www.fidelity.de/fidelity-articles/themen-im-fokus/woke-capitalism-ueber-die-kontroverse-nachhaltigkeitsdebatte-in-den-usa/#:~:text=F%C3%BCr%20viele%20Konservative%20steht%20darum,Gesetze%20unter%20Druck%20zu%20setzen>

<sup>7</sup> Günther Strobl, ethisch bewussten Unternehmen bläst in den USA kalter Wind entgegen, <https://www.derstandard.at/story/2000144054417/ethisch-bewussten-unternehmen-blaest-in-usa-kalter-wind-entgegen>



## G – Governance

**One of BKS Bank's strategic goals is to be a pioneer in sustainability. The attainment of this goal is measured by the awards we receive such as the “Prime” sustainability status from ISS ESG and the inclusion of our shares in the VÖNIX index.**

The field of action “G - Governance” refers to the advancement of sustainability activities at BKS Bank. Our sustainability strategy is well-established and implemented through a structured strategy process and supported by a well-established sustainability organization. As sustainability is of great importance for our bank, the Chairwoman of the Management Board, Herta Stockbauer, has principal responsibility for sustainability. The teams assigned to the topic regularly report to the Chairwoman on the progress of implementation.

There have been numerous new developments since BKS Bank began systematically dealing with ESG topics almost 20 years ago. We have integrated each of these into our ESG strategy. We are currently addressing the consequences of climate change, the loss of biodiversity, social change and the status of human rights in our market areas. We also closely monitor new ESG regulations, which have become quite extensive, and any changes these entail. All of these factors have an influence on our business model and create risks and opportunities for BKS Bank, but our business model also has impacts on the environment and society.

Therefore, we include these aspects in our business decisions at an early stage. They are also considered in the design of our sustainable products and sales activities as well as being taken into account in our risk strategy and in business continuity management.

Change towards sustainability can only happen if many engagement is widespread. Therefore, we believe that our membership in organisations and initiatives such as the UN Global Compact, “respACT - austrian business council for sustainable development”, “Verantwortung zeigen!” is an opportunity to share views and experiences with other sustainability-oriented companies and NGOs and to raise awareness for ESG topics. We engage directly with stakeholders, especially with our customers, on the topic of reducing emissions. We participate in the “Focal Group Green Finance” of the Ministry for Climate Action (BMK) in which experts from all federal ministries and regulatory agencies meet regularly to discuss environmental and sustainability issues. Membership in the Green Finance Alliance, which has defined ambitious goals for members, drives us to advance our activities for climate change mitigation and also for biodiversity in the future. We also benefit from the high-level information provided by experts from the Ministry for Climate Action and the Federal Environment Agency. This information helps us align our business model to future requirements.

### **Material Topics in G - Governance**

As a financial institution, good internal governance, full compliance with laws, regulations and directives, and actively taking responsibility for products and services are key factors for long-term success. Therefore, the following material topics have been identified as belonging to this field of action:

- Anti-corruption
- Compliance and governance
- Data protection
- Customer satisfaction and product responsibility
- Economic stability and growth
- Future-orientation



**Impact of our business model**

We conducted an impact assessment to assess the positive and negative effects linked to the material topics of this field of action. A few examples of impacts are given below:

**Inside-out perspective**

- Our responsible business policy and the granting of sustainable loans contribute to the positive development of society.
- Careful AML management prevents the inflow of money to terrorist organizations.
- Taxes and duties paid by BKS Bank are a valuable contribution to the economy.
- Inadequate cybersecurity may result in customer data being made public.
- Training and further education reduces processing errors that may result in financial disadvantages for customers.

**Outside-in perspective**

- Increasing demand for sustainable banking products is expected to boost earnings.
- The MiFID sustainability preference survey increases customer awareness of sustainable investments.
- Adequate ESG risk management reduces the credit default risk and the risk of reputational damage.
- Greater awareness of greenwashing among the population increases the quality customers demand for sustainable products.
- Potential human rights violations along our value chain pose a reputational risk.

Our compliance management system, data protection system, and internal control system are designed to ensure that all laws, regulatory requirements

and other external and internal rules are complied with. The Compliance Officer, the Data Protection Officer and the Anti-money Laundering Officer report on the progress of their activities to the Management Board on a regular basis. The internal audit department is the third line of defense and regularly checks compliance with governance standards, processes and the efficiency of business operations.

Our goal is not to cause any violations of laws, rules and regulations or permit data breaches. On the one hand, we have set up a legal register organised by ESG topics to support our work, and on the other, we ensure our employees receive training in many different topics and through various development programmes.

Two of our core brand values are "excellence" and "strong in relationships". Therefore, the importance we attach to product responsibility and corporate quality is accordingly high. Every new product is subject to a standardized process when it is launched on the market. Integrated ESG criteria ensure that innovation is in line with our sustainability strategy. We obtain external sustainability second-party opinions and certifications for our products, such as the Austrian Ecolabel for Sustainable Financial Products, which gives customers assurance that a product is sustainable and not just greenwashing. We also regularly have our quality of our company certified in accordance with the EFQM Excellence Model.



## Sustainability organisation

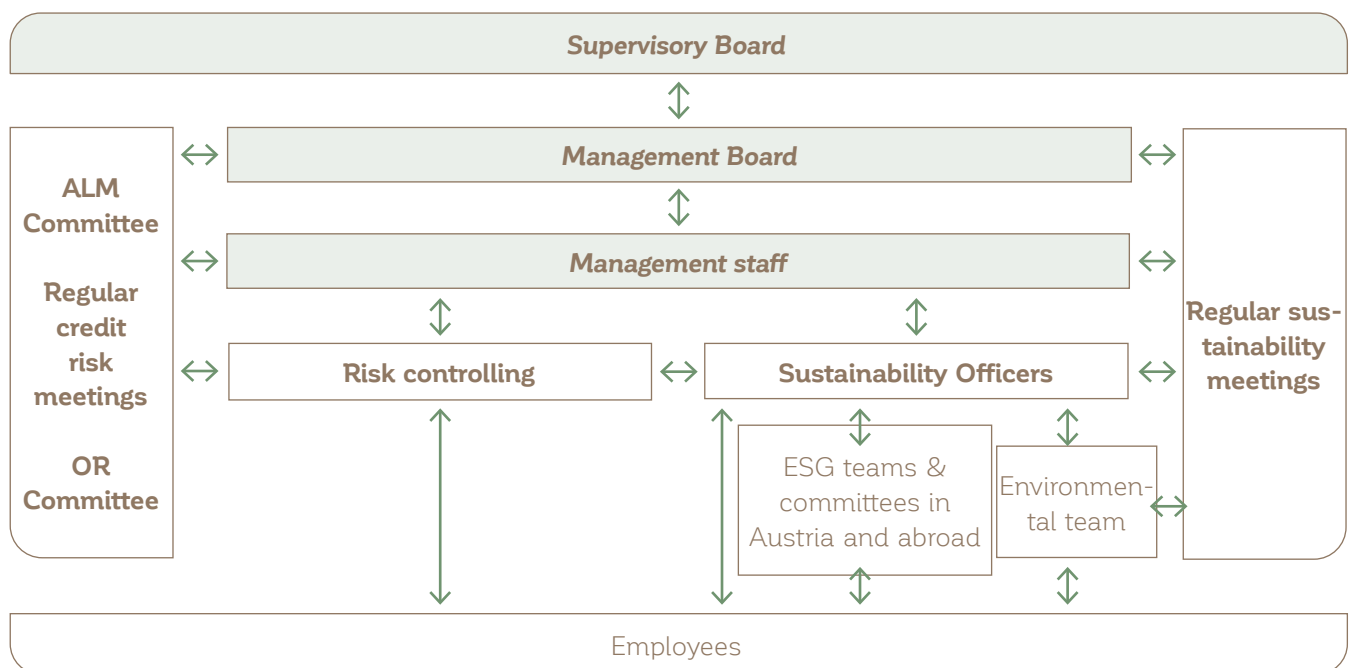
BKS Bank has a well-advanced sustainability organisation in place that covers all of our organisational units. The areas of responsibility are defined in the "Internal Framework for Sustainability Management" which is always available to all employees on the employee portal at all times.

Principal responsibility lies with the chairperson of the Management Board due to the enormous strategic importance of the topic. The chairperson informs the Supervisory Board of the bank's sustainability activities and progress achieved with respect to the sustainability KPIs. Sustainability-related tasks include the further development of our sustainability strategy jointly with the top management.

Several ESG teams in Austria and abroad work on the different areas of responsibility under the leadership and coordination of the Sustainability Officer.

Examples include the team for implementing the requirements of the EU Action Plan, the environment team and the team responsible for "berufundfamilie" audit (work-life balance). The ESG teams consist of managers and employees from a wide range of specialised areas to ensure that all the demands and requirements for sustainable development at our company are recognized accordingly. Measures are implemented either as projects, as in the case of the EU Action Plan, for example, or along the reporting line and also include diversity management activities, AML and compliance measures.

Various reporting channels have been established to monitor progress. The progress achieved in implementing the sustainability strategy and the related measures are discussed with members of the Management Board at regular quarterly sustainability meetings. Current sustainability trends and developments are also discussed at this meeting.



GRI 2-12 Role of the highest governance body in overseeing the management of impacts

GRI 2-13 Delegation of responsibility for managing impacts

TCFD, governance, recommended information a)



The EU Action Plan project focuses on the implementation of the Taxonomy Regulation and thus the disclosure of the Green Asset Ratio, as well as on the SFDR, the CSRD and the development of ESG risk management with respect to customers and portfolios. As successfully implementing the goals is of great importance for our company, regular reports are made to the Management Board in separate meetings. Furthermore, regular weekly meetings are held by the managers responsible for the work packages to ensure the smooth flow of information within the project. The International Sales department is an important unit for communicating information to our foreign markets, and also coordinates meetings with the experts from the international market.

The environment management team, which is responsible for the successful EMAS audit and the measures regarding the impact of our operations on the environment, reports to the Management Board both at the regular sustainability meetings and in the management reviews. An Environmental Officer heads the environmental team. The Sustainability Officer, the Waste Management Officer, the Safety Officer, the head of BKS Immobilien-Service Gesellschaft m.b.H. and other people are also involved in environmental and climate change mitigation measures.

ESG risks and opportunities including climate risks are analysed in the risk assessment, established in the risk strategy and evaluated at the individual customer level based on soft facts. The risks are discussed and analysed in detail with the Management Board at the regular credit risk meetings and in

the ALM Committee, and subsequently investment decisions are reached. If necessary, written reports are also made to the Management Board.

To ensure that all members of the top management are informed of the progress of the sustainability strategy, the EU Action Plan and related new developments, sustainability is a fixed item on the agenda of the regular meetings of the top management.

Key information on ESG topics is presented clearly to all employees in a separate section of the employee portal. The Management Board also provides information about key strategic sustainability priorities and the progress of implementation in its bi-annual publication "BKS Bank News".

### **Sustainability knowledge**

We are aware that retaining our pioneering role in sustainability can only succeed if our employees also have a high level of knowledge about ESG topics. Therefore, training and continuing education on sustainability are also a core element of our sustainability management. In addition to the seminars presented on page 96, which also include the "fit & proper" training courses for supervisory board and management board members, our management board members and employees also attend congresses and events dedicated to ESG topics. The Sustainability Officer attended external training and further education formats organised by our partners such as the Green Finance Alliance and the UN Global Compact. Internal activities included the Green Day event at which employees from different business areas were trained in sustainability.



# Engagement report

Originally, the term engagement stood for the active and committed exercise of shareholder rights. Today, engagement is defined more broadly and includes various activities that contribute to strengthening ESG factors.

In 2022, BKS Bank drew up an engagement strategy for the first time, which is available on our website. It defines the target groups we want to address primarily and the measures applied (see table below).

## Priority target groups for engagement and formats

Stakeholder group addressed	Engagement format selected
3 Banken-Generali Investment-Gesellschaft m.b.H.	<ul style="list-style-type: none"> <li>• Regular meetings at management board level at which the sustainability strategy of 3 Banken-Generali Investment-Gesellschaft is discussed as well as the exercise of voting rights</li> <li>• Exchange between the fund managers and BKS Bank's experts for sustainable asset management</li> </ul>
Other investment fund companies	<ul style="list-style-type: none"> <li>• Exchange between fund managers and BKS Bank's experts for sustainable asset management</li> </ul>
Corporate and business banking customers	<ul style="list-style-type: none"> <li>• Discussion of status of ESG activities and in particular the impact of climate change in talks with customers and when collecting ESG soft facts</li> <li>• Customer events to raise awareness</li> <li>• Invitations to selected representatives to stakeholder dialogue events of BKS Bank</li> </ul>
Investees	<ul style="list-style-type: none"> <li>• BKS Bank monitors the ESG activities of companies in which it holds a stake. If necessary, the company is contacted.</li> </ul>
Business partners and suppliers	<ul style="list-style-type: none"> <li>• Communicating minimum social and ecological standards in our code of conduct for business partners and suppliers</li> <li>• Supplier evaluation based on predefined sustainability criteria</li> <li>• Ad hoc information on ESG-linked requirements</li> </ul>
Social initiatives, non-profit organizations, associations	<ul style="list-style-type: none"> <li>• Our bank actively participates in ESG networks by holding presentations and taking part in discussions</li> </ul>



**Activities in ESG networks:**

Networking is a valuable format for engagement, as sharing the ESG idea significantly increases the chances of success. In the reporting year, BKS Bank was engaged in the ESG networks presented in the chart.

**Development of our engagement strategy**

In the reporting year, we advanced our engagement strategy by defining within the target group of corporate and business customers which businesses were to be treated with priority.

The customer selection was based on the calculation of the financed emissions associated with the corporate loans as disclosed in the Sustainability Report 2022. The financed emissions were filtered by customers with the highest greenhouse gas emissions intensity. Additionally, municipalities were also specified as targets for engagement regarding their ESG activities. Municipalities play a major role in the transition to a low-carbon economy, and the funding schemes of municipalities is also a strategic focus of our company. A pilot group was selected from the companies identified as being potentially attractive for our engagement activities. We engaged in regular communication with the pilot group in accordance with the guidelines of the Climate Action 100+ initiative. At the end of 2023, as part of the calculations prepared to submit our science-based targets, further customers emerged with whom we also want to engage on ESG topics. This project will be developed in detail in 2024.

**Examples of engagement activities****Engagement with investment fund companies**

BKS Bank frequently uses the investment fund products of 3 Banken-Generali Investment-Gesellschaft m.b.H. for its own investments and investments for customers. As we are one of 3 Banken-Generali Investment-Gesellschaft m.b.H. main shareholders, we regularly discuss the importance of focusing on sustainability in investment funds with the management. One example of the benefits of such talks is the inception of the asset management fund “BKS Strategie nachhaltig”. In the past few years, 3 Banken-Generali Investment-Gesellschaft m.b.H. has increased the share of sustainability funds to 22%.

One engagement instrument used by large investment firms and investment fund companies is the exercise of voting rights at annual general meetings. However, BKS Bank generally refrains from doing so for assets management portfolios and its own portfolio. The reason is that the shares held we own are usually minimal in relation to the total fund volume, and we are therefore unable to exert any influence of relevance on the issuers or fund companies. However, our experts hold regular talks with the fund managers.

**Engagement with investees**

The acquisition of equity investments is not a strategic focus of BKS Bank. In the case of affiliated companies, the focus is on credit institutions, financial institutions and banking-related service industries. Apart from two strategic investments in Oberbank and BTV, our investment portfolio is essentially limited to companies that can be allocated to these business areas such as Oesterreichische Kontrollbank Aktiengesellschaft, Wiener Börse AG,



Einlagensicherung Austria and 3 Banken-Generali Investment-Gesellschaft m.b.H. Our shares in Wienerberger AG and SW Umwelttechnik belong to the industrial sector. We exercise our shareholder rights – voting rights – in these companies. In 2023, we attended annual general meetings and shareholders' meetings and exercised our voting rights in all 15 consolidated companies, as well as in 10 companies in which we hold a direct interest.

### Engagement with customers

One focus of our engagement activities is on communication with customers. In the fourth quarter, we launched an engagement pilot project with selected companies and municipalities managed by the Regional Head Office Styria. We take guidance from the requirements of the Climate Action 100+ initiative.<sup>1</sup> This initiative defines three goals as follows:

1. Strong governance that defines the responsibilities of the Management Board and the Supervisory Board with regard to climate risks,
2. Measures to reduce GHG emissions along the entire value chain, including inter-company cooperation to achieve the goals of the Paris Agreement, and
3. Transparent climate reporting including the disclosure of the transition plans.

Our engagement with the companies included in the pilot project took place as part of the annual talks based on a standardised questionnaire on the topics of governance, reduction of greenhouse gas emissions, disclosure and transparency. The purpose of the talks was, first, to get to know the customer's current status quo with regard to how it deals with climate risks and related reporting, and second, to raise awareness of the areas in which

progress is important. The completed questionnaires constitute the baseline for monitoring and assessing further development.

The system selected for engagement at the individual customer level will continue to be developed based on the experience gained in the 2024 pilot project and subsequently rolled out to cover broader customer base. At the same time, additional companies will be added to the selection already made that we want to encourage to define their own science-based targets.

We are also engaged with customers outside of the pilot project. On the one hand, the Sustainability Officer and the Taxonomy specialist held talks with each of the companies who must report in accordance with the Corporate Sustainability Reporting Directive (CSRD) for the first time for 2025 financial year. We also invited customers to events at which sustainable investments were discussed, for example.

For the first time, we also organized an information event on sustainable finance in Croatia in cooperation with other partners. The focus was on the sustainable transformation of companies. Among other things, the rules and regulations of relevance for the assessment and management of climate risks were discussed and presented. Their influence on lending was also discussed.

Two exchange formats were also organized for the "Fridays-for-Future" generation. The HAK Feldkirchen school in Carinthia took part with students from the age group of 16-to-17-year-olds in a special event, "#FridaysForFuture einmal anders". After screening the film "Our Planet - Our Business", groups

<sup>1</sup> See Climate Action 100+, The Three Goals, <https://www.climateaction100.org/the-three-goals/>



were formed to discuss the possible consequences of climate change for Austria, the potential contributions school students to climate change mitigation, and which sustainable banking products would be of interest to this target group.

A lively exchange also took place with students from the Master's course of study "Sustainability Management" at the FH Krems (University of Applied Sciences Krems). In addition presentations by experts on sustainability strategies, sustainable investments and the effects of the EU Taxonomy on the banking business, a Q&A session was held with the participation of the Chairwoman of the Management Board, Herta Stockbauer.

#### **Selected examples of activities in ESG networks:**

Our experts hold presentations on sustainability in finance on the invitation of other companies and institutions within the ESG networks.

#### **respACT – austrian business council for sustainable development**

BKS Bank is the regional contact in Carinthia for respACT - austrian business council for sustainable development, which means that we are in a close partnership with the organisation. The jointly organized CEO business lunch is an annual highlight.

At the lunch event with a keynote speaker, 26 company managers discussed the sustainable transition in the construction sector. Karl-Heinz Strauss, MBA, CEO of PORR AG, made it clear in his talk that socio-ecological transformation processes will also be seen in the construction industry and also spoke about the steeply rising importance of sustainable construction projects. Apart from adequate insulation, new mobility concepts and the use of digital technologies, there is great

potential in "lean construction" for making work processes more efficient and transparent. The individual work steps are adapted and optimised by regularly coordinating work with all parties involved. The result is not only reduced resource consumption, but also shorter construction times.

Our ESG experts also took part in the event "CSR Day" and in several online formats organised by respACT covering topics such as climate reporting and the introduction of a climate transition plan.

#### **Chamber of Commerce Carinthia**

The event "ESG in construction - What's ahead?" organised by ARGE Bauwirtschaft of the Chamber of Commerce in Carinthia was also on topics of relevance for the construction industry. After expert talks by Alexander Redlein (Technical University Vienna) and Wolfgang Gleissner, Managing Director of Bundes-Immobilien Gesellschaft (state-owned enterprise that manages properties owned by the federal government), a panel discussion took place with the Head of BKS Bank's "Finance and Investment" Department on the ESG-related changes construction companies may expect to see in relations with banks.

#### **Verantwortung zeigen!**

BKS Bank has also been an active network partner of Verantwortung zeigen! for many years. An ESG expert of BKS Bank held a presentation at an afternoon event organised by "Verantwortung zeigen!" on the requirements of the EU Taxonomy for financial institutions and the impacts on customers' business.

#### **UN Global Compact**

BKS Bank has been a member of the largest sustainability network worldwide since 2012. While the UN Global



Compact is known mainly for its activities on human and labour rights, it also has a variety of other engagement formats and an academy dedicated to improving knowledge on sustainability topics. In the reporting year, the Sustainability Officer completed a training course on human rights.

### Green Finance Alliance

A lively exchange also took place with the experts from the Green Finance Alliance at the meetings of members. A special event was organised for the

staff of BKS Bank at which the effects of climate change, loss of biodiversity and also the goals of the Green Finance Alliance were presented. An expert from the Ministry for Climate Action visited BKS Bank jointly with an expert from the Federal Environment Agency and held a talk within the “GFA Rail Show” format at which a lively discussion developed with the Green Finance Alliance team on how BKS Bank can best achieve the targets. The discussion highlighted the need for an exit scenario from transactions involving coal, oil and natural gas.

## Examples of BKS Bank’s memberships and partnerships in 2023





***“My job is to combine legal precision  
with ethical values to strengthen governance.  
For us, legal compliance and sustainability  
go hand in hand.”***

**Dieter Kohl**  
Management Board Matters and Investees  
Joined BKS Bank in 2005







## Good governance, compliance, anti-corruption and data protection

The principles of good and responsible corporate governance are well-established at BKS Bank.

Our sustainability strategy defines the goal “Good governance is part of our daily work”. As an indicator of goal achievement, we have defined that there should be no significant penalties imposed on BKS Bank by supervisory authorities and no justified complaints made to the data protection authority. It is therefore very important to us that our employees behave in a compliant manner at all times. A Code of Conduct, last revised in 2022, provides guidance for our employees. It is available to all employees digitally on the employee portal. New employees of BKS Bank receive the Code of Conduct as part of their digital onboarding folder. This ensures that our employees are well-informed from their very first day of work of the ethical code that guides our behaviour.

### Compliance

Important contacts for employees in governance matters are the Compliance Officer and the staff as well as the Compliance Officers in our foreign markets. BKS Bank has set up a Compliance Office in accordance with the Austrian Banking Act and the Austrian Securities Supervision Act. As part of compliance under the Securities Supervision Act, a check is conducted of whether all regulations relating to the capital market are being complied with. This concerns, for example, how inside information is handled, the correct identification of marketing information and compliance with blocking periods. The Compliance Officer is also responsible for defining anti-corruption rules and related control measures.

The Management Board has overall responsibility for ensuring that compliance requirements are observed and receives regular reports from the Compliance Officer. BKS Bank attaches great importance to compliant behaviour with the rules of financial markets. Strict internal regulations and control measures are in place with detailed policies for corporate governance, and the prevention of corruption and money laundering. These guidelines must be verifiably acknowledged by all employees and they receive extensive training in in-person and e-learning courses.

### Anti-corruption

At BKS Bank has detailed anti-corruption guidelines such as the Anti-corruption Manual and Guidelines on the Acceptance or Presentation of Gifts. All employees are made aware of the rules and regulations on the employee portal and also receive intensive training. As corruption is a risk associated with accepting and giving gifts, a special process has been defined. With respect to the acceptance of gifts, the rule at BKS Bank is that employees are not permitted to accept any money or vouchers regardless of the amount. Gifts in kind or benefits with an equivalent value of EUR 100 or more are subject to an approval process that includes approval from the Management Board. There are also precise rules governing gifts to customers or business partners. Gifts to public officials or representatives of companies with whom a contract is about to be signed are prohibited.

To make our business partners aware of our strict anti-corruption policy, we also address the topic when awarding contracts. We request all business partners and suppliers to sign the Code of Conduct for Suppliers and Business Partners.



Among other things, it states that corruption will not be tolerated and BKS Bank will pursue violations of anti-corruption rules by filing criminal charges and claims for damages. It is mandatory to include an anti-corruption clause in contracts with business partners.

The Compliance Officer submits a written report to the Management Board and the Supervisory Board on anti-corruption measures at least once a year. Furthermore, the Compliance Officer reports verbally to the Management Board on an ongoing basis. As in previous years, there were no indications of infringements of our strict anti-corruption rules in the audits conducted. The locations were reviewed on a risk basis. Consequently, there was no need for disciplinary measures against employees or the termination of business relationships.

#### **Prevention of money laundering**

Every bank is confronted with attempts to misuse its services to conceal or move assets of illegal origin so as to launder illegal money or provide financial support to terrorist groups. Therefore, BKS Bank has many preventive procedures in place to reliably verify the identity of customers and the origin of the funds. Before entering into a business relationship, it is mandatory to conduct a thorough review of customers. In this way, we also ensure that embargoes and sanctions against regimes that violate human rights are observed. One important tool in this context is the know-your-customer process.

Existing business relationships are terminated immediately in the event of suspicious transactions and all suspicious transactions are reported to the authorities without delay. State-of-the-art audit processes are in place to identify potential cases of wrongdoing. Unclear ownership structures at customers or anomalies in a customer's business activities as well as lack of clarity regarding the economic and personal circumstances of the persons desiring to do business with us are grounds for rejecting business relationships or transactions without exception. The same applies if the origin of the funds and assets we receive is unclear. Detailed guidelines on the prevention of money laundering are known to all employees and the corresponding training courses are mandatory.

#### **Training and further education translates into greater compliance knowledge**

The foundation for good compliance is the level of knowledge of employees. As shown in the table on page 159, our employees completed 4,042 hours of training on compliance, AML and anti-corruption topics in the reporting year. All new employees joining the company had to complete a mandatory compliance e-learning course that closes with a final exam and an in-person basic training course. Subsequently, a special training course must be completed every three years as a live webinar with a final exam. In addition to classic compliance topics relating to the securities business, the mandatory training courses also cover other relevant aspects of good conduct in the banking business. There are also specific training courses on anti-corruption and the prevention of money laundering and terrorism financing. In 2023, an e-learning programme on compliance was mandatory for all employees in Austria and Slovenia.



**Whistleblowing**

To be able to identify potential legal and administrative infringements at an early stage, it is important to us to offer employees and external persons the lowest possible threshold for reporting suspected cases of wrongdoing. Therefore, BKS Bank has set up a whistleblower reporting office in the Internal Audit department. As required by Croatian law, there is a Notification Office also in Croatia. The BKS Integrity Line is an online reporting platform set up for reporting infringements completely anonymously 24 hours a day. If a report is not anonymous, BKS Bank is committed to protecting whistleblowers. Personal data is subject to confidentiality in the confidentiality area of the Internal Audit department. An exception is the disclosure obligation required in the context of public prosecution, judicial or administrative proceedings. Every incoming report is documented in the Internal Audit department.

**No offshore banking**

Offshore banking financial centres are generally outside the jurisdiction of customary legal norms and facilitate money laundering and tax evasion. BKS Bank therefore strictly excludes offshore banking services. This also applies to companies with ownership structures that have offshore vehicles at the end of the chain of associated companies. Exceptions are made only in individual cases which have been thoroughly documented and audited, and whose legal conformity is ensured. BKS Bank has no companies or investments in offshore countries.

**High standards in data protection**

As a bank, we have sensitive personal and financial data about our customers. A loss of this data may enable criminals to misuse it, which can also result in financial losses for our customers. A high level of data security is of extreme importance to us. Data security refers not only to the technical standards described below under the heading Cybersecurity. We have also established processes within the bank to ensure compliance with all data protection regulations. The Data Protection Officer of the BKS Bank Group is responsible for the processes. The processes are supported by the Data Protection Officers and contact persons in all markets. We also regularly organize training courses for our employees on the topic. Our Data Protection Officer successfully completed certification with Austrian Standards in 2022. There were no complaints filed regarding data protection breaches against BKS Bank.

**Cybersecurity**

BKS Bank and 3 Banken IT are both responsible for the cybersecurity measures. The information security management system (IMS) of 3 Banken IT was certified under ISO/IEC 27001 in 2021. The ISAE3402 Type 2 audit was successfully completed at 3 Banken IT in the reporting year. During the audit, the control targets and their implementation were reviewed as well as the operational effectiveness of the controls. In the autumn of 2023, a new project was launched to expand business continuity management in accordance with the ISO 22301 standard. This ensures that the regulatory requirements pursuant to DORA and the requirements under the new ISO 27001/27002 standard are implemented.



### Modern prevention systems

BKS Bank is continuously developing its security standards in close cooperation with 3 Banken IT. To protect BKS Bank against cybercrime, a wide range of measures are taken such as state-of-the-art firewalls, anti-virus software, spam and web filters, patch and log management, data leakage prevention, and a redundant server and network design.

In 2023, our focus was primarily on awareness measures for BKS employees. The basic cybersecurity training course for new employees has been completely updated and adapted to the current threat situation. Furthermore, an annual refresher training course was implemented for all existing employees. In the spring of 2023, we completed a "Red Team Assessment". This security review evaluates the effectiveness of the security measures deployed and attempts to uncover the weak spots in the security systems.

### Dealing with laws and regulations

In recent years, the number of changes to laws and the volume of work created by changes to regulations has increased enormously. To ensure that BKS Bank is well prepared for new challenges and implements all rules and regulations correctly and in a timely manner, weekly meetings are held with the Management Board, central department heads and the Compliance Officer. At these meetings, all notifications relating to changes to laws and regulations as well as decisions handed down by high courts during the preceding week are discussed. Documentation recorded in an IT system to enable the follow-up of the measures discussed.

Another valuable tool is the legal register and register of official notices relating to environmentally relevant topics, which was created during of the EMAS audit. In the reporting year, the legal register was split into two registers to make it easier to use. One part deals with traditional environmental law such as building codes, the handling of hazardous substances, the Waste Management Act and much more. The Sustainable Finance Register was separated from this register and completely restructured. In the new Sustainable Finance Register, the requirements of the SFDR, the Taxonomy Regulation, the CSRD and the Green Finance Alliance are presented in a form suitable to be used as a valuable project document for implementation of the EU Action Plan.

Guidelines and manuals are brought to the attention of employees on the employee portal where they are always available and up to date. To make it easier for employees to obtain an overview of the documents relating to sustainability, a separate tab was created in the employee portal under "Documents & Guidelines" in 2023.

The guidelines are prepared by the employees having the relevant competence. Approval processes are defined for the guidelines that ensure a dual control principle and compliance with defined competence hierarchies. Many of the manuals are written using the software, Confluence, in which the approval hierarchy is also stored electronically. Certain policies and instructions for standard operating procedures must be submitted in advance to the Management Board for approval. A few examples are the urgent matters, the Risk Management Manual, the BKS Compliance Code and the Compliance Charter.



### **Support for customers having payment difficulties**

High inflation, a slowing economy and rising interest rates are increasing the risk of company and personal insolvencies. At BKS Bank, it has always been standard practice to treat customers having payment difficulties with respect and appreciation. An automated early warning system is part of our IT-assisted monitoring processes to identify and contact the customers concerned as early as possible. Contacting these customers quickly and providing professional advice play a key role in resolving critical situations. Our policy guidelines define the appropriate process. The process for retail and corporate customers defines as of when a customer will no longer receive services at the bank branch, but will be advised by an expert for company reorganisation and also specifies which re-organisational and restructuring measures are possible within the legal and regulatory framework.

Austrian banks put together a package of measures, in which BKS Bank is also participating, to offer relief to individual housing loan customers in financial difficulties. Among other things, no reminder fees or overdraft interest will be charged for late payments for the period from 1 October 2023 to 30 September 2024.

### **Sustainable procurement**

As part of the economic activity in the regions we operate in, it is important to us to procure goods and services locally. We request all suppliers to sign the Code of Conduct for Suppliers and Business Partners. The Code of Conduct was enlarged in the reporting year. Additionally, a new process was introduced to ensure that every company

commissions actually signs the Code of Conduct. We have defined minimum social and environmental standards in our procurement guidelines. In 2023, we defined the specifications more precisely for the purchase of electronic devices. These procurement guidelines now specify which energy class they must comply with. An overview of the most important quality labels included in the guidelines makes it easier for buyers to select products.

A purchasing portal for ordering office supplies and cleaning materials simplifies the checking of sustainability. The portal provides, for example, the safety data sheets for the cleaning agents. In 2023, it will be enlarged to include product sheets that show whether the product have sustainability certificates.

### **Complaints, concerns and procedures**

BKS Bank has an Ombudsman's Office, which is an independent point of contact for complaints. It Office coordinates and supports the organisational units with the processing of complaints, documents the complaint cases, and reports to top management twice a year. A variety of channels are available for submitting complaints. Customers may submit complaints to account managers, the customer service centre, on the website, in social media or directly to the Ombudsman's Office.

Complaints Management Guidelines regulate the process for dealing with complaints. The Guidelines are made available to all employees on the employee portal, and part of the mandatory compliance training is also dedicated to complaints management. All complaints and claims must be recorded in the OpRisk system. This



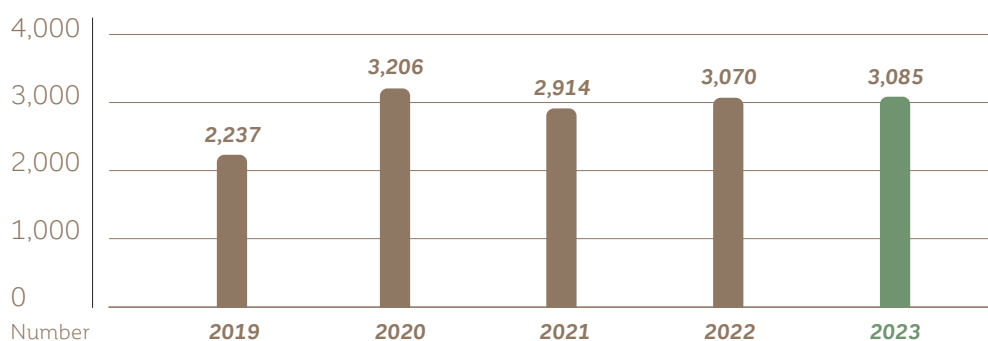
system can be used to assign tasks to other persons or to hand over responsibility for a case to a higher-level unit, for example. OpRisk facilitates the tracking of a complaint's processing and finalization. Complaints concerning our construction projects are handled and followed up directly by BKS Immobilien-Service Gesellschaft.

#### **Low number of complaints**

In the reporting year, there were 3,085 complaints (2022: 3,070). This number of complaints corresponds to a

percentage of around 1.6% in relation to the total number of customers. In 2023, we again received complaints primarily about expenses and fees, disruptions to our digital applications, and waiting times when calling the bank. Complaints due to debit and credit card fraud, which usually happens online, are also increasing. Highly critical concerns brought to the attention of BKS Bank are reported directly to the Management Board, either orally or in writing. In 2023, no such reports were required in this category.

#### **Number of complaints**





## Focus on Human Rights

Social responsibility in the supply chain is becoming increasingly important. On the one hand, there is increasing pressure on companies from consumers for whom sustainable production is important and who are not afraid of accusing companies that violate social or ecological standards publicly. Human rights in the value chain and dealing with affected communities also play an important role in the new EU Regulations. The Taxonomy Regulation contains minimum social safeguards and the CSDDD also addresses this topic in detail. Last but not least, the Corporate Sustainability Due Diligence Directive (CSDDD) will concern only EU supply chains. Although the financial sector is exempt from this Directive for the time being, but banks still have a great deal of responsibility along the value chain.

### **Human rights due diligence completed for the first time**

As a member of the UN Global Compact, our bank has been publicly committed to upholding human rights for many years. When defining human rights, we refer to internationally recognized human rights standards, such as the Universal Declaration of Human Rights and the International Labor Organization's core standards. We also take guidance from the Guidelines for Multinational Enterprises of the Organisation for Economic Cooperation and Development (OECD).

In 2023, BKS Bank carried out a due diligence review for the first time to determine the opportunities and risks that may arise relating to human rights. The due diligence assessed compliance with human rights in Europe and our market areas using internationally recognized indicators such as the Fragile State Index, the CIVICUS Monitor, the Human Development Index, the Global Rights Index, Transparency International's Corruption Perceptions Index and the indicators in

the EU's Social Pillar Scoreboard. Austria, Slovenia, Croatia and Slovakia were found to have a very high standard. Serbia also performs well in a global comparison. However, our newest market area lags somewhat behind our other markets.

In a next step, a working group investigated potential human rights violations that may occur along the value chain. The following areas were analysed:

- Procurement
- Employees of BKS Bank
- Products and services
- Customers, and the
- Communities affected

Mitigation measures already implemented were also included in the analysis. As an employer, we offer our employees fair pay, freedom of association, flexible working hours, training and continuing education. The Works Council is an important partner for all employee-linked sustainability activities. The Works Council is represented on the Supervisory Board by four delegates. Our Diversity Officer ensures that employees are not exposed to discrimination. In procurement, we have Procurement Guidelines that define minimum social and ecological standards and a Code of Conduct for business partners. In the customer business, we have clearly defined exclusion and positive criteria based on which we determine with whom we do not enter into business transactions with.

To gain an overview of how many of our customers belong to the risk sectors stated in the CSDDD, Risk Controlling evaluated the sector codes listed in the CSDDD. The evaluation showed that around 7% of customer receivables from corporate customers were attributable to these sectors at the time of the survey in the summer of 2023. However, belonging to the sectors listed in the CSDDD is



not sufficient as the sole assessment criterion for the likelihood of human rights violations in the customer's environment. An organic farmer in Carinthia stands for different production methods than, for example, fruit and vegetable production in southern countries where migrant workers are often employed under inhumane conditions. In a next step, a check was conducted of these customers to ascertain if they are based in one of the identified high-risk countries. This applied to only one customer.

Overall, the risk of BKS Bank being involved in human rights violations was classified as low. In the event a violation is nonetheless suspected, all employees are obliged to report any such suspicions to their immediate superiors, the relevant compliance unit or the internal audit department. These reports can also be made using an anonymous electronic channel, which enables queries to be made to the reporting person.

#### **Activities planned for 2024**

In 2024, BKS Bank will implement improvement potential identified in the due diligence. Among other things, there are plans to include further indicators in the sustainability strategy that relate to human rights. Up to now, the following metrics may be considered as relating to human rights:

- Overall employee satisfaction is at least 1.9
- Share of women in management positions increases to 35%
- At least 25% of employees participate in the company health promotion programme
- The gender pay gap is reduced to 12%

- The overall satisfaction rating in our customer survey is of 1.5
- At least five financial literacy activities per year

We are also planning to publish a Human Rights Statement that goes beyond our previous commitments, such as our Code of Conduct.

#### **Exclusion of critical industries**

An important element of our business principles is the definition of the persons, companies and institutions with whom our company does not enter into business relationships and the types of investments we exclude. Our Anti-money Laundering Work Manual and other work procedures also contain numerous criteria for transactions that we exclude. Topics covered by our policies include:

- Violation of human rights or labour rights
- Nuclear power
- Coal
- Controversial weapons and nuclear weapons
- Tobacco
- Pornography, brothels and nightclubs
- Money laundering and terrorism financing
- Betting and gambling
- Off-shore transactions

With the positive criteria, we aim to promote transactions that make positive contributions to the development of society, the preservation of the environment, climate change mitigation and adaptation to climate change. Therefore, we prefer to finance or invest in projects that serve the objective of decarbonization in any form, especially sustainable energy projects, green mobility, and environmentally or socially sustainable infrastructure and educational facilities.



**“Risk Controlling is about recognising ESG risks early on, and also about actively managing and minimising these risks. This is our contribution to a sustainable and stable future for BKS Bank and society.”**

**Gerald Auer**

Head of Risk Controlling;  
Joined BKS Bank in 2006







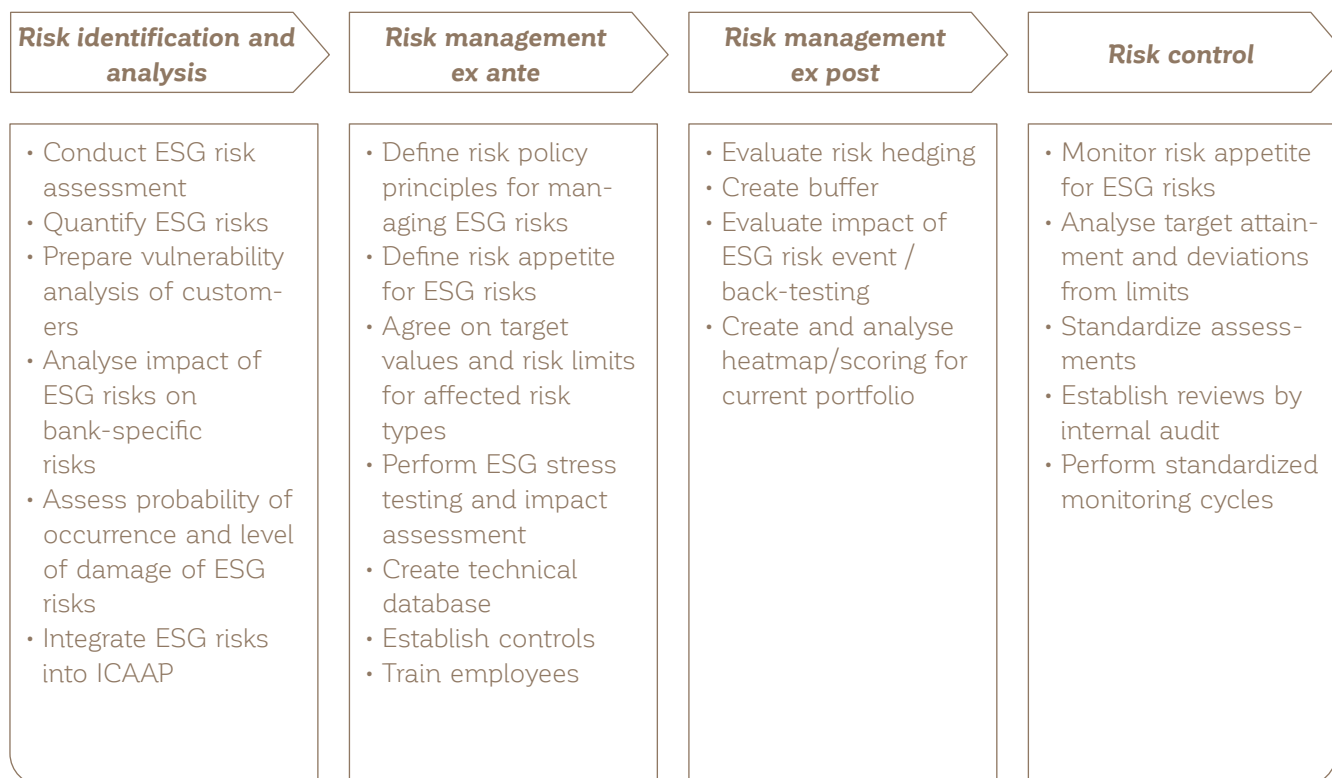
## ESG factors in corporate governance

ESG factors typically include environmental, social and labour matters, respect for human rights and the prevention of corruption and bribery. These entail both opportunities and risks. BKS Bank aims to make the best possible use of ESG opportunities and mitigate risks resulting from sustainability.

The Risk Management department at BKS Bank has subunits for strategy, operations and auditing. The Management Board has overall responsibility for the review and implementation of the risk strategy and for monitoring risks – therefore also for ESG risk management. The Management Board regularly informs the Risk Committee and the Supervisory Board of risks and opportunities arising from ESG factors.

Sustainability risks are managed within the scope of the individual risk types of BKS Bank. Therefore, the risk policy principles for managing ESG aspects and, above all, climate risks refer to the different steering levels and risk categories of BKS Bank.

Generally, the Bank's operating units manage risks independently within the framework of the specifications for their business areas. Several interdisciplinary risk committees provide comprehensive support for this process. Risk analysis and control at the portfolio level is performed by Risk Controlling. Internal Audit is an independent unit that also audits how sustainability risks are managed. The Head of Risk Controlling participates in the regular quarterly sustainability meetings.



GRI 2-12 Role of the highest governance body in overseeing the management of impacts

GRI 2-13 Delegation of responsibility for managing impacts

GRI 2-25 Processes to remediate negative impacts

TCFD, governance, recommended information a) and b)

TCFD, risk management, recommended disclosures a), b) and c)



A detailed description of how risk management is organised at BKS Bank is given in the chapter "Risk Report" of the Annual Report.

### Due diligence

A wide range of analysis procedures are in place at BKS Bank for identifying and assessing ESG risks, and identifying opportunities from sustainability topics. At BKS Bank we define sustainability and ESG risks as events or conditions from the areas of environment (E), social (S) or governance (G) which may – in fact or potentially – have negative effects on the financial position, financial performance and cash flows or on the reputation of our company. This also includes any negative impact that our business activities may have on social, personnel and environmental matters. The following sections show the ESG risk drivers we identified as priorities and how we assess their importance.

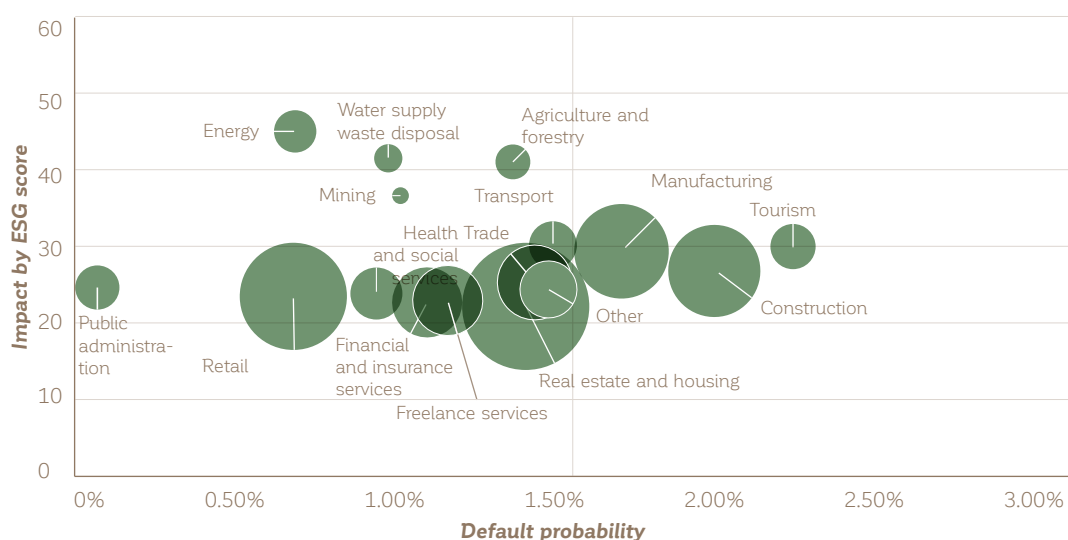
Furthermore, an impact analysis was conducted again in 2023. The probability

of default and the expected impact were compared by sector. The extent of the impact was weighted on the basis of the volume of loans granted to the respective sector.

A heat map based on sectors shows that sectors to which our company has lent large volumes of loans have below-average ESG risks. The sectors most affected and with an above-average probability of default are those shown in the top right part of the chart "Exposure by ESG risk score". The size of the sphere symbolizes the lending volume in this sector. The highest probabilities of default were found in tourism, followed by construction, trade and manufacturing.

A heat map of the ESG risk drivers was also created to reveal the probability of occurrence of the individual risk drivers. Risks from expected changes in legislation and changes in the behaviour of customers and investors are assessed as high.

### Exposure by ESG risk score





## Selected due diligence processes and mitigation measures

Examples of due diligence processes and mitigation measures	ESG risk type
<b>Due diligence processes</b>	E, S, G
A structured strategy process ensures that we analyse ESG risks in our business, sustainability and risk strategies, and develop mitigation measures derived from this analysis.	E, S, G
Once a year, Risk Controlling conducts a risk assessment and a stress test. This involves applying transition risks and physical risks to the context of bank-specific risks and scrutinizing customer portfolios with respect to vulnerability to climate risks.	E, S, G
We use Climcycle to identify and assess ESG risks in portfolios and for individual customers. Based on these results, we create heat maps that indicate which customer groups and geographic regions may have a higher exposure to ESG risks.	E, S, G
We document soft facts on ESG risks in the credit rating.	E, S, G
The materiality analysis and stakeholder engagement are tools we use to assess the impact of our business model on society, the environment and stakeholder expectations.	E, S, G
Opportunity and risk analyses, impact analyses and context analysis reveal the threats and potentials from ESG factors for BKS Bank and provide information on the consequences our business model may have for the environment and society.	E, S, G
We conduct regular analyses to assess the threat to BKS Bank's critical infrastructure from the physical risks of climate change.	E
An analysis of the carbon footprint of our product portfolios shows what we need to change to achieve a low-carbon economy.	E
Our regular employee surveys are an important tool for measuring the attractiveness of BKS Bank as an employer.	S
The customer surveys conducted every two years help us find out how appealing BKS Bank is to customers. After-sales surveys provide timely feedback.	S
The units responsible for compliance, anti-corruption and anti-money laundering management prepare comprehensive risk analyses and ensure compliance with the law.	G
<b>Mitigation measures</b>	E, S, G
Sustainability is an integral part of our company's organisation and is supported and encouraged top management.	E, S, G
We have a structured sustainability organisation.	
An internal framework for sustainability management defines the areas of responsibility for sustainability topics.	E, S, G
We use the EFQM and EMAS management systems.	E, S, G
We use external ratings and certifications (e.g. ISS ESG, Green Brands, ÖGNI, EMAS) as a basis for further development.	E, S, G
We have an structured product launch process, which also covers sustainability aspects.	E, S, G
Sustainable products are an essential part of our range of products.	E, S, G
ESG factors are integrated into collateral management.	E, S, G
We train our employees on the topics of governance, environment and social topics.	E, S, G
We conduct regular fit and proper training courses on sustainability and ESG risks for the members of the Supervisory Board, Management Board and senior management.	E, S, G
An ombudsman's office for complaints management has been established.	E, S, G
We have defined exclusion and inclusion criteria for transactions (customer and own) as a basis for deciding which transactions and projects we want to engage in.	E, S, G
We have manuals that include guidelines and descriptions of processes.	E, S, G



It is our expectation that transitory risks from climate change will have a stronger impact on our customer portfolio than the physical risks of climate change. We expect the new taxes and charges – included those already announced such as charges on CO<sub>2</sub> emissions or other environmental charges – to affect numerous sectors. We assess the risks from infringements of human rights, child labour or forced labour as significantly lower. A list giving examples of our due diligence processes and mitigation measures is available on the preceding page.

We believe ESG opportunities are all those that generate tangible and intangible benefits for our company. Sustainability opens up new avenues for innovative products and helps lower costs. This concerns mostly energy costs. The intangible benefits include a good reputation and a positive impact on society or the environment. The instruments we use to identify opportunities include impact assessments and stakeholder engagement.

The assessment of ESG risks and opportunities is based on short to long-term observation periods, with one year being defined as short term, five years as medium term and over five years as long term.

We also categorize sustainability risks and opportunities from the perspective of dual materiality. Inside-out factors are activities with consequences for the environment and society. For example, our green loans and investments help increase the use of renewable energy in Austria. The outside-in perspective covers factors that affect us from external sources and impact our business model. Even though we assume that the financial consequences of ESG risks will only be seen in the medium to long term, we are closely monitoring the

potential interaction of ESG and financial risks.

### **Management of ESG risks**

#### **ECB stress tests**

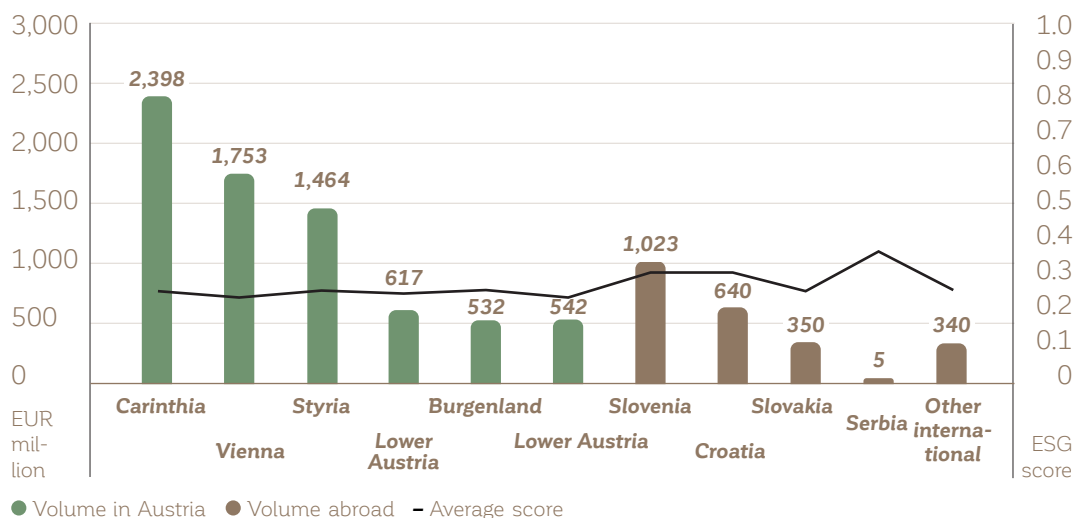
Several analyses were conducted in 2023 as part of the ESG risk assessment. The stress tests were based on the methodology of the ECB stress test of the year 2022. To this end, the ECB developed scenarios for the economic impacts of physical risks of climate change and for the impacts of future climate policy measures. The scenarios are based on those developed by the “Network for Greening the Financial System”. First, the effects of climate risks are identified with respect to the development of gross value added, which influences the probability of default (PD) taking into account a correlation parameter. Second, a model is created for the economic impact of climate risks on the prices for commercial and residential real estate, which are to be taken into account by calculating stressed collateral values (collateral value) and loss-given-default ratios (LGD) in impairment charges. Overall, this results in a stressed expected credit loss (ECL) for each scenario. This quantifies the macroeconomic effects of climate risks on credit risk for each asset. Overall, our loan portfolio proved to be highly stress resilient.

#### **Gross/net risk assessment**

As part of the risk assessment for 2023, we also prepared a gross/net risk assessment derived from ESG factors with regard to different types of risk

By gross risk, we mean the maximum risk that may arise without applying any mitigation measures. The net risk indicates the remaining risk when mitigation measures are considered. In this risk assessment, all risk types were evaluated by probability of occurrence, the magnitude of potential gross risks and net risks in the categories low, medium and high. Furthermore, the



**ESG risk scores by target market**

risks are assigned to E, S or G, and a detailed analysis is made regarding possible physical or transitional risks from climate change. In most cases, the findings showed a low the probability of occurrence of ESG risks.

**ESG risks in credit risk**

Sustainability risks have the largest impact on credit risk at BKS Bank. The many regulatory changes implemented – or announced – by the EU resulting from the Green Deal and Fit for 55 plan relating to biodiversity, forestry and circular economy strategies will affect many of our customers. The first effects will be felt in the short term, but the bulk of the impact is expected to be long term. Many industries will have to adapt their business models due to climate change, for example, activities connected to mobility, the construction industry and tourism. Agriculture and forestry must also prepare for more frequent periods of drought, extreme weather events, invasive species and pest infestations, as well as changing consumer behaviour.

**ESG risk scoring with Climcycle**

We continuously monitor ESG risks in our credit portfolio. We use the

Climcycle (formerly CLIMAID) analysis tool to assess the sustainability risks of individual customers and of portfolios, and to assign an ESG risk score from 0 to 100. The overall result is satisfactory: Around 84.6% of our loan portfolio has a very good score, and 10.7% is within a good range. Only 4.4% were rated as requiring improvement. 0.2% will be further investigated or observed due to poor scoring.

In 2023, we broke down the monitoring of ESG scores to the individual units that manage risk. For example, ESG risks in the lending business are to be managed more closely at management level. We also plan to define targets for each of the risk management units. To raise awareness among the heads of regional office, we have disclosed the customers with the highest ESG scores as the risk drivers in the individual portfolios. Awareness for sustainability topics in the customer business is continuously increasing, as we began collecting ESG soft facts from our customer account managers already two years ago.

**ESG factors in ICAAP**

The capital requirements for economic



risks from ESG factors are covered by a buffer in the risk-bearing capacity calculation. The risk buffer was determined on the results of the stress test conducted in accordance with the calculation method of the ECB stress tests. The amount of the buffer is evaluated annually and redefined as required.

#### **ESG risks in interbank transactions**

A monitoring process has been established jointly with the Treasury department to manage ESG risks in interbank transactions. Risk Controlling identify any ESG risks in this segment using the established score values from the Climcycle tool and forwards them to Treasury for analysis.

#### **Climate risks of real estate collateral**

The analysis of climate risks is also important for checking Taxonomy compliance and for the appraisal of real estate properties. The analysis considers not only the historical data for climate risks, but also forward-looking climate scenarios. The climate risk analysis is part of the decision-making process for loans. Additionally, the portfolio of mortgage-backed collateral is regularly assessed with regard to climate risks and a heat map is prepared. We conducted the first climate risk analyses in the reporting year and will refine the analysis process in the current financial year.

#### **ESG risks vary from region to region**

Because our market areas are in different climate zones, they will be affected differently by climate change. The social

risks are also different. As a result, the geographical risk scores also differ. Compared to our main market of Austria, the countries Croatia and Slovenia have some catching up to do. Among other things, this is due to the fact that both countries rank far behind Austria in the corruption index. In Slovenia, the power utilities pose a higher risk. Croatia will be more affected by droughts and heat due to climate change. The chart "ESG risk scores by target market", the height of the columns represents the lending volume in the target market, and the black line represents the ESG average risk score.

#### **ESG soft facts**

Apart from the analyses using Climcycle, we also assess ESG risks by collecting soft facts during the lending process for corporate customers in Austria and abroad. A large share of customers were assessed at above average or excellent levels, as shown in the table below. Furthermore, the trend of the factors shows a significantly greater awareness of potential ESG risks. We are on a good path with the ESG risk assessment method we use for loans. Nonetheless, we know that the data currently available to us is still incomplete.

#### **Critical infrastructure**

As part of our business continuity management, we also analyse our critical infrastructure for physical climate risks. We have a low hazard potential. As a precaution against potential blackouts, we set up emergency power equipment already in 2021 as a result of our evaluation processes.



**Loan portfolio: Results of the soft facts analysis<sup>1</sup>**

Ranking	<b>Environment: Physical risks</b>		<b>Environment: Transition risks</b>		<b>Social risks</b>	<b>Governance risks</b>
	Object of business	Assets	Stranded assets	Renewable energy, circular economy		
1 to 3	21%	18%	26%	26%	26%	22%
4 to 7	78%	81%	74%	73%	74%	78%
8 to 10	1%	1%	-	1%	-	-

<sup>1</sup> Companies ranked from 1 to 3 performed above average in the scoring, with those ranked from 4 to 7 being average, and those ranked from 8 to 10 negative. TCFD, strategy, recommended information a), b) and c)  
TCFD, risk management, recommended disclosures a), b) and c)

This was supplemented in 2023 by comprehensive awareness-raising and information activities about potential developments and consequences of a blackout for managers, the Management Board and the Supervisory Board.

The enormous floods in the summer of 2023 caused only minor damage to our infrastructure. Location-related climate risks are analysed for new construction projects using the “HORA Passport” (Natural Hazard Overview and Risk Assessment Austria) and the risks identified are taken into account in the construction projects. For example, the risks of earthquakes, hail and storms were identified for the Eisenstadt location and structural protection measures were put into place.

**Opportunities from ESG factors**

As a responsibly operating bank, BKS Bank has been using the opportunities from ESG factors as a driver of innovation for many years. Today, we have a wide range of sustainable products which enjoy lively demand. Numerous benefits for our employees create positive employer branding, and workplace health promotion schemes keep employee performance high. Effective compliance and good governance help us avoid reputational

damage and fines, and strengthen our market position as a responsible business partner. Our carbon-reducing and energy-saving measures lower our costs.

All of these factors will continue to grow in importance. The Green Deal, the heightened focus on supply chains and the growing awareness among the population for sustainability topics will increase demand for socially and ecologically-sustainable products and services. Considering the current shortage of labour, the benefits a company offers are an increasingly important factor when choosing an employer and motivating people to work for BKS Bank and also for ensuring long-term employee loyalty.

**Product responsibility sets us apart**

Products should meet customer needs and be easy for our customers to understand. High product responsibility is very important at our company. All new products go through a standardized launch process. This process ensures not only conformity with the law, but also means that new products are in line with the sustainability concept of BKS Bank and all relevant decision-makers are well-informed of the sustainability aspects of the innovation. Our excellent advisory

TCFD, strategy, recommended information a), b) and c)

TCFD, risk management, recommended disclosures a), b) and c)



competence is also a key differentiating factor.

We do not engage in aggressive advertising and follow the recommendations of the Code of Ethics of the “Werberat” (Austrian Advertising Council) and “Gesellschaft zur Selbstkontrolle der Werbewirtschaft” (Society for the Self-Regulation of the Advertising Industry). Advertisements are managed by the Strategy, Communications and PR group to ensure that they comply our guidelines. In the reporting year, there were no infringements of regulations or voluntary codes of conduct in the labelling of our products or in our marketing materials. The guidelines on the correct labelling of marketing communications have been reviewed by BKS Bank’s Compliance Office and is available to all employees on the employee portal.

#### **High level of customer satisfaction**

We use several instruments to measure and improve customer satisfaction with our products, services and advisory services. We conduct comprehensive customer satisfaction surveys regularly in cooperation with a renowned Austrian market research institute. The last survey took place in the autumn of 2021. We plan to conduct a new survey in the first quarter of 2024.

To ensure that we also receive regular feedback on our services throughout the year, we have also been conducting the customer feedback surveys since 2020. This means that we invite customers who were in contact with us at a branch or any other channel to complete an online evaluation. The survey measures satisfaction with advisory

and other services and the likelihood of a recommendation. The results of this survey have been very good since its introduction, and also in 2023. Over 95% of our customers rated the question on overall satisfaction as “excellent” or “good”. The net promotor score of 70% was also very positive.

#### **Impact on society and the environment**

We assess the positive and negative impacts of our activities on the environment and society by conducting impact, opportunity/risk and context analyses at least once a year. The results show that the direct negative effects of our business model is low. As a service provider, our business operations generate low CO<sub>2</sub> emissions and waste volumes. Banking operations do not make noise, and increasing digitalisation is reducing the need for trips to our branches.

We are seeing a stronger direct impact in the activities of BKS Immobilien-Service GmbH, as it is also responsible for the construction projects of our company. In this case, we strive to keep noise and dust, land use and water and energy consumption as low as possible. Waste that cannot be avoided, e.g. from demolition work, is disposed of properly.

However, the indirect effects associated with projects we finance or our customers’ investments have a significantly greater impact. Examples of direct and indirect impacts are also presented in the management approaches to the three fields of action (E, S, G) of our sustainability strategy in this report.

GRI 417-1 Requirements for products and service information and labelling

GRI 417-2 Incidents of non-compliance concerning product and service information and labelling

GRI 417-3 Incidents of non-compliances concerning marketing communications



To minimize the negative impacts and identify areas that need improvement, we communicate regularly with our stakeholders and certify our processes and services. Therefore, we again completed the EMAS certification in the 2023. Well established within our bank are our code of conduct and guidelines that define business transactions we engage in and which ones we exclude. We are committed to the 10 principles of the UN Global Compact and also follow internationally-recognized standards and policies such as those published by the OECD and the International Labour Organization.

However, our business activities also permit us to achieve a wide range of positive impacts. For example, our branches are an important part of the regional infrastructure; they enable older persons and the less digitally-savvy to conduct financial transactions.

Our ATM infrastructure ensures the supply of cash to the population. Where we

see demand, we also install new ATMs. In the 2023 financial year, ATMs were installed outside our branch network at five locations including in St. Pölten and Spittal an der Drau. Payment services form the basis for any business activity, since without an account and the associated transaction options, participation in economic life is very limited.

We provide funding for the construction and renovation of educational facilities and in this way enable young people to learn in a modern environment. Loans dedicated to the construction of retirement and nursing homes and hospitals help people to age with dignity. The environment also benefits from our loans for financing climate-friendly investments.

Our investment and retirement products are essential for accumulating wealth, protecting against risks and reducing poverty in old age. In this way, we contribute to sustainable development, as many of the products we offer are ESG oriented.

TCFD, strategy, recommended information a)

TCFD, strategy, recommended information b)

TCFD, Governance, recommended information b)

TCFD, risk management, recommended information a)

TCFD, risk management, recommended information b)

TCFD, risk management, recommended information c)

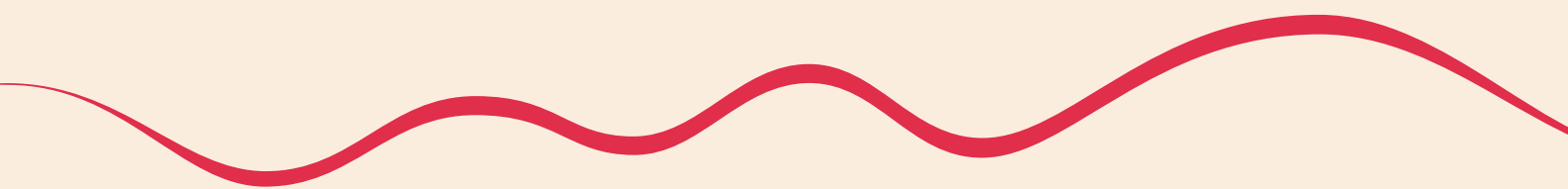




#### **Vienna Stock Exchange Award 2023**

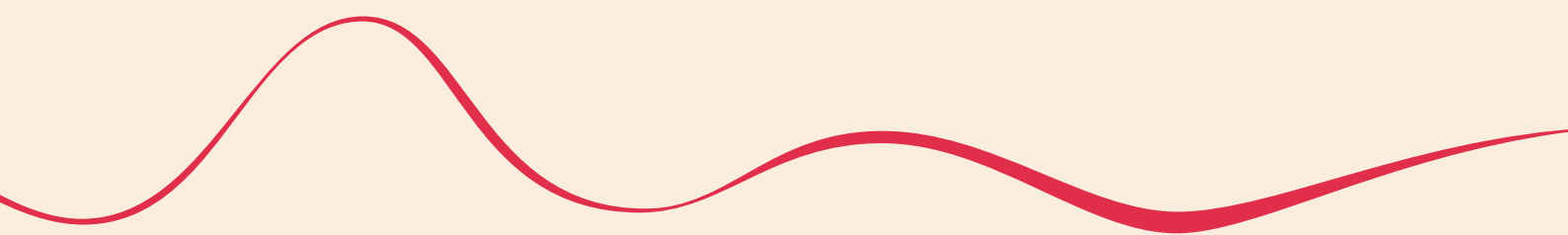
BKS Bank received the Vienna Stock Exchange's VÖNIX Sustainability Award in the category "Financials" for a third consecutive year. Herta Stockbauer and Nikolaus Juhász receive the award.







# Sustainable Achievements and Outlook





**“By promoting arts and culture, we build bridges that connect creativity and business. Our cooperation projects reflect our efforts to celebrate and promote cultural diversity.”**

**Marion Jester**

Head of Communications, PR and Strategy  
Joined BKS Bank in 2007







# Sustainable Achievements 2023

## E – Environment and climate change mitigation

Planned	Implemented
<b>For us, sustainability is an innovation driver for sustainable banking products</b>	
Issuance of more green bonds	In 2023, we issued three green bonds that raised proceeds of EUR 18.0 million.
Launch of a new green savings product bearing the Austrian Eco-label for Sustainable Financial Products.	The new green savings product will be introduced in 2024.
Development of a concept of the potential opportunities and risks that may result from biodiversity.	Work on this project will continue in 2024. The brochure "Naturmah gärtner" published by Global 2000 was handed over to customers who took out home loans.
Higher volume of sustainable asset management products of BKS Bank in Austria and Slovenia.	The share of sustainable financial products in asset management increased to 36.0%.
Continue decarbonization of products on customer accounts and in the own portfolio to achieve alignment with Paris Agreement	The CO <sub>2</sub> of Scope 1, 2 and 3 emissions was 263 t CO <sub>2</sub> equivalents per million EUR invested.
<b>We aim for climate neutrality</b>	
Implementation of the requirements of the Green Finance Alliance in 2023	The targets were met in 2023, including the disclosure of the climate and engagement strategy.
Calculation of science-based targets	The calculation of the science-based targets was completed. The science-based targets were submitted in December of 2023.
Development of a decarbonization roadmap including the relevant policies	The development of a decarbonization roadmap including the necessary policies will be done in 2024, as the science-based targets will not be validated until 2024.
<b>We develop our properties into green buildings</b>	
Completion of ÖGNI certification for "BKS-Lebenswert" in Eisenstadt	Our BKS-Lebenswert construction project was ÖGNI certified.
Completion of the refurbishment and ÖGNI certification of our properties on Hauptplatz and Milesistraße in Villach.	Renovation work at the BKS Bank branch on Hauptplatz in Villach finalized. The second phase of the construction project to erect rental apartments will begin in the spring of 2024. Construction of the residential complex and underground parking garage in Milesistraße will be completed in the summer of 2024. ÖGNI certification for the two construction projects was commissioned and is being conducted at the same time as construction work.



Planned	Implemented
<b>We develop our properties into green buildings</b>	
Start of two new Taxonomy-compliant refurbishment projects in Klagenfurt and Mattersburg.	The renovation work in Klagenfurt's city center is expected to be completed in the spring of 2024. The Mattersburg branch will be renovated in two construction phases. The first construction phase will be completed in the spring of 2024.
Production of additional solar power by installing photovoltaic systems on the roofs of three branches	Construction of five photovoltaic systems was completed in 2023. These five PV systems will have an output of around 83 kWp.

## S – Society and Social Engagement

Planned	Implemented
<b>We understand sustainability as an innovation driver for sustainable banking products</b>	
Market launch of new credit products as a contribution to resolving social challenges	The newly introduced Bildung&Zukunft loans are an option for borrowers seeking finance for education and training.
Issuance of social and sustainability bonds	We did not issue any social bonds or sustainability bonds in the reporting year.
<b>We value our employees and are proud of them</b>	
Continue implementation of the measures planned for certification as a family-friendly company in Austria, Slovenia and Croatia	Most planned activities were implemented.
Continue the annual health promotion programme "Durch die Bank gesund" in all markets with a focus on metabolism	The programme registered 353 participants in Austria and Croatia; it did not take place in Slovenia or Slovakia.
Partnership with autArK to increase share of employees with disabilities	The exchange with autArK has taken place, but has not yet resulted in any new hirings.
Continuation of the campaign to make the diversity of BKS Bank employees visible	The campaign was continued in 2023 on social media and on employee portal.
<b>Our employees are multipliers for sustainability and social responsibility</b>	
Carry out at least one corporate volunteering activity in every market	Our employees performed 421 hours of work for non-profit organizations in all market areas.
Information events on CSR topics with our experts at five events	In 2023, more than five CSR presentations were held by employees.



Planned	Implemented
<b>We are members of ESG networks</b>	
Carry out TRIGOS Styria and support TRIGOS Österreich	TRIGOS Styria received 26 applications from companies; we sponsored TRIGOS Österreich.
Organize at least two joint events with respACT	In 2023, we organized three events with respACT: TRIGOS Info Breakfast, CEO Business Lunch and TRIGOS Styria Gala
<b>We contribute to equal opportunity in society</b>	
Continue sponsoring "Kämtner in Not", one house at SOS Kinderdorf, and the "Care-Leaver Project" of Volkshilfe Wien	These projects were sponsored with funding in 2023 as well.
Continue sponsorships of the cultural highlights of Carinthia: Carinthian Summer, Stadttheater Klagenfurt, "Tage der deutschsprachigen Literatur" (German Literature Days)	These partnerships were continued.
Customer events to increase knowledge of sustainable business practices	These events will take place in the spring of 2024.
Invite schools to a different type of #FridaysForFuture event at BKS Bank to raise awareness for sustainability in the banking business	The #FridayForFuture event took place in 2023.

## G - Governance

Planned	Implemented
<b>We are Austria's most sustainable bank</b>	
Successful rating from ISS ESG and VÖNIX	VÖNIX rating successfully completed. We have not been assigned a new rating by ISS ESG, even after actively inquiring.
EMAS audit	Surveillance audit completed without any main or secondary deviations.
Complete Green Brands initial certification in Slovakia	Initial certification as a Green Brand in Slovakia completed.
Re-audit as a family-friendly business in Croatia	In Croatia, the MAMFORCE® recertification was completed.
Meet requirements of the Taxonomy Regulation	Progress achieved in the technical implementation of the Taxonomy Regulation, including completion of new input interfaces for allocating loans to the Taxonomy activities for environmental objectives 1 and 2.
Hold at least one stakeholder dialogue per year	In the reporting year, we conducted a comprehensive stakeholder survey regarding the new materiality assessment.



Planned	Implemented
<b>Good governance is part of our daily operations</b>	
Start preparations for implementation of CSRD and CSDDD requirements	The key requirements of the new specifications have been addressed. Initial assessments of impact and financial materiality were completed.
Continue integration of ESG factors into risk management	ESG monitoring was expanded to include heads of units, and the managers were informed about the ESG risk drivers in their credit portfolios. A buffer for the economic capital requirement for ESG risks was defined in the risk-bearing capacity calculation (ICAAP).
Education and training for our employees in compliance, anti-corruption, AML and data protection	Numerous training and further education courses were held on these topics in the reporting year.
<b>We work and invest to achieve healthy and long-term growth</b>	
Introduction of new digital banking products	In the 2023 financial year, we launched several digital banking products in the BKS App, including a financial planner, digital requests for loans, the option of opening securities accounts and placing securities orders online.
Increase in volume of sustainable banking products	Volume of sustainable products increased again in 2023 (+23.4%).
Strengthen our positioning as a responsible banking partner among older people, the Fridays-for-Future generation, health-conscious people and family businesses.	We organized events designed specifically for older people and launched a dedicated advertising campaign. We will focus on these target groups in 2024 as well.
<b>We inspire our customers with excellent advisory services</b>	
Conduct a customer satisfaction analysis	The customer satisfaction analysis will be done in Q1 2024.
Implement improvements identified in the customer satisfaction analysis	The potential for improvement will be addressed in 2024 based on a list of activities.



## Activities planned for 2024

### E – Environment and climate change mitigation

#### **We understand sustainability as an innovation driver for sustainable banking products**

- Issuance of further green bonds
- Launch a new green savings product bearing the Austrian Ecolabel for Sustainable Financial Products
- Further develop the concept of potential opportunities and risks that may result from biodiversity
- Increase in volume of sustainable financial products in the asset management of BKS Bank in Austria and Slovenia
- Continue the decarbonization of products on customer accounts and in the treasury portfolio based on the SBTi

#### **We aim for climate neutrality**

- Implementation of the requirements of the Green Finance Alliance in 2024
- Include SBTi and GFA requirements in various internal frameworks and actively manage and monitor their implementation
- Achieve SBT in the various portfolios

#### **We develop our properties into green buildings**

- Completion of the ÖGNI certifications for the Villach "Parkblick" and Klagenfurt Villacherstraße projects
- Continue the Villach Hauptplatz and Mattersburg projects
- Renovation and enlargement of the Baumbachplatz and Kreuzberg! properties in Klagenfurt in accordance with ÖGNI specifications
- Generation of additional solar power from photovoltaic systems installed on the roofs of our own properties
- Energy optimization by upgrading the HVAC installations in buildings at two large properties in Klagenfurt

### S – Society and Social Engagement

#### **We understand sustainability as an innovation driver for sustainable banking products**

- Issuance of social bonds and sustainability bonds
- Introduction of a new account product for retail customers to support social projects
- We founded a foundation under the patronage of the non-profit Caritas Stiftung Austria. The returns of the foundation are to be used for social projects and to increase the foundation's capital.

#### **We value our employees and are proud of them**

- Implement the measures planned in accordance with the certification as a family-friendly company in Austria, Slovenia and Croatia
- Conduct annual health programme with focus on the spine ("Durch die Bank gesund") in all market areas
- Continue campaign to make diversity of BKS Bank employees visible
- Complete the "Employer Branding" project to strengthen our positioning on the job market
- Conduct employee survey in all markets

#### **Our employees are multipliers for sustainability and social responsibility**

- Carry out at least one corporate volunteering activity in every market
- At least five information events on CSR topics with our experts



**We are members of ESG networks**

- Organize the event TRIGOS Styria
- Organize at least two events with respACT or other sustainability organizations
- Organize corporate volunteering projects with cooperation partners

**We contribute to equal opportunity in society**

- Continue sponsorship of "Kärntner in Not", sponsorship of house at SOS Kinderdorf and support the Caritas Lerncafé project in Spittal
- Continue sponsorship of Carinthia's cultural highlights: Carinthian Summer, Stadttheater Klagenfurt, Tage der deutschsprachigen Literatur (German Language Literature Days)
- Customer events to increase knowledge of sustainable business practices

**G - Governance****We are Austria's most sustainable bank**

- Excellent rating from ISS ESG and VÖNIX
- EMAS audit
- Re-certification as a Green Brand
- Meet requirements of the Taxonomy Regulation
- Stakeholder dialogue

**Good governance is part of our daily operations**

- Start preparations for implementation of CSRD and CSDDD requirements

- Solidify ESG factors in risk management
- Continuing education and training for our employees on the topics of compliance, anti-corruption, AML and data protection
- Extensive discussion of ESG topics on Supervisory Board
- Develop and broaden ESG organization

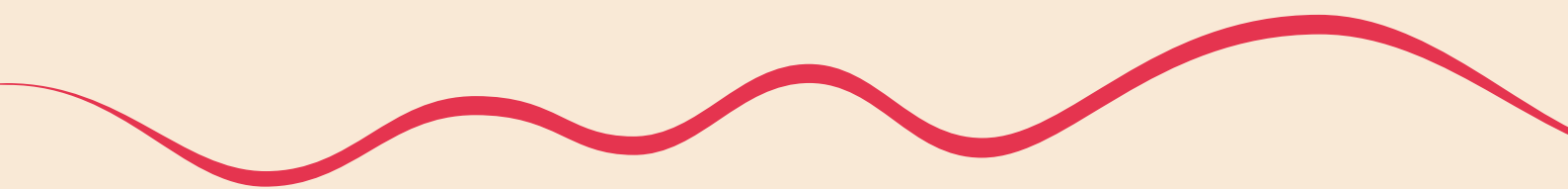
**We work and invest to achieve healthy and long-term growth**

- Introduction of new digital banking products
- Increase in volume of sustainable banking products
- Strengthen positioning as a responsible banking partner among older people, the #FridaysForFuture generation, health-conscious people and business families
- Develop measures to reinforce the potential for improvement identified in the EFQM assessment

**We inspire our customers with excellent advisory services**

- Conduct a customer satisfaction analysis
- Implement improvements identified in the customer satisfaction analysis







# Sustainability in numbers





”

**Our department ensures that sustainability becomes tangible in financial reporting. We create transparency and reliability in order to align our economic goals with ESG principles and manage them precisely.**

“

**Hubert Cuder**

Head of Controlling and Accounting  
Joined the BKS Bank in 1991







**Key performance indicators of the sustainability strategy**

Strategic CSR goal	Indicator <sup>1</sup>	Starting value 31/12/2019	31/12/2022	31/12/2023
<b>We are Austria's most sustainable bank</b>	Best-in-class in sustainability			
	ISS ESG Prime	✓	✓	✓
	VÖNIX index member	✓	✓	✓
	EMAS certified	✓	✓	✓
	Green Brand	✓	✓	✓
<b>Good governance is part of our daily operations</b>	No substantial fines imposed by regulatory authorities	No substantial fines	1 substantial fine	No substantial fines
	No substantiated complaints filed with data protection authorities	✓	✓	✓
<b>We work and invest to achieve healthy and long-term growth</b>	Credit growth greater than 4%	5.9%	3.1%	3.3%
	Increase in number of customers by 2% per year	191,200	196,200	195,800
<b>We value our employees and are proud of them</b>	Employee survey: Overall satisfaction is at least 1.9	2.0	2.0 (Survey 2021)	2.0 (Survey 2021)
	Share of women in management positions rises to 35%	31.6%	35.9%	36.4%
	At least 25% of employees participate every year in the company health promotion programme <sup>2</sup>	27.7%	17.6%	30.8%
	The gender pay gap reduced to 12%	16.5%	16.7%	15.8%
<b>Our employees are multipliers for sustainability and social responsibility</b>	At least 10% of all employees participate in corporate volunteering once a year	10.4%	5.2%	8.1%
	90% of our employees have completed CSR training	40.5%	79.0%	95.3%

<sup>1</sup>The indicator refers in each case to 2025. If there is an annual target, this is indicated separately in the indicator.

<sup>2</sup> In Slovenia and Slovakia, no health programme took place in 2023.



Strategic CSR goal	Indicator <sup>1)</sup>	Starting value 31/12/2019	31/12/2022	31/12/2023
<b>We inspire our customers with excellent advisory services</b>	EFQM – Recognized for Excellence 6 Star <sup>2</sup>	EFQM – Recognized for Excellence 5 Star	EFQM – Recognized for Excellence 5 Star	EFQM – Recognized for Excellence 6 Star
	The overall satisfaction rating in our customer survey is 1.5	1.5	1.5	1.5
<b>We believe sustainability is an innovation driver for sustainable banking products</b>	Share of sustainable products in total assets is 15%	4.5%	10.7%	13.1%
	The volume of new loans for sustainable finance is EUR 200 million per year	131.5	255.6	259.4
	The share of ESG investment components in asset management increases to 30%	n.a.	29.8%	36.0%
<b>We aim for climate neutrality</b>	Reduction of carbon footprint per employee to 2.0 t CO <sub>2</sub> equivalents	1.0 t CO <sub>2</sub> equivalents	2.4 t CO <sub>2</sub> equivalents	2.0 t CO <sub>2</sub> equivalents
	Total energy consumption decreases to 7.2 GWh by 2025	7.6	8.3	8.1
<b>We develop our properties into green buildings</b>	At least five green structural building measures per year	✓	✓	✓
<b>We are members of ESG networks</b>	UN Global Compact	✓	✓	✓
	respACT – austrian business council for sustainable development	✓	✓	✓
	Verantwortung zeigen!	✓	✓	✓
<b>We contribute to equal opportunity in society</b>	At least five financial literacy measures per year	✓	✓	✓

<sup>1)</sup> The indicator refers in each case to 2025. If there is an annual target, this is indicated separately in the indicator.

<sup>2)</sup> The EFQM assessment system was redefined as of 2020 and supplemented by additional excellence levels, with the assessment of BKS Bank being based on the previously valid model until 2022. In October 2023, we were assessed again by Quality Austria and received the "EFQM recognised for Excellence 6 Stars" award.

GRI 3-3 Management of material topics



## Key Employee Figures

Unless otherwise stated, all figures in this section refer to the number of persons and were calculated as of the reporting date on 31 December 2023.

### Overview of employees

Persons	BKS Bank Group			BKS Bank AG
	2021	2022	2023	2023
<b>Total</b>	1,145	1,145	1,146	1,056
• thereof women	663	664	681	619
• thereof men	482	481	465	437
<b>Austria</b>	856	854	851	817
• thereof women	483	484	489	463
• thereof men	373	370	362	354
<b>Slovenia</b>	158	152	155	136
• thereof women	91	81	89	81
• thereof men	67	71	66	55
<b>Croatia</b>	82	90	85	70
• thereof women	59	69	69	57
• thereof men	23	21	16	13
<b>Slovakia</b>	45	47	46	32
• thereof women	29	29	29	18
• thereof men	16	18	17	14
<b>Italy</b>	4	2	3	1
• thereof women	1	1	2	-
• thereof men	3	1	1	1
<b>Serbia</b>			6	
• thereof women	-	-	3	-
• thereof men	-	-	3	-
Employees with disabilities	24	27	26	25

GRI 2-1 Organizational details



## Type of employment

Persons	2021	2022	2023
Employees with indefinite contracts	1,072	1,062	1,070
• thereof women	620	619	641
• thereof in Austria	803	790	786
• thereof in Slovenia	148	141	147
• thereof in Croatia	78	85	83
• thereof in Slovakia	39	44	45
• thereof in Italy	4	2	3
• thereof in Serbia	-	-	6
Employees with defined-term contracts	68	83	76
• thereof apprentices	5	3	4
• thereof women	43	45	40
• thereof in Austria	48	61	61
• thereof in Slovenia	10	11	8
• thereof in Croatia	4	5	2
• thereof in Slovakia	6	3	1
• thereof in Italy	-	-	-
• thereof in Serbia	-	-	-
Number of temporary or leased staff	-	-	-
Number of salaried employees	1,140	1,142	1,142
Share of salaried employees (in %)	99.6	99.7	99.7

GRI 2-7 Employees

## Working hours

Persons	2021	BKS Bank Group		BKS Bank AG
		2022	2023	2023
Total number of employees	1,145	1,145	1,146	1,056
• thereof women	663	664	681	619
Full-time employees	856	856	863	788
• thereof women	409	417	436	387
Part-time employees	289	289	283	268
• thereof women	254	247	245	232
• thereof employees in semi-retirement	48	44	11	-

GRI 2-7 Employees

## Percentage of top management staff in each country recruited locally

	2021	2022	2023
Austria	100	100	100
Slovenia	100	100	100
Croatia	100	100	100
Slovakia	100	100	100

GRI 202-2 Proportion of senior management hired from the local community



## Share of female executives in %

	BKS Bank Group			BKS Bank AG	
	2021	2022	2023	2023	
Total number of managers (excl. Management Board)	185	181	176	166	
• thereof female	68	65	64	58	
Share of female executives in %	36.8	35.9	36.4	34.9	

GRI 405-1 Diversity of governance bodies and employees

## Number of female and male managers by function (BKS Bank Group)

	2021 female	2021 male	2022 female	2022 male	2023 female	2023 male
Management board	1	3	1	3	2	3
Head of department or head of unit	6	27	7	28	9	28
Branch managers or heads of groups	52	81	47	81	43	78
Team leader	10	9	11	7	12	6

GRI 405-1 Diversity of governance bodies and employees

## Number of female and male managers by function (BKS Bank AG)

	2021 female	2021 male	2022 female	2022 male	2023 female	2023 male
Management Board	1	3	1	3	2	3
Head of department or unit	4	24	5	25	6	24
Branch managers or heads of groups	48	80	43	80	40	78
Team leader	10	9	11	7	12	6

GRI 405-1 Diversity of governance bodies and employees

## Management and supervisory board members by gender

	31/12/2021				31/12/2022				31/12/2023			
	Number of women	Ratio	Number of men	Ratio	Number of women	Ratio	Number of men	Ratio	Number of women	Ratio	Number of men	Ratio
Management Board	1	25.0	3	75.0	1	25.0	3	75.0	2	40.0	3	60.0
Supervisory Board (shareholder representatives)	4	40.0	6	60.0	4	40.0	6	60.0	4	40.0	6	60.0
Supervisory Board (employee representatives)	2	50.0	2	50.0	2	50.0	2	50.0	3	60.0	2	40.0
<b>Supervisory board (total)</b>	<b>6</b>	<b>42.9</b>	<b>8</b>	<b>57.1</b>	<b>6</b>	<b>42.9</b>	<b>8</b>	<b>57.1</b>	<b>7</b>	<b>46.6</b>	<b>8</b>	<b>53.4</b>

GRI 405-1 Diversity of governance bodies and employees



**Nationality**

Persons	2021	2022	2023
Austria	797	785	767
Slovenia	165	161	166
Croatia	100	111	106
Slovakia	46	48	46
Germany	12	14	14
Italy	7	5	9
Hungary	3	3	8
Bosnia/Herzegovina	7	9	13
Serbia	-	-	9
Canada	1	1	1
Bulgaria	1	1	1
Georgia	1	-	-
Turkey	2	2	1
Ukraine	1	2	2
Armenia	1	1	-
Syria	1	1	-
Afghanistan	-	1	2
Romania	-	-	1

GRI 405-1 Diversity of governance bodies and employees

**Age structure of BKS Bank employees**

	2021	2022	2023
younger than 30 years	118	123	140
30 to 50 years	603	594	593
over 50 years	424	428	413

GRI 405-1 Diversity of governance bodies and employees

**Age structure of managers**

	2021	2022	2023
younger than 30 years	1	-	-
30 to 50 years	106	102	97
over 50 years	78	79	79

GRI 405-1 Diversity of governance bodies and employees



**Employees on parental leave**

	2021	2022	2023
Number of salaried employees entitled to parental leave	23	13	33
• thereof women	12	6	19
Number of employees on parental leave	19	19	16
• thereof women	17	16	13
• thereof men on parental leave	2	3	3
Men on one-month paternity leave	3	5	3
Number of salaried employees returned from parental leave	18	16	14
• thereof women	16	13	11
Return rate from parental leave in % <sup>1</sup>	95	84	88
Return rate of women in %	94	81	85
Return rate of men in %	100	100	100
Remain rate in % <sup>2</sup>	91	88	84
Remain rate of women in %	88	86	81
Remain rate of men in %	100	100	100
Average period of parental leave in years	1.44	1.88	1.6

<sup>1</sup> The return rate (return-to-work) indicates the total number of employees that return to work after parental leave as a percentage of the total number of employees with whom the return to work after parental leave was agreed.

<sup>2</sup> The remain rate indicates how many of the employees who returned to work after parental leave are still employed at BKS Bank one year later.

GRI 401-3 Parental leave

**Key training figures - total**

	2021	2022	2023
Average training days per employee p.a.	4.2	4.8	4.7
Average training hours per employee p.a. <sup>1</sup>	32.1	37.1	36.2
Average training hours per woman p.a. <sup>1</sup>	30.2	33.1	33.6
Average training hours per man p.a. <sup>1</sup>	34.9	42.7	40.2
Number of in-house seminars	223	340	366
Training hours per year	36,639	41,874	41,024
• thereof completed by women	19,956	21,928	22,828
Number of apprentices in training	5	3	4
• thereof women	3	1	1
Number of trainees in training	8	8	10
• thereof women	2	7	4

<sup>1</sup> The calculation was made on the basis of active employees (excluding employees on parental leave or in semi-retirement).

GRI 404-1 Average hours of training per year and per employee

**Average hours of training per employee by function**

	2021	2022	2023
Employees without management functions	29.9	31.6	33.7
Team, group and branch managers	40.3	59.0	51.9
Head of central departments/sales, managing directors	25.9	45.0	44.1

GRI 404-1 Average hours of training per year per employee



**Number of employees who have completed CSR training**

	2021	2022	2023
Participants in CSR training p.a.	673	780	618
Total number of employees who have completed CSR training since 2019 <sup>1</sup>	731	893	1,079
Percentage of employees who have completed CSR training since 2019	64.1	79.03	95.3

<sup>1</sup> Each employee is counted only once for the total number, even if the employee has completed several CSR training courses over the years.

**Compliance and anti-corruption training**

	2021	2022	2023
Number of employees trained in in-person and online training courses	305	364	383
• thereof women	156	198	223
• thereof employees without management functions	267	301	336
• thereof team, group and branch managers	34	58	37
• thereof heads of central departments/sales, managing directors	4	5	10
Number of employees who have completed e-learning courses on the topic	882	859	1,973
• thereof women	495	505	1,108
• thereof employees without management functions	746	733	1,695
• thereof team, group and branch managers	113	105	218
• thereof heads of central departments/sales, managing directors	23	21	60
Number of compliance and anti-corruption training hours per year (classroom and e-learning hours)	2,721	3,160	4,042
• thereof completed by women	1,558	1,864	2,280
- thereof completed by employees without management functions	2,422	2,715	3,643
• thereof completed by team, group and branch managers	255	402	320
• thereof completed by heads of central departments/sales, general managers	44	43	79

GRI 205-2 Communication and training about anti-corruption policies and procedures

**Assessment and performance talk (A&P)**

	2021	2022	2023
Percentage of employees that have participated in A&P interviews	89	87	91
• thereof women	57	57	58
• thereof men	43	43	42
Share of all women	88	86	90
Share of all men	91	87	93
Share of employees without management functions	90	86	91
Share of all team leaders, group leaders and branch managers	85	93	91
Share of heads of central departments/sales, managing directors	100	91	97

GRI 404-3 Percentage of employees receiving regular performance and career development reviews



**Fluctuation<sup>1</sup>**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Applications for jobs	2,133	1,281	2,229
<b>Hirings, total</b>	<b>124</b>	<b>133</b>	<b>167</b>
• thereof in Austria	92	96	115
• thereof in Slovenia	19	18	33
• thereof in Croatia	7	14	12
• thereof in Slovakia	6	5	1
• thereof in Serbia	-	-	6
• thereof women	74	77	107
• thereof men	50	56	60
• thereof younger than 30 years	52	43	67
• thereof 30 to 50 years	63	75	84
• thereof over 50 years	9	15	16
<b>Entry rate</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Persons having left the company, total</b>	<b>116</b>	<b>133</b>	<b>167</b>
• thereof in Austria	93	97	119
• thereof in Slovenia	13	25	27
• thereof in Croatia	4	6	19
• thereof in Slovakia	6	3	2
• thereof in Serbia	-	-	-
• thereof women	57	73	90
• thereof men	59	60	77
• thereof younger than 30 years	26	26	36
• thereof 30 to 50 years	48	69	82
• thereof over 50 years	42	38	49
<b>Staff turnover rate pursuant to GRI, total</b>	<b>10.4</b>	<b>11.6</b>	<b>14.9</b>
• thereof in Austria	11.2	11.4	14.0
• thereof in Slovenia	8.6	16.5	18.0
• thereof in Croatia	5.1	8.6	22.6
• thereof in Slovakia	14.0	6.5	4.3
• thereof in Serbia	-	-	-
• thereof women	5.0	6.1	7.7
• thereof men	5.4	5.5	7.2
• thereof younger than 30 years	2.3	2.4	3.2
• thereof 30 to 50 years	4.3	5.7	7.0
• thereof over 50 years	3.8	3.5	4.7
<b>Staff turnover rate adjusted, total</b>	<b>7.1</b>	<b>9.6</b>	<b>11.6</b>
• thereof in Austria	7.1	9.0	9.9
• thereof in Slovenia	7.3	15.1	17.3
• thereof in Croatia	5.1	8.6	21.4
• thereof in Slovakia	14.0	6.5	4.3
• thereof in Serbia	-	-	-
• thereof women	3.3	4.9	6.3
• thereof men	3.9	4.8	5.3
• thereof younger than 30 years	2.3	2.4	3.1
• thereof 30 to 50 years	4.3	5.7	7.0
• thereof over 50 years	0.6	1.6	1.5

<sup>1</sup> The staff turnover rate pursuant to GRI was calculated on the basis of employees having left the company including retirements, employees in the leisure time phase of a retirement model, but excluding employees on parental leave or sabbaticals. The adjusted fluctuation rate was calculated on the basis of employees having left the company excluding retirements, employees in the leisure time phase of a retirement model and excluding employees on parental leave or sabbaticals.

GRI 401-1 New employee hires and employee turnover



**Average length of service in years**

	2021	2022	2023
BKS Bank Group	13.57	13.32	12.81
BKS Bank AG in Austria	16.17	15.82	15.20

**Employment and bank security<sup>1</sup>**

	2021	2022	2023
<b>Total number of employees</b>	<b>1,145</b>	<b>1,145</b>	<b>1,146</b>
Number of hours worked	1,534,155	1,486,138	1,568,791
Number of fatalities due to work-related injuries	-	-	-
Ratio of deaths due to work-related injuries	-	-	-
Number of work-related injuries with severe consequences	2	-	-
Ratio of work-related injuries with severe consequences	1.3	-	-
Number of documented work-related injuries	5	7	3
Ratio of documented work-related injuries	3.3	2.7	2.7
Number of bank robberies	2	-	-
Number of security staff in Austria	4	4	4
Number of workplace safety officers	21	21	21
• thereof in Austria	18	18	18
• thereof in Slovenia	1	1	1
• thereof in Croatia	1	1	1
• thereof in Slovakia	1	1	1

<sup>1</sup> In Slovenia, Croatia and Slovakia, external companies are entrusted with the tasks of safety experts. 1,000,000 hours was used as the basis to calculate the rate of work-related injuries with serious consequences. In addition to the work-related injuries listed in the table, there were also three commuting accidents in 2021 and 2022 respectively in which travel was not organized by BKS Bank. Therefore, these were not included when calculating the rate of documented work-related injuries.

GRI 403-9 Work-related injuries



**Resolutions of the 84th Annual General Meeting on remuneration<sup>1</sup>**

Number of votes	2022	2023
<b>Resolution on remuneration policy<sup>2</sup></b>		
Number of shares for which valid votes were cast	36,428,683	-
Proportion of share capital represented by these votes	84.83%	-
Total number of valid votes cast	36,428,683	-
thereof yes votes	23,448,338	-
thereof no votes	12,980,345	-
thereof abstentions	-	-
<b>Resolution on the remuneration of the Supervisory Board<sup>2</sup></b>		
Number of shares for which valid votes were cast	36,426,370	-
Proportion of share capital represented by these votes	84.83%	-
Total number of valid votes cast	36,426,370	-
thereof “yes” votes	36,426,367	-
thereof “no” votes	3	-
thereof abstentions	2,313	-
<b>Resolution on the remuneration report</b>		
Number of shares for which valid votes were cast	36,428,683	23,919,054
Proportion of share capital represented by these votes	84.83%	55.70%
Total number of valid votes cast	36,428,683	23,919,054
thereof “yes” votes	23,448,338	23,710,239
thereof “no” votes	12,980,345	208,815
thereof abstentions	-	12,788,915

<sup>1</sup> The 84th Annual General Meeting, at which remuneration for the financial year 2023 will be voted on, will be held in May 2024.

<sup>2</sup> There was no vote on remuneration policy and the remuneration of the Supervisory Board in the 2023 financial year. The resolutions of the year 2022 are still valid. A vote does not have to be held annually.

GRI 2-20 Process to determine remuneration



**Remuneration of the Management Board<sup>1</sup>**

in €k	2021	2022	2023
<b>Herta Stockbauer</b>			
Fixed remuneration	747.4	784.7	870.2
Variable remuneration	227.9	162.2	n.a.
Total remuneration	975.3	946.9	870.2
<b>Dieter Kraßnitzer</b>			
Fixed remuneration	418.8	439.2	324.5
Variable remuneration	139.6	90	n.a.
Total remuneration	558.4	529.2	324.5
<b>Alexander Novak</b>			
Fixed remuneration	286.9	317.9	352.5
Variable remuneration	77.9	58.2	n.a.
Total remuneration	364.8	376.1	352.5
<b>Nicholas Juhász</b>			
Fixed remuneration	143.1	301.3	334.2
Variable remuneration	44.5	61.2	n.a.
Total remuneration	187.6	362.5	334.2
<b>Dietmar Böckmann</b>			
Fixed remuneration	-	-	217.5
Variable remuneration	-	-	n.a.
Total remuneration	-	-	217.5
<b>Claudia Höller</b>			
Fixed remuneration	-	-	126.1
Variable remuneration	-	-	n.a.
Total remuneration	-	-	126.1
<b>Total remuneration of the Management Board</b>	<b>2,086.1</b>	<b>2,214.7</b>	<b>2,225.0</b>
Change in total compensation of the Management Board in % <sup>2</sup>	23.53	6.16	n.a.
Change in average remuneration of employees in %	2.25	3.96	10.44

<sup>1</sup> The variable remuneration of the Management Board is decided by the Remuneration Committee after the copy deadline of the Sustainability Report. Therefore, we can only disclose the fixed remuneration for the financial year 2023. Detailed information on remuneration will be published in the Remuneration Report, which will be available online on our website from around mid-May.

<sup>2</sup> The increase in the change in the total remuneration of the Management Board in 2023 results, among other things, from changes to the Management Board: Dieter Kraßnitzer left the Management Board at the end of August. Dieter Böckmann joined the Management Board on 1 June 2023 and Claudia Höller on 1 September 2023.

GRI 2-19 Remuneration policies



**Remuneration of the Supervisory Board<sup>1</sup>**

in €k	2021	2022	2023
<b>Sabine Urnik, Chairwoman</b>			
Basic remuneration	22.5	26.0	26.0
Remuneration for committee work	15.8	21.0	21.0
Total remuneration for Supervisory Board activities	38.3	47.0	47.0
<b>Klaus Wallner, Deputy Chairman</b>			
Basic remuneration	19.2	22.0	22.0
Remuneration for committee work	8.0	9.0	9.0
Total remuneration for Supervisory Board activities	27.2	31.0	31.0
<b>Gerhard Burtscher</b>			
Basic remuneration	20.3	20.0	20.0
Remuneration for committee work	16.2	17.0	17.0
Total remuneration for Supervisory Board activities	36.5	37.0	37.0
<b>Hannes Bogner</b>			
Basic remuneration	18.0	20.0	20.0
Remuneration for committee work	2.0	3.0	3.0
Total remuneration for Supervisory Board activities	20.0	23.0	23.0
<b>Christina Fromme-Knoch</b>			
Basic remuneration	18.0	20.0	20.0
Remuneration for committee work	7.0	9.0	9.0
Total remuneration for Supervisory Board activities	25.0	29.0	29.0
<b>Franz Gasselsberger</b>			
Basic remuneration	18.0	20.0	20.0
Remuneration for committee work	14.0	16.0	16.0
Total remuneration for Supervisory Board activities	32.0	36.0	36.0
<b>Reinhard Iro</b>			
Basic remuneration	18.0	20.0	20.0
Remuneration for committee work	11.0	11.0	11.0
Total remuneration for Supervisory Board activities	29.0	31.0	31.0
<b>Susanne Kalss</b>			
Basic remuneration	18.0	20.0	20.0
Remuneration for committee work	3.8	6.0	12.0
Total remuneration for Supervisory Board activities	21.8	26.0	32.0
<b>Stefanie Lindstaedt</b>			
Basic remuneration	18.0	20.0	20.0
Remuneration for committee work	-	-	-
Total remuneration for Supervisory Board activities	18.0	20.0	20.0
<b>Heimo Penker</b>			
Basic remuneration	18.0	20.0	20.0
Remuneration for committee work	10.0	13.0	13.0
Total remuneration for Supervisory Board activities	28.0	33.0	33.0

<sup>1</sup> Ms Urnik took over the chairmanship of the Supervisory Board on 17 May 2021 previously held by Gerhard Burtscher. Mr Wallner has been Deputy Chair of the Supervisory Board since 17 May 2021, as successor to Mr Gasselsberger. The Supervisory Board compensation of Mr Wallner goes to Generali Versicherung AG. Mr Penker also receives a pension from his former position as a member of the Management Board of BKS Bank. This amounts to EUR 334,000 for the financial year 2023.



## Collective bargaining agreements

Market area and/or company	Agreements on income
BKS Bank AG in Austria as well as employees seconded by BKS Bank to its subsidiaries	Collective agreement for employees of banks and works agreement
Employees of BKS-Leasing Gesellschaft m.b.H.	Collective agreement for employees in information and consulting
Employees of BKS Service GmbH	Collective agreement for employees in commerce, trades and services, salaried employees
BKS Bank employees in Slovenia	Collective agreement for bank employees
BKS Bank employees in Croatia	There is no collective agreement for bank employees; a works agreement was signed
BKS Bank employees in Slovakia	There is no collective agreement
BKS Bank employees in Serbia	There is no collective agreement
Percentage of employees covered by a collective agreement	87.8%

GRI 2-30 Collective bargaining agreements

## Key figures – sustainable products

### Volume of sustainable products<sup>1</sup>

	BKS Bank Group			BKS Bank AG	
	2021	2022	2023		2023
Volume of sustainable products in EUR million	764.5	1,132.2	1,396.7		1,373.7
Share of sustainable products in total assets	7.2	10.7	13.1		14.0

<sup>1</sup> The list includes the volumes of the “BKS Portfolio-Strategie nachhaltig”, the green and social bonds issued, the sustainable investment components in the “BKS Portfolio-Strategie Varianten”, the eco-savings passbook, the green savings passbook, sustainable loans, green loans and green leases.

BKS Bank indicator: Volume of sustainable products  
TCFD, metrics and targets, recommended information a)

### Sustainable lending

in € million	2021	2022	2023
Volume of sustainable loans	556.2	924.7	1,135.1
- thereof sustainable finance pool	-	-	262.4
• thereof for social purposes	148.2	417.2	482.6
• thereof for ecological purposes	408.0	507.6	621.9
• thereof for social & ecological purposes	-	-	30.6
• thereof retail customers	219.7	283.9	272.9
• thereof corporate customers	336.5	640.9	862.2
Volume development of sustainable financing	143.0	368.5	210.4
Volume of new sustainable loans	n.a.	255.6	259.4
Percentage of sustainable loans in lending volume	8.0	12.9	15.3

BKS Bank indicator: Volume of sustainable loans  
TCFD, metrics and targets, recommended information a)



## Sustainable investments

in € million

	2021	2022	2023
Volume of sustainable investments	208.3	207.5	261.6
• thereof sustainable bonds	30.6	39.6	55.0
• thereof sustainable investment components in asset management in Austria	84.6	76.7	95.8
• thereof sustainable investment components in asset management in Slovenia	n.a.	1.2	2.8
• thereof other sustainable funds of 3 Banken-Generali Investment GmbH on custody accounts of BKS Bank customers	73.6	89.3	106.4
• thereof sustainable savings accounts	19.6	0.7	1.6
Share of sustainable investments in custody accounts <sup>1</sup>	1.4	1.8	2.2
Share of sustainable savings deposits in savings accounts	1.4	0.1	0.2
Ratio of climate-related green bonds in percent <sup>2</sup>	2.3	3.0	4.1

<sup>1</sup> The calculation is based on the total volume of sustainable investments minus sustainable savings accounts.

<sup>2</sup> Total amount of outstanding green bonds at year-end divided by a five-year moving average of the total volume of outstanding bonds

BKS Bank indicator: Volume of sustainable investments  
TCFD, metrics and targets, recommended information a)

## Sustainable fund volume of 3 Banken-Generali Investment-Gesellschaft m.b.H.

in € million

	2021	2022	2023
Volume of sustainable funds	1,820.2	1,560.0	1,582.6
• thereof retail funds	958.1	859.9	946.6
• thereof special funds and institutional investor funds	862.1	700.2	636.0

## Sustainable accounts

	2021	2022	2023
Number of Natur&Zukunft accounts	1,362	6,553	10,992
Volume on Natur&Zukunft accounts in EUR million <sup>1</sup>		72	94.4
Percentage of Natur&Zukunft account in total consumer accounts of BKS Bank	1.6	7.2	11.9

<sup>1</sup> Balance of deposits and credit balances



## Environmental indicators

We have been calculating the carbon footprint of our direct business activities since 2012. Since the introduction of the calculation of our carbon footprint, we have expanded the database over the years, for example, to include the travel to and from work of employees. In the 2023 financial year, we included the newly established leasing company in Serbia in the calculation. Since 2021, we have been calculating financed emissions for several asset classes from our core business in accordance with the standards of the Partnership for Carbon Accounting Financials. The total emissions are shown in the table below, with the largest share being accounted for by the item "financed emissions":

### Total emissions calculated

	Scopes covered	Calculated total emissions in t CO <sub>2</sub> equiv.
Business operations	Scope 1, 2 and 3.1, 3.3, 3.6, 3.7	2,038
Financed emissions	Scope 3.13 and 3.15	2,525,013
<b>Total</b>		<b>2,527,051</b>

GRI 305-1 Direct GHG emissions (Scope 1)

GRI 305-2 Indirect energy-related GHG emissions (Scope 2)

GRI 305-3 Other indirect GHG emissions (Scope 3)

TCFD, metrics and targets, recommended information b)

### Emissions directly from business operations

We calculate the carbon footprint from direct business operations throughout the Group applying the following scopes:

- Scope 1: Emissions from heating (gas and heating oil), vehicle fleet (gasoline and diesel), and refrigerant losses
- Scope 2: Purchased energy (electricity and district heating)
- Scope 3: Travel by rail and air, paper consumption, newly acquired IT equipment, employee travel to and from work, and the Scope 3 percentages from Scopes 1 and 2
- Since 2021, electricity consumption data for Oscar Restaurant and BKS-Wohnpark have also been included in the calculation. The thermal data for the Oscar Restaurant are included in the data of the BKS Bank headquarters and are not accounted for separately. Therefore, this data was already included in past calculations. BKS-Wohnpark is heated with an air-source heat pump. Therefore, there is no additional heat consumption apart from electricity.

The carbon footprint is determined using the data in our environmental data management system: Based on the system boundaries, data collection is done by our environmental team. The data is transmitted to c7-consult. The consulting company transforms the environmental data into CO<sub>2</sub> data (CO<sub>2</sub> equivalents) This involves balancing CO<sub>2</sub> emissions over the entire life cycle and comparing them with the previous year's results, identifying potential for optimization, and drawing conclusions.

The calculation is based on the standards of the World Resources Institute and the World Business Council for Sustainable Development. The standards applied are the "GHG Protocol Corporate Accounting and Reporting Standard" and the "GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard". The carbon footprint reported for electricity consumption is based on information on primary energy sources stated on the annual electricity bill by our energy supplier, Energie Klagenfurt. The conversion into CO<sub>2</sub> equivalents is based on the Ecoinvent 3.10 database (2023) and also accounts for upstream emissions. Ecoinvent is also used to convert the other environmental data into CO<sub>2</sub> equivalents, and the data for gasoline, diesel, heating oil and natural gas is based on the data published by the Austrian Federal Environment Agency in 2023.

### Extrapolation method for the carbon footprint 2023

Despite all efforts, the environmental data for most properties are not available until after the publication date of the Sustainability Report. Nonetheless, in order to provide an indication of the development of greenhouse gas emissions for the year 2023, we calculated the following projections:

- Actual consumption data for 2023 was used for fuel consumption, paper consumption, rail travel and refrigerant consumption.



- To compute the data for employee travel to and from work, we conducted a survey of employees. Emissions for the entire workforce were extrapolated from all data collected.
- As regards electricity and heat, we used the actual consumption data for properties for which we received the fee statements for 2023 in time. For some properties, we only receive operating cost statements without accurate electricity and heat consumption data in kWh. Therefore, we determine how much one kWh costs on average based on available fee statements. We then use this average value to calculate consumption from the utility invoice. The values from 2022 were used for those properties for which we have not yet received invoices for the preparation of the sustainability report. For one branch that was converted to district heating, neither historical values nor current fee statements were available. In this case, we applied the average consumption of other branches.

GRI 305-4 GHG emissions intensity

## Overview Environmental Management

Locations covered in 2023	Power	Distance heating	Natural gas/ heating fuel	Diesel/ gasoline	Paper	Coolant	IT devices	Employee travel to & from work
Austria 57	yes	yes	yes	yes	yes	yes	yes	yes
Slovenia 9	yes	yes	yes	yes	yes	yes	yes	yes
Croatia 5	yes			yes	yes		yes	yes
Slovakia 3	yes	yes		yes	yes		yes	yes
Serbia 1	yes			yes	yes			yes

## Carbon footprint

in t CO2 equivalents	2021	2022	2023	Year/year change in %
Group	2,247	2,414	2,038	-15%
• thereof in Austria	1,483	1,588	1,417	-10%
• thereof in Slovenia	567	647	448	-31%
• thereof in Croatia	98	95	82	-15%
• thereof in Slovakia	98	83	67	-20%
• thereof in Serbia	-	n.a.	24	-

GRI 305-1 Direct GHG emissions (Scope 1)

GRI 305-2 Indirect energy-related GHG emissions (Scope 2)

GRI 305-3 Other indirect (Scope 3) GHG emissions

GRI 305-5 Reduction of GHG emissions

TCFD, metrics and targets, recommended information b)

## Carbon footprint per employee<sup>1</sup>

in t CO2 equivalents	2021	2022	2023
Group	2.3	2.4	2.0
Austria	2.1	2.2	2.0
Slovenia	3.8	4.3	2.7
Croatia	1.2	1.1	1.0
Slovakia	2.3	1.8	1.6
Serbia	-	-	3.9

GRI 305-1 Direct GHG emissions (Scope 1)

GRI 305-2 Indirect energy-related GHG emissions (Scope 2)

GRI 305-3 Other indirect GHG emissions (Scope 3)

GRI 305-4 GHG emissions intensity

GRI 305-5 Reduction of GHG emissions

TCFD, metrics and targets, recommended information b)



## Distribution of carbon footprint

in t CO <sub>2</sub> equivalents	2021	2022	2023	Year/year change in %
Electricity	277	279	117	-58%
Distance heating	209	204	206	1%
Natural gas	102	165	148	-11%
Heating fuel	56	38	40	6%
Gasoline	120	167	211	27%
Diesel	133	136	99	-27%
Rail	3	8	10	34%
Air travel	0.4	-	4	>100
Employee travel to & from work	1,134	1216	990	-19%
IT devices	173	119	119	-
Coolant	0	49	45	-9%
Paper	40	32	48	50%

GRI 305-1 Direct GHG emissions (Scope 1)

GRI 305-2 Indirect energy-related GHG emissions (Scope 2)

GRI 305-3 Other indirect GHG emissions (Scope 3)

GRI 305-5 Reduction of GHG emissions

TCFD, metrics and targets, recommended disclosure b)

## Carbon footprint by scope

in t CO <sub>2</sub> equivalents	2021	2022	2023	Year/year change in %
Scope 1	319	442	431	-2%
Scope 2	296	280	160	-43%
Scope 3	1,632	1,691	1,446	-15%

GRI 305-1 Direct (Scope 1) GHG emissions

GRI 305-2 Indirect energy-related GHG emissions (Scope 2)

GRI 305-3 Other indirect (Scope 3) GHG emissions

GRI 305-5 Reduction of GHG emissions

TCFD, metrics and targets, recommended information b)

## Greenhouse gas emissions location-based vs market-based 2023

	Location-based				Market-based			
	Total	Scope 1	Scope 2	Scope 3	Total	Scope 1	Scope 2	Scope 3
Group	2,807	431	860	1,515	2,038	431	160	1,446
Austria	1,905	293	561	1,051	1,417	293	92	1,032
Slovenia	545	75	126	344	448	75	49	324
Croatia	246	32	137	78	82	32	0	51
Slovakia	86	22	32	32	67	22	15	30
Serbia	24	9	5	10	24	9	5	10

Greenhouse gas emissions from electricity consumption may be quantified in two different ways. First, using the average conversion factors of the country (location-based), and second, using the conversion factors of the electricity supplier (market-based). As BKS Bank obtains 99% of its electricity from renewable energy sources, greenhouse gas emissions are significantly lower when computed by the market-based method.

Direct greenhouse gas emissions from electricity production are reported in Scope 2, while indirect emissions (upstream chain and line losses) are reported in Scope 3. This does not affect Scope 1.

GRI 305-1 Direct (Scope 1) GHG emissions

GRI 305-2 Indirect energy-related GHG emissions (Scope 2)

GRI 305-3 Other indirect (Scope 3) GHG emissions

GRI 305-5 Reduction of GHG emissions

TCFD, metrics and targets, recommended information b)

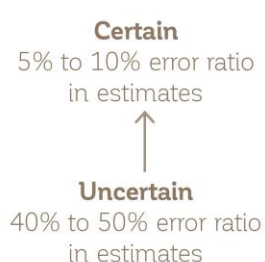


## Financed emissions

A basic prerequisite for the analysis and calculation of financed emissions is information on emissions intensity based on industry factors or on company-specific information from annual reports and sustainability reports of the companies in which investments are made or to whom loans are granted.

The biggest challenge is collecting carbon emissions data for loans and investments in individual companies. These challenges are global, as only few companies are required to disclose the relevant data. With the entry into force of the Corporate Sustainability Reporting Directive (CSRD), availability should increase significantly as more companies will start reporting. To address the lack of CO<sub>2</sub> data availability, the Partnership for Carbon Accounting Financials (PCAF) has developed a hierarchy of data quality. The hierarchy ranges from 1 to 5, with the most reliable data rated 1 and the most unreliable 5. PCAF defines data quality according to methodology, origin and type of data used in the calculations, which are different for each asset class.

## Data quality scoring



<b>Score 1</b>	Audited greenhouse gas emissions or actual primary energy data
<b>Score 2</b>	Unaudited greenhouse gas emissions or other primary energy data
<b>Score 3</b>	Average peer data that is (partially) sector-specific
<b>Score 4</b>	Estimated data based on region or country
<b>Score 5</b>	Estimated data with very limited support

The publication of financed emissions in this report refers to

- Corporate loans
- Residential mortgage loans
- Commercial real estate loans
- Project financing in the energy sector
- Vehicle loans and lease finance
- Listed equities, bonds and funds in asset management, and
- Bank bonds, corporate bonds and sovereigns in the treasury portfolio

While we were able to rely largely on the CO<sub>2</sub> data reported by companies in the case of investments in listed instruments, we used industry data for loan data.

In the case of real estate loans, the data from existing energy performance certificates and surface areas are included in the calculation of financed emissions. If there is detailed data available, the average data for energy consumption is used in the calculation.

The results are therefore an approximation of the actual carbon footprint, but they provide an initial indication of the potential for improvement in the portfolio. Therefore, the focus in the coming years will be on improving data quality and continuous monitoring.



## Total value of financed emissions

Asset class	Sum of loans and investments recognized, in €k	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Scope 3 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> equiv./million EUR invested <sup>1</sup>
<b>Scope 3.15</b>				
Corporate loans	3,897,409	389,108	1,676,309	530
Commercial real estate loans <sup>2)</sup>	1,657,321	29,327	n.a.	18
Project financing	98,161	3,367	n.a.	34
Vehicle loans <sup>3)</sup>	28,177	5,089	n.a.	181
Treasury portfolio	1,030,898	159,186	111,688	263
<b>Subtotal</b>	<b>6,711,965</b>	<b>586,077</b>	<b>1,787,997</b>	<b>354</b>
<b>Scope 3.13</b>				
Vehicle lease finance <sup>4)</sup>	334,792	150,939	n.a.	451
<b>Total</b>	<b>7,046,757</b>	<b>737,016</b>	<b>1,787,997</b>	<b>358</b>

<sup>1</sup> The emissions intensity of 358 t CO<sub>2</sub>-equiv./million EUR invested is not obtained by adding the figures above, but is calculated using the following formula: Scope 1, 2 and 3 emissions / sum of loans recognized\*1,000

<sup>2)</sup> For real estate loans, only Scope 1 and 2 data were used. This is also in line with PCAF's recommendation for real estate loans.

<sup>3)</sup> For vehicle loans, only Scope 1 and 2 data were used. This is also in line with PCAF's recommendation for vehicles with internal combustion engines.

<sup>4)</sup> The calculation for the leasing portfolio was done in accordance with the Guidelines of the GHG Protocol on downstream leased assets, as these are not covered by the PCAF methodology.

GRI 305-3 Other indirect GHG emissions (Scope 3)

GRI 305-4 GHG emissions intensity

## Corporate loans

As the customer portfolio of BKS Bank is composed mainly of small and medium-sized companies, which are not subject to non-financial reporting requirements, we hardly have any CO<sub>2</sub> emissions reports. Therefore, we had to use industry data for the calculations. In the case of companies whose sales and total assets were available, the following formula was applied:

$$\text{Financed emissions} = \sum_U \frac{\text{Outstanding loan volume}_U}{\text{Equity} + \text{External capital}_U} \times \text{Revenues}_U \times \frac{\text{GHG emissions}_S}{\text{Revenues}_S}$$

U...Company, S...Sector

For companies that are not required to keep accounts and therefore do not have revenues figures and balance sheet data, the following formula was applied:

$$\text{Financed emissions} = \sum_U \text{Outstanding loan volume}_U \times \frac{\text{GHG emissions}_S}{\text{Assets}_S}$$

U...Company, S...Sector

The calculations are done by the external calculation tool "Climcycle" as in the preceding year. The emissions data stored refer to Eurostat data as well as World-Input-Output data from the University of Groningen and data from the Joint Research Centre.

The reporting of financed emissions in 2023 was done for Scope 1 and 2 for all branches. Starting as of 2023, we will limit our calculations for Scope 3 to the sectors that must be specified pursuant to the PCAF standard (PCAF Standard Financed Emissions Second edition 12/2022 Table 5-2). Starting as of 2025, Scope 3 emissions will be determined and disclosed. The distribution keys between Scopes 1 to 3 and the intensities from



Eurostat/WIOD will be used starting as of 2023 when developing further features of the calculation tool. As the further development of our calculation tool and the changed database caused shifts in the reporting of financed emissions, we have adjusted the preceding year's figures to ensure comparability.

### Financed emissions of corporate loans 2023

NACE code	Sum of loans and investments in €k	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Scope 1, 2 and 3 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> equiv./million EUR invested <sup>1</sup>
A - Agriculture, forestry and fishing	96,409	60,820	60,820	631
B - Mining and quarrying	22,776	8,837	109,746	4,818
C - Production of goods	590,622	143,138	1,528,378	2,588
D - Energy supply	157,782	19,229	19,229	122
E - Water supply; sewage and waste disposal and elimination of environmental pollution	42,705	45,142	45,142	1,057
F - Construction	295,810	21,179	184,003	622
G - Trade, maintenance and repair of motor vehicles	334,459	19,671	19,671	59
H - Transport and storage	108,293	11,023	16,472	152
I - Accommodations and catering	138,108	8,946	8,946	65
J - Information and communication	59,817	761	761	13
K - Provision of financial and insurance services	357,662	374	374	1
L - Real estate and housing	869,693	2,314	2,314	3
M - Professional, scientific and technical services	315,884	5,384	5,384	17
N - Provision of other economic services	95,313	12,104	33,992	357
O - Public administration, defence, social insurance	160,548	12,037	12,037	75
P - Education and teaching	4,900	191	191	39
Q - Health and social services	202,396	4,282	4,282	21
R - Art, entertainment and recreation	15,507	11,717	11,717	756
S - Provision of other services	28,653	1,959	1,959	68
T - Staff in private households and similar	72	-	-	-
<b>Total</b>	<b>3,897,409</b>	<b>389,108</b>	<b>2,065,417</b>	<b>530</b>

The PCAF data quality score for corporate loans is 4.5.

<sup>1</sup>The sum of the emissions intensity of 530 t CO<sub>2</sub> equiv./million EUR invested is not obtained by adding the figures above, but is calculated using the following formula: Scope 1, 2 and 3 emissions / sum of loans recognized x 1,000

GRI 305-3 Other indirect GHG emissions (Scope 3)

GRI 305-4 GHG emissions intensity



**Financed emissions of corporate loans 2022<sup>1</sup>**

NACE code	Sum of loans and investments recognized, in €k	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Scope 1, 2 and 3 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> equiv./million EUR invested <sup>2</sup>
A - Agriculture, forestry and fishing	102,903	72,311	72,311	703
B - Mining and quarrying	20,200	3,930	48,801	2,416
C - Production of goods	600,371	138,564	1,430,282	2,382
D - Energy supply	101,386	11,929	11,929	118
E - Water supply; sewage and waste disposal and elimination of environmental pollution	43,509	44,598	44,598	1,025
F - Construction	235,905	20,315	173,914	737
G - Trade, maintenance and repair of motor vehicles	339,381	17,558	17,558	52
H - Transport and storage	101,629	10,423	16,048	158
I - Accommodation and food service activities	137,628	6,578	6,578	48
J - Information and communication	49,175	686	686	14
K - Provision of financial and insurance services	322,625	294	294	1
L - Real estate and housing	687,167	1,838	1,838	3
M - Professional, scientific and technical activities	335,383	4,764	4,764	14
N - Provision of other economic services	102,973	16,483	43,959	427
O - Public administration, defence, social insurance	123,014	9,099	9,099	74
P - Education and teaching	6,211	192	192	31
Q - Health and social services	161,560	3,476	3,476	22
R - Art, entertainment and recreation	8,476	1,287	1,287	152
S - Provision of other services	29,279	1,552	1,552	53
T - Staff in private households and similar	129	-	-	-
<b>Total</b>	<b>3,508,902</b>	<b>365,876</b>	<b>1,889,167</b>	<b>538</b>

The PCAF data quality score for corporate loans is 4.2.

<sup>1</sup> As the further development of our calculation tool and the changed database caused shifts in the reporting of financed emissions, we have adjusted the preceding year's figures to ensure comparability. Financed emissions increased by 90% compared to the emissions reported in the preceding year.

<sup>2</sup> The sum of the emissions intensity of 538 t CO<sub>2</sub> equiv./million EUR invested is not obtained by adding the figures above, but is calculated using the following formula: Scope 1, 2 and 3 emissions / sum of loans recognized x 1,000

GRI 2-4 Restatements of information

GRI 305-3 Other indirect GHG emissions (Scope 3)

GRI 305-4 GHG emissions intensity



### Commercial real estate loans

The allocation factor for calculating the financed emissions is the financed share of the property value at the time of acquisition. Only Scope 1 and 2 emissions are included.

$$\text{Financed emissions} = \sum_B \frac{\text{Outstanding loan volume}_S}{\text{Original value of the building}_S} \times \text{Energy consumption of the property}_S \times \text{Emissions factor}$$

### Commercial real estate loans

	Sum of loans recognized in €k	Total assets in m <sup>2</sup>	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> equiv./million EUR invested <sup>1</sup>
Residential mortgage loans	1,054,295	2,430,228	16,538	16
Commercial real estate loans	603,026	1,159,167	12,789	21
<b>Total, commercial real estate loans</b>	<b>1,657,321</b>	<b>3,589,395</b>	<b>29,327</b>	<b>18</b>

<sup>1</sup>The total of the emission intensity of 18 t CO<sub>2</sub> equiv./million EUR invested is not obtained by adding the values above, but is calculated using the following formula: Scope 1 and 2 emissions / sum of loans recognized \*1,000

GRI 305-4 GHG emissions intensity

### Vehicle loans and lease financing

The calculation of financed emissions for vehicle loans refers to motor vehicle leases as well as for lease finance for cars, trucks, trucks and buses. Other vehicle types such as tractors and excavators, especially special vehicles, were excluded from the calculation due to lacking data.

Financed emissions were calculated according to the following formula:

$$\text{Financed emissions} = \sum_{K,f} \frac{\text{Outstanding commitment}_K}{\text{Vehicle value at acquisition}_K} \times \text{Fuel consumption}_K \times \text{Emissions factor}_f$$

K...motor vehicle, f...per fuel type

### Financed emissions of vehicle loans

	Number of vehicles	Sum of loans recognized in €k	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> equiv./million EUR invested <sup>1</sup>
<b>Vehicle loans</b>				
Passenger cars	1,071	25,559	2,001	78
Trucks, SUVs, vans (<3.5t)	81	927	276	298
Trucks (>3.5t)	57	1,538	2,779	1,807
Buses	1	153	33	216
<b>Total loans</b>	<b>1,210</b>	<b>28,177</b>	<b>5,089</b>	<b>181</b>

<sup>1</sup>The emissions intensity of 181 t CO<sub>2</sub>-equiv./million EUR invested is not obtained by adding the values above, but is calculated using the following formula: Scope 1 and 2 emissions / sum of loans recognized \*1,000

GRI 305-4 GHG emissions intensity



## Financed emissions, vehicle lease finance

	Number of vehicles	Sum of loans recognized in €k	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> equiv./million EUR invested <sup>1</sup>
<b>Lease contracts</b>				
Passenger cars	10,930	190,090	26,901	142
Trucks (>3.5t)	1,719	87,526	108,386	1,238
Trucks, SUVs, vans (<3.5t)	2,032	31,814	7,916	249
Buses	203	25,362	7,736	305
<b>Total leasing</b>	<b>14,884</b>	<b>334,792</b>	<b>150,939</b>	<b>451</b>

<sup>1</sup> The emissions intensity of 451 t CO<sub>2</sub>-equiv./million EUR invested is not obtained by adding the values above, but is calculated using the following formula: Scope 1 and 2 emissions / sum of loans recognized\*1,000

GRI 305-4 GHG emissions intensity

## Project finance, energy

	Sum of loans recognized in €k	Amount of energy generated by systems in MWh	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> equiv./million EUR invested <sup>1</sup>
PV system	58,351	148,455	27	-
Biomass plant	29,397	1,216,110	3,247	110
Hydroelectric power	5,413	15,818	82	15
Wind power	5,000	238,800	11	2
<b>Total loans</b>	<b>98,161</b>	<b>1,619,183</b>	<b>3,367</b>	<b>34</b>

<sup>1</sup> The emissions intensity of 34 t CO<sub>2</sub> equiv. / million EUR invested is not obtained by adding the values above, but is calculated using the following formula: Scope 1 and 2 emissions / sum of loans recognized\*1,000

GRI 305-4 GHG emissions intensity

## Financed emissions, treasury portfolio

The MSCI ESG Manager is used to determine financed emissions from equities, funds, corporate and bank bonds in the treasury portfolio.

Sovereign bonds in the treasury portfolio are included as a new segment in the calculation of financed emissions for 2023. The calculation of financed emissions is also done in accordance with the PCAF standard and determined using the "Climcycle" calculation tool as follows:

$$\text{Financed emissions} = \sum_{\square} \frac{\text{Outstanding commitment}_{\square}}{\text{PPP} - \text{adapted GDP}_{\square}} \times \text{Emissions factor}_{\square}$$

PPP ... Purchasing Power Parity

GDP ... Gross Domestic Product



## Financed emissions, treasury portfolio

	Volumes recognized in €k	Scope 1 and 2 emissions in t CO <sub>2</sub> -equiv.	Scope 3 emissions in t CO <sub>2</sub> -equiv.	Emissions intensity in t CO <sub>2</sub> equiv./ million EUR invested <sup>1</sup>
<b>Treasury portfolio</b>				
Investment funds	36,541	1,560	8,914	287
Shares	3,103	341	3,712	1,306
Corporate and bank bonds	345,300	10,892	6,972	52
Sovereign bonds	645,954	146,393	92,090	369
<b>Total</b>	<b>1,030,898</b>	<b>159,186</b>	<b>111,688</b>	<b>263</b>

<sup>1</sup>The values shown in the line "Total" are not obtained by adding the values above, but are calculated using the following formula:  
Scope 1, 2 and 3 emissions / sum of loans recognized\*1,000

GRI 305-3 Other indirect GHG emissions (Scope 3)

GRI 305-4 GHG emissions intensity

## Energy

### Total energy consumption

GWh	2021	2022	2023	Year/year change in %
Group	7.92	8.26	8.12	-1.7%
• thereof from renewable energy sources	5.33	5.35	5.49	2.8%
Austria	6.19	6.58	6.34	-3.6%
Slovenia	0.91	0.91	0.97	5.6%
Croatia	0.47	0.48	0.52	7.1%
Slovakia	0.35	0.28	0.26	-8.6%
Serbia	-	-	0.04	-

GRI 302-1 Energy consumption within the organisation

GRI 302-4 Reduction of energy consumption

TCFD, metrics and targets, recommended information c)

### Consumption by main energy source

GWh	2021	2022	2023	Y/y change in %
Electricity	3.65	3.57	3.30	-7.5%
• thereof from renewable energy sources	3.39	3.30	3.27	-0.9%
Heat	3.48	3.76	3.89	3.4%
• thereof from renewable energy sources	1.91	2.01	2.19	9.1%
• thereof district heating	2.95	3.03	3.18	4.8%
• thereof natural gas	0.37	0.61	0.59	-3.3%
• thereof heating oil	0.16	0.11	0.12	3.1%
Fuels	0.78	0.93	0.93	0.1%
• thereof from renewable energy sources	0.04	0.04	0.04	-8.6%
• thereof diesel	0.42	0.42	0.30	-29.8%
• thereof gasoline	0.36	0.50	0.76	24.8%

GRI 302-1 Energy consumption within the organisation

GRI 302-4 Reduction of energy consumption

TCFD, metrics and targets, recommended information c)



**Vehicle fleet and business trips**

	2021	2022	2023
<b>Vehicles</b>			
<b>Total</b>	65	65	68
• thereof emissions class 4	2	1	1
• thereof emissions class 5	14	12	10
• thereof emissions class 6	36	35	56
• thereof hybrid vehicles	12	16	20
• thereof e-vehicle	1	1	1
<b>Business trips</b>			
Km travelled by company vehicle in thousands	1,483	1,626	1,698
• thereof by e-vehicle and hybrid vehicles in thousands	268	470	561
Km travelled by rail in thousands	39	106	138
Km travelled by air in thousands	4	-	33
<b>Business trips per FTE</b>			
Full-time equivalents considered	986	986	988
Km travelled by company vehicles	1,506	1,649	1,719
Km travelled by train	40	108	139
Km travelled by airplane	4	-	33
<b>Fuel consumption</b>			
Consumption in 1000 litres	87	104	106
Average consumption in litres per 100 km	6	6	6
Consumption in GWh	0.78	0.93	0.93

**Society****Sponsoring**

	2021	2022	2023
Number of sponsoring projects	106	219	127
• thereof cultural sponsoring	30	67	40
• thereof social sponsoring	30	65	24
• thereof educational sponsoring	24	35	14
• thereof other sponsoring	16	52	49
Sponsoring volume in €k	216	282	200
Donations volume in €k	10	30	30

BKS Bank indicator: Sponsoring volume of BKS Bank Group



## Corporate volunteering

	2021	2022	2023
Participants	40	60	93
Number of hours made available	262	279	421
Percentage of employees who participated in CV	3.5	5.2	8.1

## Financial flows of BKS Bank to stakeholders

in €k	2021	2022	2023
<b>Employees</b>			
• Wages and salaries	54,526	57,940	63,208
<b>Shareholders</b>			
• Dividends	5,045	9,700	10,612
<b>Business</b>			
• Investments	25,590	17,028	14,399
• Loans	7,065,859	7,296,381	7,526,366
<b>Society</b>			
• Taxes and duties	13,336	14,121	30,423
• Social insurance contributions	13,538	13,415	14,209
• Contributions for memberships in interest groups and networks	402	419	451
• Donations and sponsoring	226	312	252

GRI 201-1 Direct economic value generated and distributed

## Taxes and duties by country

	2021		2022		2023	
	Current taxes incl. banking tax	Deferred taxes	Current taxes incl. banking tax	Deferred taxes	Current taxes incl. banking tax	Deferred taxes
Austria	9.3	3.5	8.8	2.4	24.0	0.7
Slovenia	2.2	-0.1	2.5	-0.1	5.9	-1.4
Croatia	1.2	-3.1	2.1	0.3	0.2	-0.9
Slovakia	0.6	-0.1	0.7	-0.2	0.3	-0.1
<b>Total</b>	<b>13.3</b>	<b>0.2</b>	<b>14.1</b>	<b>2.4</b>	<b>30.4</b>	<b>-1.7</b>

Our company fully pays all taxes and duties and does not pursue an aggressive tax policy.

In 2023, BKS Bank made use of the following financial aid schemes (all amounts are rounded). We received EUR 329,000 under a subsidy scheme for employees in Austria and abroad. This amount includes financial aid under a scheme for young employees in Croatia and funding from the Employment Office in Austria. Subsidies of EUR 136,000 were received in 2023 for refurbishments.

GRI 201-4 Financial assistance received from government



**Key economic indicators**

	2021*	2022	2023
<b>Profit figures in € m</b>			
Net interest income	138.9	156.6	248.6
Impairment charges	-32.4	-25.9	-38.4
Net fee and commission income	67.1	68.2	64.9
General administrative expenses	-124.0	-136.0	-153.3
Profit for the year before tax	96.2	78.6	206.3
Profit for the year after tax	83.3	63.6	179.1
<b>Balance sheet figures, in € m</b>			
Total assets	10,602.5	10,533.0	10,673.1
Receivables from customers after impairment charges	6,958.6	7,175.3	7,411.7
Primary deposits	8,116.0	7,872.1	7,832.3
• thereof savings deposits	1,351.2	1,258.9	922.5
• thereof securitized liabilities incl. subordinated capital	973.5	1,048.3	1,087.8
Shareholders' equity	1,480.0	1,543.8	1,768.8
Customer funds under management	21,222.8	19,397.2	19,952.5
• thereof on custody accounts	13,106.9	11,525.1	12,120.3
<b>Own funds pursuant to CRR in € m</b>			
Total risk exposure amount	5,980.1	6,213.5	6,664.3
Own funds	1,009.2	1,058.1	1,189.5
• thereof common equity tier 1 (CET1) capital	734.9	778.3	907.5
• thereof total tier 1 capital (CET1 and AT1)	800.1	843.4	972.7
Common equity tier 1 ratio	12.3	12.5	13.6
Common equity tier 1 capital ratio (in %)	13.4	13.6	14.6
Total capital ratio (in %)	16.9	17.0	17.9
<b>Performance indicators</b>			
Return on equity after tax	5.9	4.2	10.8
Return on assets after tax	0.8	0.6	1.7
Cost/income ratio (cost/income coefficient)	50.2	54.7	38.7
Risk/earnings ratio (credit risk/net interest income)	23.3	16.5	15.4
Non-performing loan ratio (NPL ratio)	2.2	2.1	2.9
Leverage ratio	8.4	7.9	9.1
Liquidity coverage ratio (LCR)	208.9	190.4	223.2
Net stable funding ratio (NSFR)	122.9	118.7	123.3
<b>Resources</b>			
Average number of staff	986	986	994
Number of branches	64	64	64
<b>BKS Bank Shares</b>			
Number of no-par ordinary shares (ISIN AT0000624705)	42,942,900	42,942,900	45,805,760
High, ordinary shares in €	16.7	15.9	16.6
Low, ordinary shares in €	11.3	13.2	12.5
Close, ordinary share in €	15.3	14.0	16.3
Market capitalization in €m as at 31 Dec.	657.0	601.2	746.6
Dividend per share in €	0.23	0.25	0.35 <sup>1)</sup>
Price/earnings ratio, ordinary/ordinary exchange/preference shares	8	9.7	3.1

\* In the financial year 2022, the accounting method for investment property changed. In accordance with IAS 8, the prior-year figures have been adjusted accordingly.

<sup>1</sup> Proposal to the 85th Annual General Meeting of BKS Bank AG on 08 May 2024

GRI 201-1 Direct economic value generated and distributed



”

**In my work with figures and analyses  
it becomes clear how essential data is for  
ESG management. It is the key  
to making well-founded decisions for a  
sustainable future.**

“

**Christina Winter**  
Risk Manager  
Joined BKS Bank in 2019







## **Disclosure pursuant to Article 8, Regulation (EU) 2020/852**

A principal objective of the European Union is to promote and channel investments into green and sustainable projects. The EU Green Deal makes a crucial contribution: it defines greenhouse gas neutrality by 2050. In this context, Regulation (EU) 2020/852 entered into force on 12 July 2020. The Regulation contains criteria for determining whether and to what extent an economic activity may be classified as environmentally sustainable. An economic activity is considered environmentally sustainable if it makes a significant contribution to one or more of the environmental objectives without significantly harming another and is carried out in accordance with minimum social safeguards. A total of six environmental targets were defined:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Delegated Regulation (EU) 2021/2139 defines the technical assessment criteria for the environmental objectives “climate change mitigation” and “climate change adaptation”. The concrete specifications of the requirements for the content and presentation of the information to be published are contained in the delegated Regulation (EU) 2021/2178. Delegated Regulation (EU) 2022/1214 supplements the aforementioned requirements with the disclosure of information relating to economic activities in nuclear energy and fossil natural gas. Two further delegated acts relating to the EU Taxonomy were published on 21 November 2023. Regulation (EU) 2023/2485 contains new assessment criteria for additional economic activities related to the first two environmental objectives and clarifications regarding Disclosure Regulation (EU) 2021/2178. The second Regulation (EU) 2023/2486 contains assessment criteria for economic activities for the other four environmental objectives. The FAQs published by the European Commission in December 2023 contain further clarifications regarding the EU Taxonomy. All of the aforementioned legal acts form the basis for this year's reporting.

BKS Bank calculated the share of Taxonomy-compliant economic activities for the first time for the 2023 financial year. A key reporting indicator is the Green Asset Ratio (GAR). The GAR shows the ratio of assets that can be classified as sustainable within the meaning of the EU Taxonomy in relation to the total assets recognized (“covered assets”). An interdepartmental project team was set up to develop the measures for compliance with the criteria and for checking technical compliance with the Taxonomy. The externally purchased tool “Climcycle” was used to audit individual cases. A full audit using the tool is planned for 2024. In 2023, the focus was on setting up the IT infrastructure to systematically collect and record the data required for the Taxonomy. Within the framework of a joint project started already in the spring of 2022 with Oberbank AG, Bank für Tirol und Vorarlberg AG and 3 Banken IT GmbH, we enlarged our core banking system by adding an application for the systematic identification and documentation of individual loans.

We engaged closely with stakeholders from the construction and real estate sectors to discuss in detail the key topics relating to data availability and ESG criteria. We also organized a specialized workshop on real estate finance and appraisals to train our employees working with real estate loans. At the same time, we are developing our own properties into green buildings that comply with the Taxonomy. Our sustainability strategy defines the goal of achieving Taxonomy conformity of our new buildings.



We endeavour to work together with customers to raise awareness of the importance and effects of the Taxonomy. In this context, we inform customers at talks and events as well as in media reports. Our employees are the central point of contact for communication with customers. We therefore train our employees on the significance of the Taxonomy and the changes this implies for our business. To ensure compliance with the Taxonomy Regulation in the product design process, our standardized product launch process must also indicate whether the innovation is capable of increasing the share of Taxonomy-compliant transactions at BKS Bank. Every new banking product undergoes this process.

### **Taxonomy-compliant economic activities at BKS Bank**

The procedure for classifying an economic activity as environmentally sustainable within the meaning of the EU Taxonomy has two stages. If the intended use is not known or cannot be reliably determined, the transaction – provided the counterparty is a (non-)financial company subject to reporting requirements – is weighted with published customer KPIs. The most recent data available is used for this purpose. If the intended use of the transaction is known, a case-by-case review is carried out in accordance with legal requirements. A distinction must first be made between Taxonomy-eligible and Taxonomy-compliant. An economic activity is considered Taxonomy-eligible if it is described within the EU Taxonomy Delegated Act (EU) regardless of whether it meets all of the technical evaluation criteria stated therein. All exposures to entities subject to the Non-financial Reporting Directive (NFRD) are considered as well as individuals with respect to home loans and vehicle loans and also exposures to public sector entities. A further component is repossessed real estate collateral.

For the first time, the classification of transactions as Taxonomy-eligible also took into account the new environmental goals 3 to 6 in the 2023 financial year. When an economic activity is classified as Taxonomy-eligible, the next step is to check whether it makes a substantial contribution to an environmental goal, if it meets the DNSH criterion (“do no significant harm”), and if the activity meets minimum social safeguards. If all criteria are met, an economic activity within BKS Bank is classified as Taxonomy-compliant. For this year, the assessment criteria was applied only to the first two environmental goals “climate change mitigation” and “climate change adaptation”.

In the 2023 financial year, a total share of 0.5% based on revenues and 0.8% based on capex were classified as Taxonomy-compliant. The results are fully allocated to the environmental goal “climate change mitigation”. Determination of Taxonomy-compliant economic activities at BKS Bank is based on finance earmarked for retail mortgage loans and vehicle loans as well as loans to public institutions. The exact object of the project and/or purpose of the loan is used for classification. In the mortgage segment, we consider consumer loans used for the construction, acquisition or renovation of residential properties. A differentiation and separate presentation of the erection and maintenance of residential structures or the refurbishment of such structures is not possible at present, which is why all are entered into the reporting form under the item “Loans secured by residential property”.

To classify these in accordance with the EU Taxonomy Regulation, the process of obtaining energy performance certificates was started in 2021. Energy performance data are collected in the core banking system of BKS Bank. This ensures that key energy indicators can be attributed to the individual properties and subsequently to the respective loans. All loans with an energy performance certificate were identified and compared with the requirements of the EU Taxonomy. In the case of buildings completed after 31 December 2020, primary energy consumption is a key parameter. In this respect, only residential properties with a primary energy consumption of less than 36.9kWh/m<sup>2</sup> are potentially Taxonomy-compliant. Residential properties completed before 31 December 2020 are checked to ascertain if their energy performance certificate qualifies as energy class A or better. A final climate risk analysis using the Climcycle tool was conducted for the remaining loans as part of the Taxonomy review. The properties are checked for the eighteen climate risks. The changes made on account of the FAQ on the Taxonomy in December 2023 were taken into account in the climate risk assessment. If no material risk is identified by Climcycle and the required SC and DNSH criteria are met, it is assigned to the environmental goal “climate change mitigation” and classified as Taxonomy-compliant.

Additionally, BKS Bank developed a sustainable finance tool that checks the abovementioned parameters and enables loans to be allocated to our Sustainable Finance Pool. In connection with vehicle finance for retail customers, we take into consideration vehicle leasing and consumer loans used to finance motorcycles, cars



and light commercial vehicles as of the year 2022. All vehicles were classified as non-Taxonomy-compliant due to the strict DNSH criteria for product-related requirements. No Taxonomy-compliant project finance was identified in the segment of public financing, because the data required for this purpose are not fully available at present. We expect to see a significant increase in this area in subsequent years once comprehensive project documentation becomes available.

All loans to companies from the real and financial sectors subject to the NFRD were granted without specifying an intended use or for the general financing of the company. The use of the proceeds is unknown. These are essentially companies that meet certain size criteria and have more than 500 employees on the annual average. These were identified within BKS Bank on the basis of their size criteria, and we inspected the related non-financial reports. The most recently available KPIs of the business partners were used for the calculation. No group exposures were taken into account in the calculations. Companies from the real sectors of the economy have also been under the obligation to disclose the share of Taxonomy-compliant activities since the 2022 financial year. ESG MSCI data was used for Taxonomy-relevant information in asset management. This made it possible to compile ratios for Taxonomy compliance in this case as well. No mandatory data on Taxonomy compliance is available for credit institutions and insurance companies to date; therefore, these are included in their entirety as non-Taxonomy-compliant.

Exposures to central governments and central banks as well as supranational issuers and the trading portfolio do not have to be checked for Taxonomy compliance and are not considered in either the numerator or the denominator of the GAR. The same applies to loans to public institutions with an unspecified purpose. All other assets such as derivatives, short-term interbank loans and risk exposures to entities not subject to the disclosure requirements of the NFRD are allocated exclusively to the denominator of the ratio; therefore, these positions are currently excluded from the Taxonomy audit.

Delegated Regulation (EU) 2022/1214 supplementing the economic activities relating to nuclear power and fossil gas requires a separate disclosure of investments in these energy sectors. The calculations were based on customer data disclosed. No activities in connection with nuclear power were identified. As regards activities relating to the fossil gas sector, the economic activities 4.30 "High-efficiency co-generation of heat/cool and power from fossil gaseous fuels" and 4.31 "Production of heat/cool in efficient district heating and cooling systems from fossil gas" were identified.

A taxonomy audit is also planned for off-balance sheet business. This includes assets under management and financial guarantees. The environmentally-sustainable share is determined for financial guarantees using customer data disclosed, and for asset management, ESG MSCI data is used.



## Quantitative data

The following tables contain the forms according to Annex VI and XII of Regulation (EU) 2021/2178 for the key performance indicators of BKS Bank.

The tables were duplicated for the purpose of presenting revenues and capex separately. As this is the first disclosure, the forms do not contain any data from preceding years. Disclosure of the KPIs for fee and commission income from services other than lending and asset management is not required for the current financial year.

The indicators are determined on the basis of the scope of their prudential consolidation pursuant to Regulation (EU) No 575/2013. The gross carrying amount of financial assets is taken into account pursuant to the accounting categories defined in Annex V of Delegated Regulation (EU) 2021/2178. The gross carrying amount is the value before deduction of impairment charges on loans and advances. The definitions and characteristics pursuant to Regulation (EU) 2021/451 (FINREP) were used in the calculations.

		<b>Total environmentally sustainable loans<sup>1)</sup></b>	<b>KPI<sup>2)</sup></b>	<b>KPI<sup>3)</sup></b>	<b>% recognized (in total assets)<sup>4)</sup></b>	<b>% of assets not included in the numerator of the GAR (Art 7(2) and (3) and Annex V section 1.1.2)</b>	<b>% of assets not included in the numerator of the GAR (Art 7(1) and Annex V section 1.2.4)</b>
<b>Main KPIs</b>	<b>Portfolio Green Asset Ratio (GAR)</b>	<b>45.2 (turnover) / 73.5 (CapEx)</b>	<b>0.5%</b>	<b>0.8%</b>	<b>86.5%</b>	<b>62.9%</b>	<b>13.5%</b>
<b>Additional KPIs</b>	<b>GAR (flows)</b>	<b>12.1 (revenues) / 20.5 (CapEx)</b>	<b>0.8%</b>	<b>1.4%</b>	<b>98.0%</b>	<b>80.3%</b>	<b>2.0%</b>
	Trading book <sup>5)</sup>	n.a.	n.a.	n.a.			
	Financial guarantees	0.6 (revenues) / 0.4 (CapEx)	4.5%	3.3%			
	Assets under management <sup>3)</sup>	2.9 (revenues) / 4.6 (CapEx)	1.7%	2.7%			
	Fee and commission income <sup>6)</sup>	n.a.	n.a.	n.a.			

<sup>1)</sup> Figures in € m

<sup>2)</sup> Revenue KPI

<sup>3)</sup> Capex KPI

<sup>4)</sup> Main KPIs: Share of GAR assets in total assets; additional KPI (GAR flows): Share of GAR assets in total assets based on new business 2023.

<sup>5)</sup> No disclosure required, as Art 325a (1) Capital Adequacy Regulation is met

<sup>6)</sup> KPI "Fee and commission income" applies from 2026.



## 1. Assets for calculating GAR / based on revenue KPI

Disclosure date T Based on turnover KPI		a	b	c	d	e	f	g	h	i	j
In € m		Gross carrying amount		Climate change mitigation (CCM) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-compliant)			Adaptation to climate change (CCA) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-compliant)				
				thereof use of proceeds	thereof transitional activities	thereof activities enabled			thereof use of proceeds	thereof activities enabled	
GAR - assets recognized in the numerator and denominator											
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	2,539.0	1,501.0	45.2	24.0	1.1	12.9	-	-	-	-
2	<b>Financial undertakings</b>	<b>978.1</b>	<b>108.3</b>	<b>1.5</b>	<b>-</b>	<b>0.1</b>	<b>0.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
3	Credit institutions	924.1	103.3	-	-	-	-	-	-	-	-
4	Loans and advances	35.9	5.4	-	-	-	-	-	-	-	-
5	Debt securities	69.4	12.2	-	-	-	-	-	-	-	-
6	Equity capital instruments	818.8	85.7	-	-	-	-	-	-	-	-
7	Other financial undertakings	54.0	5.1	1.5	-	0.1	0.7	-	-	-	-
8	thereof investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities	-	-	-	-	-	-	-	-	-	-
11	Equity capital instruments	-	-	-	-	-	-	-	-	-	-
12	thereof asset management companies	36.5	3.4	1.5	-	0.1	0.7	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities	-	-	-	-	-	-	-	-	-	-
15	Equity capital instruments	36.5	3.4	1.5	-	0.1	0.7	-	-	-	-
16	thereof insurance companies	17.5	1.7	-	-	-	-	-	-	-	-
17	Loans and advances	17.1	1.7	-	-	-	-	-	-	-	-
18	Debt securities	-	-	-	-	-	-	-	-	-	-
19	Equity capital instruments	0.4	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	<b>202.8</b>	<b>55.7</b>	<b>19.7</b>	<b>-</b>	<b>1.0</b>	<b>12.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
21	Loans and advances	174.0	37.1	13.0	-	-	8.5	-	-	-	-
22	Debt securities	25.9	17.9	6.1	-	1.0	3.2	-	-	-	-
23	Equity capital instruments	2.8	0.7	0.5	-	-	0.5	-	-	-	-
24	<b>Households</b>	<b>1,245.0</b>	<b>1,245.0</b>	<b>24.0</b>	<b>24.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
25	thereof secured by residential real estate	1,207.2	1,207.2	24.0	24.0	-	-	-	-	-	-
26	thereof house renovation loans	-	-	-	-	-	-	-	-	-	-
27	thereof vehicle loans	37.9	37.9	-	-	-	-	-	-	-	-
28	Loans to local governments	113.1	91.9	-	-	-	-	-	-	-	-
29	Housing loans	1.3	1.3	-	-	-	-	-	-	-	-
30	Other loans to local governments	111.7	90.5	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>	<b>6,790.7</b>									
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>	<b>5,678.8</b>									
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial statements	5,450.7									
35	Loans and advances	5,093.6									
36	thereof loans secured by commercial real estate	2,281.3									
37	thereof house renovation loans	-									
38	Debt securities	231.4									
39	Equity capital instruments	125.6									
40	Counterparties from non-EU countries not subject to the Directive on non-financial statements	228.1									
41	Loans and advances	114.1									
42	Debt securities	113.1									
43	Equity capital instruments	0.8									
44	<b>Derivatives</b>	<b>9.1</b>									



45	Short-term interbank loans	24.6										
46	Cash and cash equivalent assets	44.4										
47	Other asset categories (e.g. enterprise value, goods, etc.)	1,033.9										
48	GAR assets, total	9,329.8	1,501.0	45.2	24.0	1.1	12.9	-	-	-	-	-
49	Assets not included in the GAR calculation	1,460.7										
50	Central governments and supranational issuers <sup>2)</sup>	920.6										
51	Risk exposures to central banks	540.1										
52	Trading book	-										
53	Total assets	10,790.5	1,501.0	45.2	24.0	1.1	12.9	-	-	-	-	-
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>												
54	Financial guarantees	12.7	4.3	0.6	-	-	0.5	-	-	-	-	-
55	Assets under management											
	Assets under management <sup>3)</sup>	167.6	6.6	2.9	-	0.1	1.0	-	-	-	-	-
56	thereof debt securities	66.6	3.8	1.9	-	0.1	0.6	-	-	-	-	-
57	thereof equity capital instruments	85.1	1.7	0.5	-	-	0.3	-	-	-	-	-



Disclosure date T		k	l	m	n	o	p	q	r	
Based on turnover KPI		Water and marine resources (WTR) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds				Circular economy (CE) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds				thereof enabling activities
In € m										
	GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	4.7	-	-	-	-	-	-	-	
2	Financial undertakings	-	-	-	-	-	-	-	-	
3	Credit institutions	-	-	-	-	-	-	-	-	
4	Loans and advances	-	-	-	-	-	-	-	-	
5	Debt securities	-	-		-	-	-		-	
6	Equity capital instruments	-	-		-	-	-		-	
7	Other financial undertakings	-	-		-	-	-		-	
8	thereof investment firms	-	-	-	-	-	-	-	-	
9	Loans and advances	-	-	-	-	-	-	-	-	
10	Debt securities	-	-		-	-	-		-	
11	Equity capital instruments	-	-		-	-	-		-	
12	thereof asset management companies	-	-	-	-	-	-	-	-	
13	Loans and advances	-	-	-	-	-	-	-	-	
14	Debt securities	-	-		-	-	-		-	
15	Equity capital instruments	-	-		-	-	-		-	
16	thereof insurance companies	-	-	-	-	-	-	-	-	
17	Loans and advances	-	-	-	-	-	-	-	-	
18	Debt securities	-	-		-	-	-		-	
19	Equity capital instruments	-	-		-	-	-		-	
20	Non-financial undertakings	-	-	-	-	-	-	-	-	
21	Loans and advances	-	-	-	-	-	-	-	-	
22	Debt securities	-	-		-	-	-		-	
23	Equity capital instruments	-	-		-	-	-		-	
24	Households					-	-	-	-	
25	thereof secured by residential real estate					-	-	-	-	
26	thereof house renovation loans					-	-	-	-	
27	thereof vehicle loans									
28	Loans to local governments	4.7	-	-	-	-	-	-	-	
29	Housing loans	-	-	-	-	-	-	-	-	
30	Other loans to local governments	4.7	-	-	-	-	-	-	-	
31	Collateral obtained by taking possession: residential and commercial real estate	-	-	-	-	-	-	-	-	
32	Assets not considered in the numerator when calculating GAR (contained in denominator)									
33	Financial and non-financial undertakings <sup>1)</sup>	-								
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial statements	-								
35	Loans and advances	-								
36	thereof loans secured by commercial real estate	-								
37	thereof house renovation loans	-								
38	Debt securities	-								
39	Equity capital instruments	-								
40	Counterparties from non-EU countries not subject to the Directive on non-financial statements	-								
41	Loans and advances	-								
42	Debt securities	-								
43	Equity capital instruments	-								
44	Derivatives	-								
45	Short-term interbank loans	-								
46	Cash and cash equivalent assets	-								
47	Other asset categories (e.g. enterprise value, goods, etc.)	-								
48	GAR assets, total	4.7	-	-	-	-	-	-	-	
49	Assets not included in the GAR calculation	-								
50	Central governments and supranational issuers <sup>2)</sup>	-								
51	Risk exposures to central banks	-								
52	Trading book	-								
53	Total assets	4.7	-	-	-	-	-	-	-	
Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive										
54	Financial guarantees	-	-	-	-	-	-	-	-	
55	Assets under management <sup>3)</sup>	-	-	-	-	-	-	-	-	
56	thereof debt securities	-	-	-	-	-	-	-	-	
57	thereof equity capital instruments	-	-	-	-	-	-	-	-	



**Disclosure date T**  
**Based on turnover KPI**

		s	t	u	v	w	x	z	aa
		Pollution (PPC) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds				Biodiversity and ecosystems (BIO) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds			
	thereof enabling activities								
In € m									
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	-	-	-	-	-	-	-	-
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-
5	Debt securities	-	-	-	-	-	-	-	-
6	Equity capital instruments	-	-	X	-	-	-	X	-
7	Other financial undertakings	-	-	-	-	-	-	-	-
8	thereof investment firms	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-
10	Debt securities	-	-	-	-	-	-	-	-
11	Equity capital instruments	-	-	X	-	-	-	X	-
12	thereof asset management companies	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-
14	Debt securities	-	-	-	-	-	-	-	-
15	Equity capital instruments	-	-	X	-	-	-	X	-
16	thereof insurance companies	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-
18	Debt securities	-	-	-	-	-	-	-	-
19	Equity capital instruments	-	-	X	-	-	-	X	-
20	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-
22	Debt securities	-	-	-	-	-	-	-	-
23	Equity capital instruments	-	-	X	-	-	-	X	-
24	<b>Households</b>	X	X	X	X	X	X	X	X
25	thereof secured by residential real estate	X	X	X	X	X	X	X	X
26	thereof house renovation loans	X	X	X	X	X	X	X	X
27	thereof vehicle loans	X	X	X	X	X	X	X	X
28	<b>Loans to local governments</b>	-	-	-	-	-	-	-	-
29	Housing loans	-	-	-	-	-	-	-	-
30	Other loans to local governments	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	-	-	-	-	-	-	-	-
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>								
33	Financial and non-financial undertakings <sup>1)</sup>	X	X	X	X	X	X	X	X
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures	X	X	X	X	X	X	X	X
35	Loans and advances	X	X	X	X	X	X	X	X
36	thereof loans secured by commercial real estate	X	X	X	X	X	X	X	X
37	thereof house renovation loans	X	X	X	X	X	X	X	X
38	Debt securities	X	X	X	X	X	X	X	X
39	Equity capital instruments	X	X	X	X	X	X	X	X
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures	X	X	X	X	X	X	X	X
41	Loans and advances	X	X	X	X	X	X	X	X
42	Debt securities	X	X	X	X	X	X	X	X
43	Equity capital instruments	X	X	X	X	X	X	X	X
44	<b>Derivatives</b>	X	X	X	X	X	X	X	X
45	<b>Short-term interbank loans</b>	X	X	X	X	X	X	X	X
46	<b>Cash and cash equivalent assets</b>	X	X	X	X	X	X	X	X
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>	X	X	X	X	X	X	X	X
48	<b>GAR assets, total</b>	-	-	-	-	-	-	-	-
49	<b>Assets not included in the GAR calculation</b>	X	X	X	X	X	X	X	X
50	<b>Central governments and supranational issuers<sup>2)</sup></b>	X	X	X	X	X	X	X	X
51	<b>Risk exposures to central banks</b>	X	X	X	X	X	X	X	X
52	<b>Trading book</b>	X	X	X	X	X	X	X	X
53	<b>Total assets</b>	-	-	-	-	-	-	-	-
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>									
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management <sup>3)</sup>	-	-	-	-	-	-	-	-
56	thereof debt securities	-	-	-	-	-	-	-	-
57	thereof equity capital instruments	-	-	-	-	-	-	-	-



		ab	ac	ad	ae	af
Disclosure date T Based on turnover KPI		TOTAL (CCM + CCA + WTR + CE + PPC + BIO) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds thereof transitional activities thereof enabling activities				
In € m						
	GAR - assets recognized in the numerator and denominator					
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	1,505.7	45.2	24.0	1.1	12.9
2	<b>Financial undertakings</b>	<b>108.3</b>	<b>1.5</b>	<b>-</b>	<b>0.1</b>	<b>0.7</b>
3	Credit institutions	103.3	-	-	-	-
4	Loans and advances	5.4	-	-	-	-
5	Debt securities	12.2	-	-	-	-
6	Equity capital instruments	85.7	-	-	-	-
7	Other financial undertakings	5.1	1.5	-	0.1	0.7
8	thereof investment firms	-	-	-	-	-
9	Loans and advances	-	-	-	-	-
10	Debt securities	-	-	-	-	-
11	Equity capital instruments	-	-	-	-	-
12	thereof asset management companies	3.4	1.5	-	0.1	0.7
13	Loans and advances	-	-	-	-	-
14	Debt securities	-	-	-	-	-
15	Equity capital instruments	3.4	1.5	-	0.1	0.7
16	thereof insurance companies	1.7	-	-	-	-
17	Loans and advances	1.7	-	-	-	-
18	Debt securities	-	-	-	-	-
19	Equity capital instruments	-	-	-	-	-
20	<b>Non-financial undertakings</b>	<b>55.7</b>	<b>19.7</b>	<b>-</b>	<b>1.0</b>	<b>12.2</b>
21	Loans and advances	37.1	13.0	-	-	8.5
22	Debt securities	17.9	6.1	-	1.0	3.2
23	Equity capital instruments	0.7	0.5	-	-	0.5
24	<b>Households</b>	<b>1,245.0</b>	<b>24.0</b>	<b>24.0</b>	<b>-</b>	<b>-</b>
25	thereof secured by residential real estate	1,207.2	24.0	24.0	-	-
26	thereof house renovation loans	-	-	-	-	-
27	thereof vehicle loans	37.9	-	-	-	-
28	<b>Loans to local governments</b>	<b>96.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
29	Housing loans	1.3	-	-	-	-
30	Other loans to local governments	95.2	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>					
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>					
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures					
35	Loans and advances					
36	thereof loans secured by commercial real estate					
37	thereof house renovation loans					
38	Debt securities					
39	Equity capital instruments					
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures					
41	Loans and advances					
42	Debt securities					
43	Equity capital instruments					
44	<b>Derivatives</b>					
45	<b>Short-term interbank loans</b>					
46	<b>Cash and cash equivalent assets</b>					
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>					
48	<b>GAR assets, total</b>	<b>1,505.7</b>	<b>45.2</b>	<b>24.0</b>	<b>1.1</b>	<b>12.9</b>
49	<b>Assets not included in the GAR calculation</b>					
50	<b>Central governments and supranational issuers<sup>2)</sup></b>					
51	<b>Risk exposures to central banks</b>					
52	<b>Trading book</b>					
53	<b>Total assets</b>	<b>1,505.7</b>	<b>45.2</b>	<b>24.0</b>	<b>1.1</b>	<b>12.9</b>
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>						
54	Financial guarantees	4.3	0.6	-	-	0.5
55	Assets under management <sup>3)</sup>	6.6	2.9	-	0.1	1.0
56	thereof debt securities	3.8	1.9	-	0.1	0.6
57	thereof equity capital instruments	1.7	0.5	-	-	0.3

<sup>1)</sup> Receivables from multilateral development banks are allocated to financial companies.

<sup>2)</sup> The item "Central governments and supranational issuers" also includes all receivables from public institutions without a specific intended use



<sup>3)</sup> Data from ESG-MSCI was used to determine Taxonomy-related data in connection with assets under management.

		ag	ah	ai	aj	ac	al	am	an	ao	ap
<b>Disclosure date T-1 Based on turnover KPI</b>		<b>Climate change mitigation (CCM) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)</b>					<b>Adaptation to climate change (CCA) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)</b>				
<b>In € m</b>		<b>Gross carrying amount</b>			<b>thereof use of proceeds</b>	<b>thereof transitional activities</b>	<b>thereof enabling activities</b>			<b>thereof use of proceeds</b>	<b>thereof enabling activities</b>
	GAR - assets recognized in the numerator and denominator										
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation										
<b>2</b>	<b>Financial undertakings</b>										
3	Credit institutions										
4	Loans and advances										
5	Debt securities										
6	Equity capital instruments										
7	Other financial undertakings										
8	thereof investment firms										
9	Loans and advances										
10	Debt securities										
11	Equity capital instruments										
12	thereof asset management companies										
13	Loans and advances										
14	Debt securities										
15	Equity capital instruments										
16	thereof insurance companies										
17	Loans and advances										
18	Debt securities										
19	Equity capital instruments										
<b>20</b>	<b>Non-financial undertakings</b>										
21	Loans and advances										
22	Debt securities										
23	Equity capital instruments										
<b>24</b>	<b>Households</b>										
25	thereof secured by residential real estate										
26	thereof house renovation loans										
27	thereof vehicle loans										
<b>28</b>	<b>Loans to local governments</b>										
29	Housing loans										
30	Other loans to local governments										
<b>31</b>	<b>Collateral obtained by taking possession: residential and commercial real estate</b>										
<b>32</b>	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>										
<b>33</b>	<b>Financial and non-financial undertakings<sup>1)</sup></b>										
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures										
35	Loans and advances										
36	thereof loans secured by commercial real estate										
37	thereof house renovation loans										
38	Debt securities										
39	Equity capital instruments										
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures										
41	Loans and advances										
42	Debt securities										
43	Equity capital instruments										



44	Derivatives
45	Short-term interbank loans
46	Cash and cash equivalent assets
47	Other asset categories (e.g. enterprise value, goods, etc.)
48	GAR assets, total
49	Assets not included in the GAR calculation
50	Central governments and supranational issuers <sup>2)</sup>
51	Risk exposures to central banks
52	Trading book
53	Total assets
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>	
54	Financial guarantees
55	Assets under management <sup>3)</sup>
56	thereof debt securities
57	thereof equity capital instruments



**Disclosure date T-1**  
**Based on turnover KPI**

		aq	ar	as	at	au	av	aw	ax
		Water and marine resources (WTR) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds				Circular economy (CE) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds			
	thereof enabling activities								
In € m									
	GAR - assets recognized in the numerator and denominator								
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation								
2	<b>Financial undertakings</b>								
3	Credit institutions								
4	Loans and advances								
5	Debt securities								
6	Equity capital instruments								
7	Other financial undertakings								
8	thereof investment firms								
9	Loans and advances								
10	Debt securities								
11	Equity capital instruments								
12	thereof asset management companies								
13	Loans and advances								
14	Debt securities								
15	Equity capital instruments								
16	thereof insurance companies								
17	Loans and advances								
18	Debt securities								
19	Equity capital instruments								
20	<b>Non-financial undertakings</b>								
21	Loans and advances								
22	Debt securities								
23	Equity capital instruments								
24	<b>Households</b>								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	<b>Loans to local governments</b>								
29	Housing loans								
30	Other loans to local governments								
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>								
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>								
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>								
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures								
35	Loans and advances								
36	thereof loans secured by commercial real estate								
37	thereof house renovation loans								
38	Debt securities								
39	Equity capital instruments								
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures								
41	Loans and advances								
42	Debt securities								
43	Equity capital instruments								
44	<b>Derivatives</b>								
45	<b>Short-term interbank loans</b>								
46	<b>Cash and cash equivalent assets</b>								
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>								
48	<b>GAR assets, total</b>								
49	<b>Assets not included in the GAR calculation</b>								
50	<b>Central governments and supranational issuers<sup>2)</sup></b>								
51	<b>Risk exposures to central banks</b>								
52	<b>Trading book</b>								
53	<b>Total assets</b>								
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>									
54	Financial guarantees								
55	Assets under management <sup>3)</sup>								
56	thereof debt securities								
57	thereof equity capital instruments								



		ay	az	ba	bb	bc	bd	be	bf
Disclosure date T-1 Based on turnover KPI		Pollution (PPC) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds			thereof enabling activities		Biodiversity and ecosystems (BIO) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds		
In € m									
	GAR - assets recognized in the numerator and denominator								
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation								
2	<b>Financial undertakings</b>								
3	Credit institutions								
4	Loans and advances								
5	Debt securities								
6	Equity capital instruments								
7	Other financial undertakings								
8	thereof investment firms								
9	Loans and advances								
10	Debt securities								
11	Equity capital instruments								
12	thereof asset management companies								
13	Loans and advances								
14	Debt securities								
15	Equity capital instruments								
16	thereof insurance companies								
17	Loans and advances								
18	Debt securities								
19	Equity capital instruments								
20	<b>Non-financial undertakings</b>								
21	Loans and advances								
22	Debt securities								
23	Equity capital instruments								
24	<b>Households</b>								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	<b>Loans to local governments</b>								
29	Housing loans								
30	Other loans to local governments								
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>								
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>								
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>								
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures								
35	Loans and advances								
36	thereof loans secured by commercial real estate								
37	thereof house renovation loans								
38	Debt securities								
39	Equity capital instruments								
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures								
41	Loans and advances								
42	Debt securities								
43	Equity capital instruments								
44	<b>Derivatives</b>								
45	<b>Short-term interbank loans</b>								
46	<b>Cash and cash equivalent assets</b>								
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>								
48	<b>GAR assets, total</b>								
49	<b>Assets not included in the GAR calculation</b>								
50	<b>Central governments and supranational issuers<sup>2)</sup></b>								
51	<b>Risk exposures to central banks</b>								
52	<b>Trading book</b>								
53	<b>Total assets</b>								
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>									
54	Financial guarantees								
55	Assets under management <sup>3)</sup>								
56	thereof debt securities								
57	thereof equity capital instruments								



**Disclosure date T-1**  
**Based on turnover KPI**

		bg	bh	bl	bj	bk
		<b>TOTAL (CCM + CCA + WTR + CE + PPC + BIO)</b> <b>thereof in Taxonomy-relevant sectors (Taxonomy-eligible)</b> <b>thereof ecologically sustainable (Taxonomy-aligned)</b> <b>thereof use of proceeds</b> <b>thereof transitional activities</b> <b>thereof enabling activities</b>				
<b>In € m</b>						
	GAR - assets recognized in the numerator and denominator					
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation					
2	<b>Financial undertakings</b>					
3	Credit institutions					
4	Loans and advances					
5	Debt securities					
6	Equity capital instruments					
7	Other financial undertakings					
8	thereof investment firms					
9	Loans and advances					
10	Debt securities					
11	Equity capital instruments					
12	thereof asset management companies					
13	Loans and advances					
14	Debt securities					
15	Equity capital instruments					
16	thereof insurance companies					
17	Loans and advances					
18	Debt securities					
19	Equity capital instruments					
20	<b>Non-financial undertakings</b>					
21	Loans and advances					
22	Debt securities					
23	Equity capital instruments					
24	<b>Households</b>					
25	thereof secured by residential real estate					
26	thereof house renovation loans					
27	thereof vehicle loans					
28	<b>Loans to local governments</b>					
29	Housing loans					
30	Other loans to local governments					
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>					
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>					
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>					
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures					
35	Loans and advances					
36	thereof loans secured by commercial real estate					
37	thereof house renovation loans					
38	Debt securities					
39	Equity capital instruments					
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures					
41	Loans and advances					
42	Debt securities					
43	Equity capital instruments					
44	<b>Derivatives</b>					
45	<b>Short-term interbank loans</b>					
46	<b>Cash and cash equivalent assets</b>					
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>					
48	<b>GAR assets, total</b>					
49	<b>Assets not included in the GAR calculation</b>					
50	<b>Central governments and supranational issuers<sup>2)</sup></b>					
51	<b>Risk exposures to central banks</b>					
52	<b>Trading book</b>					
53	<b>Total assets</b>					
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>						
54	Financial guarantees					
55	Assets under management <sup>3)</sup>					
56	thereof debt securities					
57	thereof equity capital instruments					

<sup>1)</sup> Receivables from multilateral development banks are allocated to financial companies.

<sup>2)</sup> The item "Central governments and supranational issuers" also includes all receivables from public institutions without a specific intended use.

<sup>3)</sup> Data from ESG-MSCI was used to determine Taxonomy-related data in connection with assets under management.



## 1. Assets for calculating GAR / based on CapEx KPI

Disclosure date T Based on CapEx KPI		a	b	c	d	e	f	g	h	i	j
		Climate change mitigation (CCM) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)						Adaptation to climate change (CCA) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)			
In € m		Gross carrying amount		thereof use of proceeds	thereof transitional activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities	
GAR - assets recognized in the numerator and denominator											
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	2,539.0	1,550.6	73.5	24.0	1.3	24.7	-	-	-	-
2	<b>Financial undertakings</b>	<b>978.1</b>	<b>109.1</b>	<b>1.8</b>	<b>-</b>	<b>0.1</b>	<b>0.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
3	Credit institutions	924.1	102.7	-	-	-	-	-	-	-	-
4	Loans and advances	35.9	5.4	-	-	-	-	-	-	-	-
5	Debt securities	69.4	11.3	-	-	-	-	-	-	-	-
6	Equity capital instruments	818.8	86.0	-		-	-	-			-
7	Other financial undertakings	54.0	6.4	1.8	-	0.1	0.8	-	-	-	-
8	thereof investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities	-	-	-	-	-	-	-	-	-	-
11	Equity capital instruments	-	-	-		-	-	-			-
12	thereof asset management companies	36.5	4.6	1.8	-	0.1	0.8	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities	-	-	-	-	-	-	-	-	-	-
15	Equity capital instruments	36.5	4.6	1.8		0.1	0.8	-	-		-
16	thereof insurance companies	17.5	1.8	-	-	-	-	-	-	-	-
17	Loans and advances	17.1	1.8	-	-	-	-	-	-	-	-
18	Debt securities	-	-	-	-	-	-	-	-	-	-
19	Equity capital instruments	0.4	-	-		-	-	-			-
20	<b>Non-financial undertakings</b>	<b>202.8</b>	<b>104.6</b>	<b>47.7</b>	<b>-</b>	<b>1.2</b>	<b>23.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
21	Loans and advances	174.0	84.3	39.7	-	0.4	21.0	-	-	-	-
22	Debt securities	25.9	19.5	7.2	-	0.9	2.4	-	-	-	-
23	Equity capital instruments	2.8	0.8	0.7		-	0.5	-	-		-
24	<b>Households</b>	<b>1,245.0</b>	<b>1,245.0</b>	<b>24.0</b>	<b>24.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
25	thereof secured by residential real estate	1,207.2	1,207.2	24.0	24.0	-	-	-	-	-	-
26	thereof house renovation loans	-	-	-	-	-	-	-	-	-	-
27	thereof vehicle loans	37.9	37.9	-	-	-	-				
28	<b>Loans to local governments</b>	<b>113.1</b>	<b>91.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
29	Housing loans	1.3	1.3	-	-	-	-	-	-	-	-
30	Other loans to local governments	111.7	90.5	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>	<b>6,790.7</b>									
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>	<b>5,678.8</b>									
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures	5,450.7									
35	Loans and advances	5,093.6									
36	thereof loans secured by commercial real estate	2,281.3									
37	thereof house renovation loans	-									
38	Debt securities	231.4									
39	Equity capital instruments	125.6									
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures	228.1									
41	Loans and advances	114.1									
42	Debt securities	113.1									
43	Equity capital instruments	0.8									
44	<b>Derivatives</b>	<b>9.1</b>									



45	Short-term interbank loans	24.6									
46	Cash and cash equivalent assets	44.4									
47	Other asset categories (e.g. enterprise value, goods, etc.)	1,033.9									
48	GAR assets, total	9,329.8	1,550.6	73.5	24.0	1.3	24.7	-	-	-	-
49	Assets not included in the GAR calculation	1,460.7									
50	Central governments and supranational issuers <sup>2)</sup>	920.6									
51	Risk exposures to central banks	540.1									
52	Trading book	-									
53	Total assets	10,790.5	1,550.6	73.5	24.0	1.3	24.7	-	-	-	-
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>											
54	Financial guarantees	12.7	1.9	0.4	-	-	0.2	-	-	-	-
55	Assets under management <sup>3)</sup>	167.6	9.4	4.6	-	0.2	1.4	-	-	-	-
56	thereof debt securities	66.6	5.2	2.9	-	0.1	0.8	-	-	-	-
57	thereof equity capital instruments	85.1	2.8	1.0	-	-	0.5	-	-	-	-



Disclosure date T Based on CapEx KPI		k	l	m	n	o	p	q	r
		Water and marine resources (WTR) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)			Circular economy (CE) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)				
In € m				thereof use of proceeds	thereof enabling activities		thereof use of proceeds	thereof enabling activities	
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	4.7	-	-	-	-	-	-	-
2	Financial undertakings	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-
5	Debt securities	-	-		-	-			-
6	Equity capital instruments	-	-		-	-			-
7	Other financial undertakings	-	-		-	-			-
8	thereof investment firms	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-
10	Debt securities	-	-		-	-			-
11	Equity capital instruments	-	-		-	-			-
12	thereof asset management companies	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-
14	Debt securities	-	-		-	-			-
15	Equity capital instruments	-	-		-	-			-
16	thereof insurance companies	-	-		-	-			-
17	Loans and advances	-	-	-	-	-	-	-	-
18	Debt securities	-	-		-	-			-
19	Equity capital instruments	-	-		-	-			-
20	Non-financial undertakings	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-
22	Debt securities	-	-		-	-			-
23	Equity capital instruments	-	-		-	-			-
24	Households					-	-	-	
25	thereof secured by residential real estate					-	-	-	
26	thereof house renovation loans					-	-	-	
27	thereof vehicle loans								
28	Loans to local governments	4.7	-	-	-	-	-	-	-
29	Housing loans	-	-	-	-	-	-	-	-
30	Other loans to local governments	4.7	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial real estate	-	-	-	-	-	-	-	-
32	Assets not considered in the numerator when calculating GAR (contained in denominator)								
33	Financial and non-financial undertakings <sup>1)</sup>								
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures								
35	Loans and advances								
36	thereof loans secured by commercial real estate								
37	thereof house renovation loans								
38	Debt securities								
39	Equity capital instruments								
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures								
41	Loans and advances								
42	Debt securities								
43	Equity capital instruments								
44	Derivatives								
45	Short-term interbank loans								
46	Cash and cash equivalent assets								
47	Other asset categories (e.g. enterprise value, goods, etc.)								
48	GAR assets, total	4.7	-	-	-	-	-	-	-
49	Assets not included in the GAR calculation								
50	Central governments and supranational issuers <sup>2)</sup>								
51	Risk exposures to central banks								
52	Trading book								
53	Total assets	4.7	-	-	-	-	-	-	-
Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive									
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management <sup>3)</sup>								
		-	-	-	-	-	-	-	-
56	thereof debt securities	-	-	-	-	-	-	-	-
57	thereof equity capital instruments	-	-	-	-	-	-	-	-



**Disclosure date T**  
**Based on CapEx KPI**

		s	t	u	v	w	x	z	aa
		Pollution (PPC) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds				Biodiversity and ecosystems (BIO) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds			
In € m									
	GAR - assets recognized in the numerator and denominator								
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	-	-	-	-	-	-	-	-
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-
5	Debt securities	-	-	-	-	-	-	-	-
6	Equity capital instruments	-	-	X	-	-	-	X	-
7	Other financial undertakings	-	-	-	-	-	-	-	-
8	thereof investment firms	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-
10	Debt securities	-	-	-	-	-	-	-	-
11	Equity capital instruments	-	-	X	-	-	-	X	-
12	thereof asset management companies	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-
14	Debt securities	-	-	-	-	-	-	-	-
15	Equity capital instruments	-	-	X	-	-	-	X	-
16	thereof insurance companies	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-
18	Debt securities	-	-	-	-	-	-	-	-
19	Equity capital instruments	-	-	X	-	-	-	X	-
20	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-
22	Debt securities	-	-	-	-	-	-	-	-
23	Equity capital instruments	-	-	X	-	-	-	X	-
24	<b>Households</b>	X	X	X	X	X	X	X	X
25	thereof secured by residential real estate	X	X	X	X	X	X	X	X
26	thereof house renovation loans	X	X	X	X	X	X	X	X
27	thereof vehicle loans	X	X	X	X	X	X	X	X
28	<b>Loans to local governments</b>	-	-	-	-	-	-	-	-
29	Housing loans	-	-	-	-	-	-	-	-
30	Other loans to local governments	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	-	-	-	-	-	-	-	-
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>								
33	Financial and non-financial undertakings <sup>1)</sup>	X	X	X	X	X	X	X	X
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures	X	X	X	X	X	X	X	X
35	Loans and advances	X	X	X	X	X	X	X	X
36	thereof loans secured by commercial real estate	X	X	X	X	X	X	X	X
37	thereof house renovation loans	X	X	X	X	X	X	X	X
38	Debt securities	X	X	X	X	X	X	X	X
39	Equity capital instruments	X	X	X	X	X	X	X	X
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures	X	X	X	X	X	X	X	X
41	Loans and advances	X	X	X	X	X	X	X	X
42	Debt securities	X	X	X	X	X	X	X	X
43	Equity capital instruments	X	X	X	X	X	X	X	X
44	<b>Derivatives</b>	X	X	X	X	X	X	X	X
45	<b>Short-term interbank loans</b>	X	X	X	X	X	X	X	X
46	<b>Cash and cash equivalent assets</b>	X	X	X	X	X	X	X	X
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>	X	X	X	X	X	X	X	X
48	<b>GAR assets, total</b>	-	-	-	-	-	-	-	-
49	<b>Assets not included in the GAR calculation</b>	X	X	X	X	X	X	X	X
50	<b>Central governments and supranational issuers<sup>2)</sup></b>	X	X	X	X	X	X	X	X
51	<b>Risk exposures to central banks</b>	X	X	X	X	X	X	X	X
52	<b>Trading book</b>	X	X	X	X	X	X	X	X
53	<b>Total assets</b>	-	-	-	-	-	-	-	-
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>									
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management <sup>3)</sup>	-	-	-	-	-	-	-	-
56	thereof debt securities	-	-	-	-	-	-	-	-
57	thereof equity capital instruments	-	-	-	-	-	-	-	-



Disclosure date T Based on CapEx KPI		ab	ac	ad	ae	af
In € m		TOTAL (CCM + CCA + WTR + CE + PPC + BIO) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)				
				thereof use of proceeds	thereof transitional activities	thereof enabling activities
GAR - assets recognized in the numerator and denominator						
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	1,555.3	73.5	24.0	1.3	24.7
2	<b>Financial undertakings</b>	<b>109.1</b>	<b>1.8</b>	<b>-</b>	<b>0.1</b>	<b>0.8</b>
3	Credit institutions	102.7	-	-	-	-
4	Loans and advances	5.4	-	-	-	-
5	Debt securities	11.3	-	-	-	-
6	Equity capital instruments	86.0	-		-	-
7	Other financial undertakings	6.4	1.8	-	0.1	0.8
8	thereof investment firms	-	-	-	-	-
9	Loans and advances	-	-	-	-	-
10	Debt securities	-	-	-	-	-
11	Equity capital instruments	-	-		-	-
12	thereof asset management companies	4.6	1.8	-	0.1	0.8
13	Loans and advances	-	-	-	-	-
14	Debt securities	-	-	-	-	-
15	Equity capital instruments	4.6	1.8		0.1	0.8
16	thereof insurance companies	1.8	-	-	-	-
17	Loans and advances	1.8	-	-	-	-
18	Debt securities	-	-	-	-	-
19	Equity capital instruments	-	-		-	-
20	<b>Non-financial undertakings</b>	<b>104.6</b>	<b>47.7</b>	<b>-</b>	<b>1.2</b>	<b>23.9</b>
21	Loans and advances	84.3	39.7	-	0.4	21.0
22	Debt securities	19.5	7.2	-	0.9	2.4
23	Equity capital instruments	0.8	0.7		-	0.5
24	<b>Households</b>	<b>1,245.0</b>	<b>24.0</b>	<b>24.0</b>	<b>-</b>	<b>-</b>
25	thereof secured by residential real estate	1,207.2	24.0	24.0	-	-
26	thereof house renovation loans	-	-	-	-	-
27	thereof vehicle loans	37.9	-	-	-	-
28	<b>Loans to local governments</b>	<b>96.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
29	Housing loans	1.3	-	-	-	-
30	Other loans to local governments	95.2	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>					
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>					
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures					
35	Loans and advances					
36	thereof loans secured by commercial real estate					
37	thereof house renovation loans					
38	Debt securities					
39	Equity capital instruments					
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures					
41	Loans and advances					
42	Debt securities					
43	Equity capital instruments					
44	<b>Derivatives</b>					
45	<b>Short-term interbank loans</b>					
46	<b>Cash and cash equivalent assets</b>					
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>					
48	<b>GAR assets, total</b>	<b>1,555.3</b>	<b>73.5</b>	<b>24.0</b>	<b>1.3</b>	<b>24.7</b>
49	<b>Assets not included in the GAR calculation</b>					
50	<b>Central governments and supranational issuers<sup>2)</sup></b>					
51	<b>Risk exposures to central banks</b>					
52	<b>Trading book</b>					
53	<b>Total assets</b>	<b>1,555.3</b>	<b>73.5</b>	<b>24.0</b>	<b>1.3</b>	<b>24.7</b>
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>						
54	Financial guarantees	1.9	0.4	-	-	0.2
55	Assets under management <sup>3)</sup>	9.4	4.6	-	0.2	1.4
56	thereof debt securities	5.2	2.9	-	0.1	0.8
57	thereof equity capital instruments	2.8	1.0	-	-	0.5

<sup>1)</sup> Receivables from multilateral development banks are allocated to financial companies.

<sup>2)</sup> The item "Central governments and supranational issuers" also includes all receivables from public institutions without a specific intended use.

<sup>3)</sup> Data from ESG-MSCI was used to determine Taxonomy-related data in connection with assets under management.



## T-1

		ag	ah	ai	aj	ac	al	am	an	ao	ap
Disclosure date T-1 Based on CapEx KPI		Climate change mitigation (CCM) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)					Adaptation to climate change (CCA) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)				
In € m		Gross carrying amount			thereof use of proceeds	thereof transitional activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities
GAR - assets recognized in the numerator and denominator											
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation										
2	<b>Financial undertakings</b>										
3	Credit institutions										
4	Loans and advances										
5	Debt securities										
6	Equity capital instruments										
7	Other financial undertakings										
8	thereof investment firms										
9	Loans and advances										
10	Debt securities										
11	Equity capital instruments										
12	thereof asset management companies										
13	Loans and advances										
14	Debt securities										
15	Equity capital instruments										
16	thereof insurance companies										
17	Loans and advances										
18	Debt securities										
19	Equity capital instruments										
20	<b>Non-financial undertakings</b>										
21	Loans and advances										
22	Debt securities										
23	Equity capital instruments										
24	<b>Households</b>										
25	thereof secured by residential real estate										
26	thereof house renovation loans										
27	thereof vehicle loans										
28	<b>Loans to local governments</b>										
29	Housing loans										
30	Other loans to local governments										
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>										
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>										
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>										
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures										
35	Loans and advances										
36	thereof loans secured by commercial real estate										
37	thereof house renovation loans										
38	Debt securities										
39	Equity capital instruments										
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures										
41	Loans and advances										
42	Debt securities										
43	Equity capital instruments										
44	<b>Derivatives</b>										



45	Short-term interbank loans
46	Cash and cash equivalent assets
47	Other asset categories (e.g. enterprise value, goods, etc.)
48	GAR assets, total
49	Assets not included in the GAR calculation
50	Central governments and supranational issuers <sup>2)</sup>
51	Risk exposures to central banks
52	Trading book
53	Total assets
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>	
54	Financial guarantees
55	Assets under management <sup>3)</sup>
56	thereof debt securities
57	thereof equity capital instruments



**Disclosure date T-1**  
**Based on CapEx KPI**

		aq	ar	as	at	au	av	aw	ax
		Water and marine resources (WTR) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds thereof enabling activities				Circular economy (CE) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned) thereof use of proceeds thereof enabling activities			
In € m									
	GAR - assets recognized in the numerator and denominator								
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation								
2	<b>Financial undertakings</b>								
3	Credit institutions								
4	Loans and advances								
5	Debt securities								
6	Equity capital instruments								
7	Other financial undertakings								
8	thereof investment firms								
9	Loans and advances								
10	Debt securities								
11	Equity capital instruments								
12	thereof asset management companies								
13	Loans and advances								
14	Debt securities								
15	Equity capital instruments								
16	thereof insurance companies								
17	Loans and advances								
18	Debt securities								
19	Equity capital instruments								
20	<b>Non-financial undertakings</b>								
21	Loans and advances								
22	Debt securities								
23	Equity capital instruments								
24	<b>Households</b>								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	<b>Loans to local governments</b>								
29	Housing loans								
30	Other loans to local governments								
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>								
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>								
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>								
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures								
35	Loans and advances								
36	thereof loans secured by commercial real estate								
37	thereof house renovation loans								
38	Debt securities								
39	Equity capital instruments								
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures								
41	Loans and advances								
42	Debt securities								
43	Equity capital instruments								
44	<b>Derivatives</b>								
45	<b>Short-term interbank loans</b>								
46	<b>Cash and cash equivalent assets</b>								
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>								
48	<b>GAR assets, total</b>								
49	<b>Assets not included in the GAR calculation</b>								
50	<b>Central governments and supranational issuers<sup>2)</sup></b>								
51	<b>Risk exposures to central banks</b>								
52	<b>Trading book</b>								
53	<b>Total assets</b>								
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>									
54	Financial guarantees								
55	Assets under management <sup>3)</sup>								
56	thereof debt securities								
57	thereof equity capital instruments								



Disclosure date T-1 Based on CapEx KPI		ay	az	ba	bb	bc	bd	be	bf
		Pollution (PPC) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)			Biodiversity and ecosystems (BIO) thereof in Taxonomy-relevant sectors (Taxonomy-eligible) thereof ecologically sustainable (Taxonomy-aligned)				
In € m		thereof use of proceeds			thereof enabling activities			thereof use of proceeds	
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation								
2	<b>Financial undertakings</b>								
3	Credit institutions								
4	Loans and advances								
5	Debt securities								
6	Equity capital instruments								
7	Other financial undertakings								
8	thereof investment firms								
9	Loans and advances								
10	Debt securities								
11	Equity capital instruments								
12	thereof asset management companies								
13	Loans and advances								
14	Debt securities								
15	Equity capital instruments								
16	thereof insurance companies								
17	Loans and advances								
18	Debt securities								
19	Equity capital instruments								
20	<b>Non-financial undertakings</b>								
21	Loans and advances								
22	Debt securities								
23	Equity capital instruments								
24	<b>Households</b>								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	<b>Loans to local governments</b>								
29	Housing loans								
30	Other loans to local governments								
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>								
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>								
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>								
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures								
35	Loans and advances								
36	thereof loans secured by commercial real estate								
37	thereof house renovation loans								
38	Debt securities								
39	Equity capital instruments								
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures								
41	Loans and advances								
42	Debt securities								
43	Equity capital instruments								
44	<b>Derivatives</b>								
45	<b>Short-term interbank loans</b>								
46	<b>Cash and cash equivalent assets</b>								
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>								
48	<b>GAR assets, total</b>								
49	<b>Assets not included in the GAR calculation</b>								
50	<b>Central governments and supranational issuers<sup>2)</sup></b>								
51	<b>Risk exposures to central banks</b>								
52	<b>Trading book</b>								
53	<b>Total assets</b>								
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>									
54	Financial guarantees								
55	Assets under management <sup>3)</sup>								
56	thereof debt securities								
57	thereof equity capital instruments								



**Disclosure date T-1**  
**Based on CapEx KPI**

		bg	bh	bl	bj	bk
		<b>TOTAL (CCM + CCA + WTR + CE + PPC + BIO)</b> <b>thereof in Taxonomy-relevant sectors (Taxonomy-eligible)</b> <b>thereof ecologically sustainable (Taxonomy-aligned)</b>				
				thereof use of proceeds	thereof transitional activities	thereof enabling activities
In € m						
	GAR - assets recognized in the numerator and denominator					
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation					
2	<b>Financial undertakings</b>					
3	Credit institutions					
4	Loans and advances					
5	Debt securities					
6	Equity capital instruments					
7	Other financial undertakings					
8	thereof investment firms					
9	Loans and advances					
10	Debt securities					
11	Equity capital instruments					
12	thereof asset management companies					
13	Loans and advances					
14	Debt securities					
15	Equity capital instruments					
16	thereof insurance companies					
17	Loans and advances					
18	Debt securities					
19	Equity capital instruments					
20	<b>Non-financial undertakings</b>					
21	Loans and advances					
22	Debt securities					
23	Equity capital instruments					
24	<b>Households</b>					
25	thereof secured by residential real estate					
26	thereof house renovation loans					
27	thereof vehicle loans					
28	<b>Loans to local governments</b>					
29	Housing loans					
30	Other loans to local governments					
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>					
32	<b>Assets not considered in the numerator when calculating GAR (contained in denominator)</b>					
33	<b>Financial and non-financial undertakings<sup>1)</sup></b>					
34	SMEs and NFCs (which are not SMEs) not subject to the Directive on non-financial disclosures					
35	Loans and advances					
36	thereof loans secured by commercial real estate					
37	thereof house renovation loans					
38	Debt securities					
39	Equity capital instruments					
40	Counterparties from non-EU countries not subject to the Directive on non-financial disclosures					
41	Loans and advances					
42	Debt securities					
43	Equity capital instruments					
44	<b>Derivatives</b>					
45	<b>Short-term interbank loans</b>					
46	<b>Cash and cash equivalent assets</b>					
47	<b>Other asset categories (e.g. enterprise value, goods, etc.)</b>					
48	<b>GAR assets, total</b>					
49	<b>Assets not included in the GAR calculation</b>					
50	<b>Central governments and supranational issuers<sup>2)</sup></b>					
51	<b>Risk exposures to central banks</b>					
52	<b>Trading book</b>					
53	<b>Total assets</b>					
<b>Off-balance sheet risk exposures – entities subject to the disclosure requirements of the Non-financial Reporting Directive</b>						
54	Financial guarantees					
55	Assets under management <sup>3)</sup>					
56	thereof debt securities					
57	thereof equity capital instruments					

<sup>1)</sup> Receivables from multilateral development banks are allocated to financial companies.

<sup>2)</sup> The item "Central governments and supranational issuers" also includes all receivables from public institutions without a specific intended use.

<sup>3)</sup> Data from ESG-MSCI was used to determine Taxonomy-related data in connection with assets under management.



## 2. GAR sector information / based on turnover KPI

Based on turnover KPI	Breakdown by sector - NACE 4-digit level (code and designation) <sup>2)</sup>	a Climate change mitigation (CCM)		c SMEs and other NFCs not subject to the Non-financial Reporting Directive		e Climate change adaptation (CCA)		g SMEs and other NFCs not subject to the Non-financial Reporting Directive	
		b Non-financial undertakings (subject to the Non-financial Reporting Directive)		d SMEs and other NFCs not subject to the Non-financial Reporting Directive		f Non-financial undertakings (subject to the Non-financial Reporting Directive)		h SMEs and other NFCs not subject to the Non-financial Reporting Directive	
		Gross carrying amount thereof ecologically sustainable (CCM)		Gross carrying amount thereof ecologically sustainable (CCM)		Gross carrying amount thereof ecologically sustainable (CCA)		Gross carrying amount thereof ecologically sustainable (CCA)	
		In € m		In € m		In € m		In € m	
		y		y		y		y	
1	B 0610 Extraction of crude petroleum	0.9	0.9			–	–		
2	C 2016 Manufacture of plastics in primary forms	1.7	–			–	–		
3	C 2060 Manufacture of man-made fibres	0.1	–			–	–		
4	C 2611 Manufacture of electronic components	0.1	–			–	–		
5	C 2811 Manufacture of engines and turbines	3.2	2.7			–	–		
6	C 2849 Manufacture of other machine tools	2.2	–			–	–		
7	C 2910 Manufacture of motor vehicles	3.5	0.4			–	–		
8	D 3511 Production of electricity	8.2	6.6			–	–		
9	D 3514 Trade of electricity	0.1	0.1			–	–		
10	F 4110 Development of building projects; developers	0.6	0.0			–	–		
11	G 4719 Other retail sale in non-specialised stores	0.7	0.6			–	–		
12	H 5221 Service activities incidental to land transportation	3.5	2.8			–	–		
13	J 6209 Other information technology and computer service activities	3.1	–			–	–		
14	K 6420 Activities of holding companies	6.7	1.5			–	–		
15	L 6820 Renting and operating of own or leased real estate	14.2	–			–	–		
16	M 7010 Activities of head offices	6.9	4.1			–	–		



		i		j		k		l		m		n		o		p	
		Water and marine resources (WTR)				Circular economy (CE)											
		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive									
Based on turnover KPI		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount									
		thereof ecologically sustainable		thereof ecologically sustainable		thereof ecologically sustainable		thereof ecologically sustainable									
Breakdown by sector - NACE 4-digit level (code and designation) <sup>1)</sup>		In € m		In € m		In € m		In € m		In € m		In € m		In € m		In € m	
1	B 0610 Extraction of crude petroleum	–	–							–	–						
2	C 2016 Manufacture of plastics in primary forms	–	–							–	–						
3	C 2060 Manufacture of man-made fibres	–	–							–	–						
4	C 2611 Manufacture of electronic components	–	–							–	–						
5	C 2811 Manufacture of engines and turbines	–	–							–	–						
6	C 2849 Manufacture of other machine tools	–	–							–	–						
7	C 2910 Manufacture of motor vehicles	–	–							–	–						
8	D 3511 Production of electricity	–	–							–	–						
9	D 3514 Trade of electricity	–	–							–	–						
10	F 4110 Development of building projects; developers	–	–							–	–						
11	G 4719 Other retail sale in non-specialised stores	–	–							–	–						
12	H 5221 Service activities incidental to land transportation	–	–							–	–						
13	J 6209 Other information technology and computer service activities	–	–							–	–						
14	K 6420 Activities of holding companies	–	–							–	–						
15	L 6820 Renting and operating of own or leased real estate	–	–							–	–						
16	M 7010 Activities of head offices	–	–							–	–						



Based on turnover KPI	Breakdown by sector - NACE 4-digit level (code and designation) <sup>1)</sup>	Pollution (PPC)				Biodiversity and ecosystems (BIO)			
		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive	
		Gross carrying amount thereof ecologically sustainable (PPC)		Gross carrying amount thereof ecologically sustainable (PPC)		Gross carrying amount thereof ecologically sustainable (BIO)		Gross carrying amount thereof ecologically sustainable (BIO)	
		In € m	In € m	In € m	In € m	In € m	In € m	In € m	In € m
1	B 0610 Extraction of crude petroleum	–	–			–	–		
2	C 2016 Manufacture of plastics in primary forms	–	–			–	–		
3	C 2060 Manufacture of man-made fibres	–	–			–	–		
4	C 2611 Manufacture of electronic components	–	–			–	–		
5	C 2811 Manufacture of engines and turbines	–	–			–	–		
6	C 2849 Manufacture of other machine tools	–	–			–	–		
7	C 2910 Manufacture of motor vehicles	–	–			–	–		
8	D 3511 Production of electricity	–	–			–	–		
9	D 3514 Trade of electricity	–	–			–	–		
10	F 4110 Development of building projects; developers	–	–			–	–		
11	G 4719 Other retail sale in non-specialised stores	–	–			–	–		
12	H 5221 Service activities incidental to land transportation	–	–			–	–		
13	J 6209 Other information technology and computer service activities	–	–			–	–		
14	K 6420 Activities of holding companies	–	–			–	–		
15	L 6820 Renting and operating of own or leased real estate	–	–			–	–		
16	M 7010 Activities of head offices	–	–			–	–		

Based on turnover KPI	Breakdown by sector - NACE 4-digit level (code and designation) <sup>1)</sup>	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		SMEs and other NFCs not subject to the Non-financial Reporting Directive	
		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive	
		Gross carrying amount thereof ecologically sustainable (CCM + CCA + WTR + CE + PPC + BIO)		Gross carrying amount thereof ecologically sustainable (CCM + CCA + WTR + CE + PPC + BIO)	
		In € m	In € m	In € m	In € m
1	B 0610 Extraction of crude petroleum	0.9	0.9		
2	C 2016 Manufacture of plastics in primary forms	1.7	–		
3	C 2060 Manufacture of man-made fibres	0.1	–		
4	C 2611 Manufacture of electronic components	0.1	–		
5	C 2811 Manufacture of engines and turbines	3.2	2.7		
6	C 2849 Manufacture of other machine tools	2.2	–		
7	C 2910 Manufacture of motor vehicles	3.5	0.4		
8	D 3511 Production of electricity	8.2	6.6		
9	D 3514 Trade of electricity	0.1	0.1		
10	F 4110 Development of building projects; developers	0.6	0.0		
11	G 4719 Other retail sale in non-specialised stores	0.7	0.6		
12	H 5221 Service activities incidental to land transportation	3.5	2.8		
13	J 6209 Other information technology and computer service activities	3.1	–		
14	K 6420 Activities of holding companies	6.7	1.5		
15	L 6820 Renting and operating of own or leased real estate	14.2	–		
16	M 7010 Activities of head offices	6.9	4.1		

<sup>1)</sup> The use of NACE codes is based on the main activity of the counterparty. Allocation to individual environmental goals is done in the same way as the KPI weighting.



## 2. GAR sector information / based on CapEx KPI

Based on CapEx KPI	Breakdown by sector - NACE 4-digit level (code and designation) <sup>1)</sup>	a	b	c	d	e	f	g	h
		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Climate change adaptation (CCA)		Climate change adaptation (CCA)	
		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive	
		Gross carrying amount thereof ecologically sustainable (CCM)		Gross carrying amount thereof ecologically sustainable (CCM)		Gross carrying amount thereof ecologically sustainable (CCA)		Gross carrying amount thereof ecologically sustainable (CCA)	
		In € m	In € m	In € m	In € m	In € m	In € m	In € m	In € m
1	B 0610 Extraction of crude petroleum	2.6	1.6			–	–		
2	C 1729 Manufacture of other articles of paper and paperboard	0.1	0.0			–	–		
3	C 2016 Manufacture of plastics in primary forms	1.8	0.3			–	–		
4	C 2120 Manufacture of pharmaceutical preparations	2.2	1.3			–	–		
5	C 2611 Manufacture of electronic components	6.1	–			–	–		
6	C 2811 Manufacture of engines and turbines	5.0	2.8			–	–		
7	C 2849 Manufacture of other machine tools	0.8	–			–	–		
8	C 2910 Manufacture of motor vehicles	3.5	1.5			–	–		
9	D 3511 Production of electricity	23.5	21.6			–	–		
10	D 3514 Trade of electricity	0.6	0.6			–	–		
11	F 4110 Development of building projects; developers	0.8	0.2			–	–		
12	G 4642 Wholesale of clothing and footwear	1.4	0.0			–	–		
13	G 4666 Wholesale of other office machinery and equipment	–	–			–	–		
14	G 4719 Other retail sale in non-specialised stores	7.3	6.8			–	–		
15	H 5221 Service activities incidental to land transportation	4.8	4.0			–	–		
16	J 5911 Motion picture, video and television programme production activities	0.3	–			–	–		
17	J 6209 Other information technology and computer service activities	2.9	–			–	–		
18	K 6420 Activities of holding companies	16.7	3.0			–	–		
19	L 6820 Renting and operating of own or leased real estate	14.6	–			–	–		
20	M 7010 Activities of head offices	9.5	3.8			–	–		



Based on CapEx KPI	Breakdown by sector - NACE 4-digit level (code and designation) <sup>1)</sup>	i	j	k	l	m	n	o	p
		Water and marine resources (WTR)		Circular economy (CE)					
		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive	
		Gross carrying amount thereof ecologically sustainably (WTR)		Gross carrying amount thereof ecologically sustainably (WTR)		Gross carrying amount thereof ecologically sustainably (CE)		Gross carrying amount thereof ecologically sustainably (CE)	
		In € m		In € m		In € m		In € m	
1	B 0610 Extraction of crude petroleum	–	–			–	–		
2	C 1729 Manufacture of other articles of paper and paperboard	–	–			–	–		
3	C 2016 Manufacture of plastics in primary forms	–	–			–	–		
4	C 2120 Manufacture of pharmaceutical preparations	–	–			–	–		
5	C 2611 Manufacture of electronic components	–	–			–	–		
6	C 2811 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	–	–			–	–		
7	C 2849 Manufacture of other machine tools	–	–			–	–		
8	C 2910 Manufacture of motor vehicles	–	–			–	–		
9	D 3511 Production of electricity	–	–			–	–		
10	D 3514 Trade of electricity	–	–			–	–		
11	F 4110 Development of building projects; developers	–	–			–	–		
12	G 4642 Wholesale of clothing and footwear	–	–			–	–		
13	G 4666 Wholesale of other office machinery and equipment	–	–			–	–		
14	G 4719 Other retail sale in non-specialised stores	–	–			–	–		
15	H 5221 Service activities incidental to land transportation	–	–			–	–		
16	J 5911 Motion picture, video and television programme production activities	–	–			–	–		
17	J 6209 Other information technology and computer service activities	–	–			–	–		
18	K 6420 Activities of holding companies	–	–			–	–		
19	L 6820 Renting and operating of own or leased real estate	–	–			–	–		
20	M 7010 Activities of head offices	–	–			–	–		



		q r s t				u v w			
		Pollution (PPC)				Biodiversity and ecosystems (BIO)			
		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive		Non-financial undertakings (subject to the Non-financial Reporting Directive)		SMEs and other NFCs not subject to the Non-financial Reporting Directive	
		Gross carrying amount thereof ecologically sustainable (PPC)		Gross carrying amount thereof ecologically sustainable (PPC)		Gross carrying amount thereof ecologically sustainable (BIO)		Gross carrying amount thereof ecologically sustainable (BIO)	
Based on CapEx KPI		In € m		In € m		In € m		In € m	
Breakdown by sector - NACE 4-digit level (code and designation) <sup>2)</sup>		In € m		In € m		In € m		In € m	
1	B 0610 Extraction of crude petroleum	–	–			–	–		
2	C 1729 Manufacture of other articles of paper and paperboard	–	–			–	–		
3	C 2016 Manufacture of plastics in primary forms	–	–			–	–		
4	C 2120 Manufacture of pharmaceutical preparations	–	–			–	–		
5	C 2611 Manufacture of electronic components	–	–			–	–		
6	C 2811 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	–	–			–	–		
7	C 2849 Manufacture of other machine tools	–	–			–	–		
8	C 2910 Manufacture of motor vehicles	–	–			–	–		
9	D 3511 Production of electricity	–	–			–	–		
10	D 3514 Trade of electricity	–	–			–	–		
11	F 4110 Development of building projects; developers	–	–			–	–		
12	G 4642 Wholesale of clothing and footwear	–	–			–	–		
13	G 4666 Wholesale of other office machinery and equipment	–	–			–	–		
14	G 4719 Other retail sale in non-specialised stores	–	–			–	–		
15	H 5221 Service activities incidental to land transportation	–	–			–	–		
16	J 5911 Motion picture, video and television programme production activities	–	–			–	–		
17	J 6209 Other information technology and computer service activities	–	–			–	–		
18	K 6420 Activities of holding companies	–	–			–	–		
19	L 6820 Renting and operating of own or leased real estate	–	–			–	–		
20	M 7010 Activities of head offices	–	–			–	–		



		<b>y</b>		<b>z</b>	<b>aa</b>	<b>ab</b>
		<b>TOTAL (CCM + CCA + WTR + CE + PPC + BIO)</b>				
<b>Based on CapEx KPI</b>		<b>Non-financial undertakings (subject to the Non-financial Reporting Directive)</b>		<b>SMEs and other NFCs not subject to the Non-financial Reporting Directive</b>		
		<b>Gross carrying amount</b>		<b>Gross carrying amount</b>		
		<b>thereof ecologically sustainable (CCM + CCA + WTR + CE + PPC + BIO)</b>		<b>thereof ecologically sustainable (CCM + CCA + WTR + CE + PPC + BIO)</b>		
<b>Breakdown by sector - NACE 4-digit level (code and designation)<sup>1)</sup></b>		<b>In € m</b>	<b>In € m</b>	<b>In € m</b>	<b>In € m</b>	<b>In € m</b>
1	B 0610 Extraction of crude petroleum	2.6	1.6			
2	C 1729 Manufacture of other articles of paper and paperboard	0.1	0.0			
3	C 2016 Manufacture of plastics in primary forms	1.8	0.3			
4	C 2120 Manufacture of pharmaceutical preparations	2.2	1.3			
5	C 2611 Manufacture of electronic components	6.1	–			
6	C 2811 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	5.0	2.8			
7	C 2849 Manufacture of other machine tools	0.8	–			
8	C 2910 Manufacture of motor vehicles	3.5	1.5			
9	D 3511 Production of electricity	23.5	21.6			
10	D 3514 Trade of electricity	0.6	0.6			
11	F 4110 Development of building projects; developers	0.8	0.2			
12	G 4642 Wholesale of clothing and footwear	1.4	0.0			
13	G 4666 Wholesale of other office machinery and equipment	–	–			
14	G 4719 Other retail sale in non-specialised stores	7.3	6.8			
15	H 5221 Service activities incidental to land transportation	4.8	4.0			
16	J 5911 Motion picture, video and television programme production activities	0.3	–			
17	J 6209 Other information technology and computer service activities	2.9	–			
18	K 6420 Activities of holding companies	16.7	3.0			
19	L 6820 Renting and operating of own or leased real estate	14.6	–			
20	M 7010 Activities of head offices	9.5	3.8			

<sup>1)</sup> The use of NACE codes is based on the main activity of the counterparty. Allocation to individual environmental goals is done in the same way as the KPI weighting.



## 3. GAR KPI portfolio / based on turnover KPI

	a	b	c	d	e	f	g	h	i
Disclosure date T	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
Based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized assets in the numerator) <sup>1)</sup>			thereof use of proceeds	thereof transition activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities
GAR - assets recognized in the numerator and denominator									
1 Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	59.1%	1.8%	0.9%	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%
2 <b>Financial undertakings</b>	<b>11.1%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3 Credit institutions	11.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4 Loans and advances	15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5 Debt securities	17.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6 Equity capital instruments	10.5%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
7 Other financial undertakings	9.4%	2.8%	0.0%	0.2%	1.4%	0.0%	0.0%	0.0%	0.0%
8 thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
12 thereof asset management companies	9.2%	4.2%	0.0%	0.3%	2.0%	0.0%	0.0%	0.0%	0.0%
13 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Equity capital instruments	9.2%	4.2%		0.3%	2.0%	0.0%	0.0%		0.0%
16 thereof insurance companies	9.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17 Loans and advances	9.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19 Equity capital instruments	4.6%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
20 <b>Non-financial undertakings</b>	<b>27.5%</b>	<b>9.7%</b>	<b>0.0%</b>	<b>0.5%</b>	<b>6.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21 Loans and advances	21.3%	7.5%	0.0%	0.0%	4.9%	0.0%	0.0%	0.0%	0.0%
22 Debt securities	69.0%	23.7%	0.0%	3.7%	12.3%	0.0%	0.0%	0.0%	0.0%
23 Equity capital instruments	25.9%	17.5%		0.0%	17.3%	0.0%	0.0%		0.0%
24 <b>Households</b>	<b>100.0%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
25 thereof secured by residential real estate	100.0%	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
26 thereof house renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27 thereof vehicle loans	100.0%	0.0%	0.0%	0.0%	0.0%				
28 <b>Loans to local governments</b>	<b>81.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29 Housing loans	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30 Other loans to local governments	81.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31 <b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
32 <b>GAR assets, total</b>	<b>16.1%</b>	<b>0.5%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



		j	k	l	m	n	o	p	q
Disclosure date T		Water and marine resources (WTR)				Circular economy (CE)			
Based on turnover KPI		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
		thereof use of proceeds		thereof enabling activities		thereof use of proceeds		thereof enabling activities	
% (compared to total recognized assets in the numerator) <sup>1)</sup>									
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	<b>Financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
7	Other financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
12	thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
16	thereof insurance companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
20	<b>Non-financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
22	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
24	<b>Households</b>					<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
25	thereof secured by residential real estate					0.0%	0.0%	0.0%	0.0%
26	thereof house renovation loans					0.0%	0.0%	0.0%	0.0%
27	thereof vehicle loans								
28	<b>Loans to local governments</b>	<b>4.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29	Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other loans to local governments	4.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
32	<b>GAR assets, total</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



Disclosure date T  
Based on turnover KPI

		r	s	t	u	v	w	x	z
		Pollution (PPC)				Biodiversity and ecosystems (BIO)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
		thereof use of proceeds		thereof enabling activities		thereof use of proceeds		thereof enabling activities	
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	<b>Financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
7	Other financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
12	thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
16	thereof insurance companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
20	<b>Non-financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
22	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
24	<b>Households</b>								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	<b>Loans to local governments</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29	Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other loans to local governments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
32	<b>GAR assets, total</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



	aa	ab	ac	ad	ae	af
<b>Disclosure date T</b>						
<b>Based on turnover KPI</b>						
	<b>TOTAL (CCM + CCA + WTR + CE + PPC + BIO)</b> <b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)</b> <b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)</b>					
			thereof use of proceeds	thereof transition activities	thereof enabling activities	Proportion of total recognized assets <sup>2</sup>
<b>% (compared to total recognized assets in the numerator)<sup>1)</sup></b>						
GAR - assets recognized in the numerator and denominator						
1 Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	59.3%	1.8%	0.9%	0.0%	0.5%	23.5%
<b>2 Financial undertakings</b>	<b>11.1%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>9.1%</b>
3 Credit institutions	11.2%	0.0%	0.0%	0.0%	0.0%	8.6%
4 Loans and advances	15.0%	0.0%	0.0%	0.0%	0.0%	0.3%
5 Debt securities	17.6%	0.0%	0.0%	0.0%	0.0%	0.6%
6 Equity capital instruments	10.5%	0.0%		0.0%	0.0%	7.6%
7 Other financial undertakings	9.4%	2.8%	0.0%	0.2%	1.4%	0.5%
8 thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
12 thereof asset management companies	9.2%	4.2%	0.0%	0.3%	2.0%	0.3%
13 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Equity capital instruments	9.2%	4.2%		0.3%	2.0%	0.3%
16 thereof insurance companies	9.7%	0.0%	0.0%	0.0%	0.0%	0.2%
17 Loans and advances	9.8%	0.0%	0.0%	0.0%	0.0%	0.2%
18 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19 Equity capital instruments	4.6%	0.0%		0.0%	0.0%	0.0%
<b>20 Non-financial undertakings</b>	<b>27.5%</b>	<b>9.7%</b>	<b>0.0%</b>	<b>0.5%</b>	<b>6.0%</b>	<b>1.9%</b>
21 Loans and advances	21.3%	7.5%	0.0%	0.0%	4.9%	1.6%
22 Debt securities	69.0%	23.7%	0.0%	3.7%	12.3%	0.2%
23 Equity capital instruments	25.9%	17.5%		0.0%	17.3%	0.0%
<b>24 Households</b>	<b>100.0%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>11.5%</b>
25 thereof secured by residential real estate	100.0%	2.0%	2.0%	0.0%	0.0%	11.2%
26 thereof house renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27 thereof vehicle loans	100.0%	0.0%	0.0%	0.0%	0.0%	0.4%
<b>28 Loans to local governments</b>	<b>85.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1.0%</b>
29 Housing loans	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30 Other loans to local governments	85.2%	0.0%	0.0%	0.0%	0.0%	1.0%
<b>31 Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>32 GAR assets, total</b>	<b>16.1%</b>	<b>0.5%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>86.5%</b>

<sup>1</sup> The percentage share of the portfolio of sustainable economic activities is calculated for each risk exposure class at line level.

<sup>2</sup> The column "af" is calculated as the share of gross carrying amounts per exposure class in total assets



Disclosure date T-1 Based on turnover KPI		ag	ah	ai	aj	ac	al	am	an	ao
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized assets in the numerator) <sup>2)</sup>			thereof use of proceeds	thereof transition activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities	
	GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation									
2	<b>Financial undertakings</b>									
3	Credit institutions									
4	Loans and advances									
5	Debt securities									
6	Equity capital instruments									
7	Other financial undertakings									
8	thereof investment firms									
9	Loans and advances									
10	Debt securities									
11	Equity capital instruments									
12	thereof asset management companies									
13	Loans and advances									
14	Debt securities									
15	Equity capital instruments									
16	thereof insurance companies									
17	Loans and advances									
18	Debt securities									
19	Equity capital instruments									
20	<b>Non-financial undertakings</b>									
21	Loans and advances									
22	Debt securities									
23	Equity capital instruments									
24	<b>Households</b>									
25	thereof secured by residential real estate									
26	thereof house renovation loans									
27	thereof vehicle loans									
28	<b>Loans to local governments</b>									
29	Housing loans									
30	Other loans to local governments									
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>									
32	<b>GAR assets, total</b>									



		ap	aq	ar	as	at	au	av	aw	
Disclosure date T-1 Based on turnover KPI		Water and marine resources (WTR) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy- eligible)  Proportion of total recognized assets that finance Taxonomy- relevant sectors (taxonomy- compliant)  thereof use of proceeds				Circular economy (CE) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy- eligible)  Proportion of total recognized assets that finance Taxonomy- relevant sectors (taxonomy- compliant)  thereof use of proceeds				thereof enabling activities
% (compared to total recognized assets in the numerator) <sup>1)</sup>										
	GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation									
2	Financial undertakings									
3	Credit institutions									
4	Loans and advances									
5	Debt securities									
6	Equity capital instruments									
7	Other financial undertakings									
8	thereof investment firms									
9	Loans and advances									
10	Debt securities									
11	Equity capital instruments									
12	thereof asset management companies									
13	Loans and advances									
14	Debt securities									
15	Equity capital instruments									
16	thereof insurance companies									
17	Loans and advances									
18	Debt securities									
19	Equity capital instruments									
20	Non-financial undertakings									
21	Loans and advances									
22	Debt securities									
23	Equity capital instruments									
24	Households									
25	thereof secured by residential real estate									
26	thereof house renovation loans									
27	thereof vehicle loans									
28	Loans to local governments									
29	Housing loans									
30	Other loans to local governments									
31	Collateral obtained by taking possession: residential and commercial real estate									
32	GAR assets, total									



		ax	ay	az	ba	bb	bc	bd	be
Disclosure date T-1 Based on turnover KPI		Pollution (PPC) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy- eligible) Proportion of total recognized assets that finance Taxonomy- relevant sectors (taxonomy- compliant) thereof use of proceeds				Biodiversity and ecosystems (BIO) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy- eligible) Proportion of total recognized assets that finance Taxonomy- relevant sectors (taxonomy- compliant) thereof use of proceeds			
% (compared to total recognized assets in the numerator) <sup>1)</sup>									
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation								
2	Financial undertakings								
3	Credit institutions								
4	Loans and advances								
5	Debt securities								
6	Equity capital instruments								
7	Other financial undertakings								
8	thereof investment firms								
9	Loans and advances								
10	Debt securities								
11	Equity capital instruments								
12	thereof asset management companies								
13	Loans and advances								
14	Debt securities								
15	Equity capital instruments								
16	thereof insurance companies								
17	Loans and advances								
18	Debt securities								
19	Equity capital instruments								
20	Non-financial undertakings								
21	Loans and advances								
22	Debt securities								
23	Equity capital instruments								
24	Households								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	Loans to local governments								
29	Housing loans								
30	Other loans to local governments								
31	Collateral obtained by taking possession: residential and commercial real estate								
32	GAR assets, total								



		bf	bg	bh	bi	bj	bk
<b>Disclosure date T-1</b>							
<b>Based on turnover KPI</b>							
		<b>TOTAL (CCM + CCA + WTR + CE + PPC + BIO)</b> <b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)</b> <b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)</b>					
	<b>% (compared to total recognized assets in the numerator)<sup>1)</sup></b>			<b>thereof use of proceeds</b>	<b>thereof transition activities</b>	<b>thereof enabling activities</b>	<b>Proportion of total recognized assets<sup>2)</sup></b>
	GAR - assets recognized in the numerator and denominator						
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation						
2	<b>Financial undertakings</b>						
3	Credit institutions						
4	Loans and advances						
5	Debt securities						
6	Equity capital instruments						
7	Other financial undertakings						
8	thereof investment firms						
9	Loans and advances						
10	Debt securities						
11	Equity capital instruments						
12	thereof asset management companies						
13	Loans and advances						
14	Debt securities						
15	Equity capital instruments						
16	thereof insurance companies						
17	Loans and advances						
18	Debt securities						
19	Equity capital instruments						
20	<b>Non-financial undertakings</b>						
21	Loans and advances						
22	Debt securities						
23	Equity capital instruments						
24	<b>Households</b>						
25	thereof secured by residential real estate						
26	thereof house renovation loans						
27	thereof vehicle loans						
28	<b>Loans to local governments</b>						
29	Housing loans						
30	Other loans to local governments						
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>						
32	<b>GAR assets, total</b>						

<sup>1)</sup> The percentage share of the portfolio of sustainable economic activities is calculated for each risk exposure class at line level.

<sup>2)</sup> The column "af" is calculated as the share of gross carrying amounts per exposure class in total assets.



## 3. GAR KPI portfolio / based on CapEx KPI

	a	b	c	d	e	f	g	h	i
Disclosure date T	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
Based on CapEx KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized assets in the numerator) <sup>1)</sup>			thereof use of proceeds	thereof transition activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities
GAR - assets recognized in the numerator and denominator									
1 Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	61.1%	2.9%	0.9%	0.1%	1.0%	0.0%	0.0%	0.0%	0.0%
2 <b>Financial undertakings</b>	<b>11.2%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3 Credit institutions	11.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4 Loans and advances	15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5 Debt securities	16.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6 Equity capital instruments	10.5%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
7 Other financial undertakings	11.8%	3.3%	0.0%	0.2%	1.5%	0.0%	0.0%	0.0%	0.0%
8 thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
12 thereof asset management companies	12.6%	4.8%	0.0%	0.3%	2.2%	0.0%	0.0%	0.0%	0.0%
13 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Equity capital instruments	12.6%	4.8%		0.3%	2.2%	0.0%	0.0%		0.0%
16 thereof insurance companies	10.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17 Loans and advances	10.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19 Equity capital instruments	5.1%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
20 <b>Non-financial undertakings</b>	<b>51.6%</b>	<b>23.5%</b>	<b>0.0%</b>	<b>0.6%</b>	<b>11.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21 Loans and advances	48.5%	22.8%	0.0%	0.2%	12.1%	0.0%	0.0%	0.0%	0.0%
22 Debt securities	75.0%	27.9%	0.0%	3.3%	9.2%	0.0%	0.0%	0.0%	0.0%
23 Equity capital instruments	28.2%	23.7%		0.2%	16.6%	0.0%	0.0%		0.0%
24 <b>Households</b>	<b>100.0%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
25 thereof secured by residential real estate	100.0%	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
26 thereof house renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27 thereof vehicle loans	100.0%	0.0%	0.0%	0.0%	0.0%				
28 <b>Loans to local governments</b>	<b>81.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29 Housing loans	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30 Other loans to local governments	81.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31 Collateral obtained by taking possession: residential and commercial real estate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
32 <b>GAR assets, total</b>	<b>16.6%</b>	<b>0.8%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



Disclosure date T		j	k	l	m	n	o	p	q
Based on CapEx KPI		Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
		thereof use of proceeds		thereof enabling activities		thereof use of proceeds		thereof enabling activities	
% (compared to total recognized assets in the numerator) <sup>1)</sup>									
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	Financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
7	Other financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
12	thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
16	thereof insurance companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
20	Non-financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
22	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
24	Households					0.0%	0.0%	0.0%	0.0%
25	thereof secured by residential real estate					0.0%	0.0%	0.0%	0.0%
26	thereof house renovation loans					0.0%	0.0%	0.0%	0.0%
27	thereof vehicle loans								
28	Loans to local governments	4.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
29	Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other loans to local governments	4.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	Collateral obtained by taking possession: residential and commercial real estate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
32	GAR assets, total	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%



**Disclosure date T**  
**Based on CapEx KPI**

	r	s	t	u	v	w	x	z
	<b>Pollution (PPC)</b> <b>Proportion of total recognized assets that</b> <b>finance Taxonomy-relevant sectors (taxonomy-</b> <b>eligible)</b> <b>Proportion of total recognized</b> <b>assets that finance Taxonomy-</b> <b>relevant sectors (taxonomy-</b> <b>compliant)</b> <b>thereof</b> <b>use of</b> <b>proceeds</b>				<b>Biodiversity and ecosystems (BIO)</b> <b>Proportion of total recognized assets that</b> <b>finance Taxonomy-relevant sectors (taxonomy-</b> <b>eligible)</b> <b>Proportion of total recognized</b> <b>assets that finance Taxonomy-</b> <b>relevant sectors (taxonomy-</b> <b>compliant)</b> <b>thereof</b> <b>use of</b> <b>proceeds</b>			
<b>% (compared to total recognized assets in the numerator)<sup>1)</sup></b>								
GAR - assets recognized in the numerator and denominator								
1 Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>2 Financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3 Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
7 Other financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8 thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
12 thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
16 thereof insurance companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
<b>20 Non-financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
22 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
<b>24 Households</b>								
25 thereof secured by residential real estate								
26 thereof house renovation loans								
27 thereof vehicle loans								
<b>28 Loans to local governments</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29 Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30 Other loans to local governments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>31 Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>32 GAR assets, total</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



Disclosure date T Based on CapEx KPI		aa	ab	ac	ad	ae	af
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					
		% (compared to total recognized assets in the numerator) <sup>1)</sup>		thereof use of proceeds	thereof transition activities	thereof enabling activities	Proportion of total recognized assets <sup>2)</sup>
GAR - assets recognized in the numerator and denominator							
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	61.3%	2.9%	0.9%	0.1%	1.0%	23.5%
2	<b>Financial undertakings</b>	<b>11.2%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>9.1%</b>
3	Credit institutions	11.1%	0.0%	0.0%	0.0%	0.0%	8.6%
4	Loans and advances	15.0%	0.0%	0.0%	0.0%	0.0%	0.3%
5	Debt securities	16.2%	0.0%	0.0%	0.0%	0.0%	0.6%
6	Equity capital instruments	10.5%	0.0%		0.0%	0.0%	7.6%
7	Other financial undertakings	11.8%	3.3%	0.0%	0.2%	1.5%	0.5%
8	thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
12	thereof asset management companies	12.6%	4.8%	0.0%	0.3%	2.2%	0.3%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity capital instruments	12.6%	4.8%		0.3%	2.2%	0.3%
16	thereof insurance companies	10.3%	0.0%	0.0%	0.0%	0.0%	0.2%
17	Loans and advances	10.4%	0.0%	0.0%	0.0%	0.0%	0.2%
18	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity capital instruments	5.1%	0.0%		0.0%	0.0%	0.0%
20	<b>Non-financial undertakings</b>	<b>51.6%</b>	<b>23.5%</b>	<b>0.0%</b>	<b>0.6%</b>	<b>11.8%</b>	<b>1.9%</b>
21	Loans and advances	48.5%	22.8%	0.0%	0.2%	12.1%	1.6%
22	Debt securities	75.0%	27.9%	0.0%	3.3%	9.2%	0.2%
23	Equity capital instruments	28.2%	23.7%		0.2%	16.6%	0.0%
24	<b>Households</b>	<b>100.0%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>11.5%</b>
25	thereof secured by residential real estate	100.0%	2.0%	2.0%	0.0%	0.0%	11.2%
26	thereof house renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27	thereof vehicle loans	100.0%	0.0%	0.0%	0.0%	0.0%	0.4%
28	<b>Loans to local governments</b>	<b>85.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1.0%</b>
29	Housing loans	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other loans to local governments	85.2%	0.0%	0.0%	0.0%	0.0%	1.0%
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
32	<b>GAR assets, total</b>	<b>16.7%</b>	<b>0.8%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>86.5%</b>

<sup>1)</sup> The percentage share of the portfolio of sustainable economic activities is calculated for each risk exposure class at line level.

<sup>2)</sup> The column "af" is calculated as the share of gross carrying amounts per exposure class in total assets.



Disclosure date T-1 Based on CapEx KPI		ag	ah	ai	aj	ac	al	am	an	ao
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized assets in the numerator) <sup>2)</sup>			thereof use of proceeds	thereof transition activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities	
GAR - assets recognized in the numerator and denominator										
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation									
2	<b>Financial undertakings</b>									
3	Credit institutions									
4	Loans and advances									
5	Debt securities									
6	Equity capital instruments									
7	Other financial undertakings									
8	thereof investment firms									
9	Loans and advances									
10	Debt securities									
11	Equity capital instruments									
12	thereof asset management companies									
13	Loans and advances									
14	Debt securities									
15	Equity capital instruments									
16	thereof insurance companies									
17	Loans and advances									
18	Debt securities									
19	Equity capital instruments									
20	<b>Non-financial undertakings</b>									
21	Loans and advances									
22	Debt securities									
23	Equity capital instruments									
24	<b>Households</b>									
25	thereof secured by residential real estate									
26	thereof house renovation loans									
27	thereof vehicle loans									
28	<b>Loans to local governments</b>									
29	Housing loans									
30	Other loans to local governments									
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>									
32	<b>GAR assets, total</b>									



		ap	aq	ar	as	at	au	av	aw
Disclosure date T-1 Based on CapEx KPI		Water and marine resources (WTR) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy- eligible) Proportion of total recognized assets that finance Taxonomy- relevant sectors (taxonomy- compliant) thereof use of proceeds				Circular economy (CE) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy- eligible) Proportion of total recognized assets that finance Taxonomy- relevant sectors (taxonomy- compliant) thereof use of proceeds			
% (compared to total recognized assets in the numerator) <sup>1)</sup>									
	GAR - assets recognized in the numerator and denominator								
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation								
2	Financial undertakings								
3	Credit institutions								
4	Loans and advances								
5	Debt securities								
6	Equity capital instruments								
7	Other financial undertakings								
8	thereof investment firms								
9	Loans and advances								
10	Debt securities								
11	Equity capital instruments								
12	thereof asset management companies								
13	Loans and advances								
14	Debt securities								
15	Equity capital instruments								
16	thereof insurance companies								
17	Loans and advances								
18	Debt securities								
19	Equity capital instruments								
20	Non-financial undertakings								
21	Loans and advances								
22	Debt securities								
23	Equity capital instruments								
24	Households								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	Loans to local governments								
29	Housing loans								
30	Other loans to local governments								
31	Collateral obtained by taking possession: residential and commercial real estate								
32	GAR assets, total								



Disclosure date T-1 Based on CapEx KPI		ax	ay	az	ba	bb	bc	bd	be
		Pollution (PPC)			Biodiversity and ecosystems (BIO)				
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				
% (compared to total recognized assets in the numerator) <sup>1)</sup>				thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation								
2	Financial undertakings								
3	Credit institutions								
4	Loans and advances								
5	Debt securities								
6	Equity capital instruments								
7	Other financial undertakings								
8	thereof investment firms								
9	Loans and advances								
10	Debt securities								
11	Equity capital instruments								
12	thereof asset management companies								
13	Loans and advances								
14	Debt securities								
15	Equity capital instruments								
16	thereof insurance companies								
17	Loans and advances								
18	Debt securities								
19	Equity capital instruments								
20	Non-financial undertakings								
21	Loans and advances								
22	Debt securities								
23	Equity capital instruments								
24	Households								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	Loans to local governments								
29	Housing loans								
30	Other loans to local governments								
31	Collateral obtained by taking possession: residential and commercial real estate								
32	GAR assets, total								



Disclosure date T-1 Based on CapEx KPI		bf	bg	bh	bi	bj	bk
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					
% (compared to total recognized assets in the numerator) <sup>1)</sup>			thereof use of proceeds	thereof transition activities	thereof enabling activities	Proportion of total recognized assets <sup>2)</sup>	
	GAR - assets recognized in the numerator and denominator						
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation						
2	Financial undertakings						
3	Credit institutions						
4	Loans and advances						
5	Debt securities						
6	Equity capital instruments						
7	Other financial undertakings						
8	thereof investment firms						
9	Loans and advances						
10	Debt securities						
11	Equity capital instruments						
12	thereof asset management companies						
13	Loans and advances						
14	Debt securities						
15	Equity capital instruments						
16	thereof insurance companies						
17	Loans and advances						
18	Debt securities						
19	Equity capital instruments						
20	Non-financial undertakings						
21	Loans and advances						
22	Debt securities						
23	Equity capital instruments						
24	Households						
25	thereof secured by residential real estate						
26	thereof house renovation loans						
27	thereof vehicle loans						
28	Loans to local governments						
29	Housing loans						
30	Other loans to local governments						
31	Collateral obtained by taking possession: residential and commercial real estate						
32	GAR assets, total						



## 4. GAR KPI flow / based on turnover KPI

	a	b	c	d	e	f	g	h	i
<b>Disclosure date T</b>	<b>Climate change mitigation (CCM)</b>				<b>Climate change adaptation (CCA)</b>				
<b>Based on turnover KPI</b>	<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)</b>				<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)</b>				
	<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)</b>				<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)</b>				
<b>% (compared to flow of total recognized assets in the numerator)<sup>1</sup></b>			<b>thereof use of proceeds</b>	<b>thereof transition activities</b>	<b>thereof enabling activities</b>			<b>thereof use of proceeds</b>	<b>thereof enabling activities</b>
GAR - assets recognized in the numerator and denominator									
1 Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	62.4%	4.4%	3.4%	0.0%	0.7%	0.0%	0.0%	0.0%	0.0%
<b>2 Financial undertakings</b>	<b>18.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3 Credit institutions	18.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4 Loans and advances	15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5 Debt securities	24.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
7 Other financial undertakings	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8 thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
12 thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
16 thereof insurance companies	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19 Equity capital instruments	4.6%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
<b>20 Non-financial undertakings</b>	<b>16.3%</b>	<b>4.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>3.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21 Loans and advances	16.3%	4.9%	0.0%	0.0%	3.5%	0.0%	0.0%	0.0%	0.0%
22 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
<b>24 Households</b>	<b>100.0%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
25 thereof secured by residential real estate	100.0%	9.0%	9.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
26 thereof house renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27 thereof vehicle loans	100.0%	0.0%	0.0%	0.0%	0.0%				
<b>28 Loans to local governments</b>	<b>75.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29 Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30 Other loans to local governments	75.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>31 Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>32 GAR assets, total</b>	<b>11.3%</b>	<b>0.8%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



Disclosure date T Based on turnover KPI		j	k	l	m	n	o	p	q
		Water and marine resources (WTR) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Circular economy (CE) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to flow of total recognized assets in the numerator) <sup>1</sup>				thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	<b>Financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
7	Other financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
12	thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
16	thereof insurance companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
20	<b>Non-financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
22	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
24	<b>Households</b>					<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
25	thereof secured by residential real estate					0.0%	0.0%	0.0%	0.0%
26	thereof house renovation loans					0.0%	0.0%	0.0%	0.0%
27	thereof vehicle loans								
28	<b>Loans to local governments</b>	<b>5.7%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29	Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other loans to local governments	5.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
32	<b>GAR assets, total</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



Disclosure date T		r	s	t	u	v	w	x	z
Based on turnover KPI		Pollution (PPC)				Biodiversity and ecosystems (BIO)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
		thereof use of proceeds		thereof enabling activities		thereof use of proceeds		thereof enabling activities	
% (compared to flow of total recognized assets in the numerator) <sup>1</sup>									
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	<b>Financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
7	Other financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
12	thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
16	thereof insurance companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
20	<b>Non-financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
22	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
24	<b>Households</b>								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	<b>Loans to local governments</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29	Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other loans to local governments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
32	<b>GAR assets, total</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



	aa	ab	ac	ad	ae	af
<b>Disclosure date T</b>	<b>TOTAL (CCM + CCA + WTR + CE + PPC + BIO)</b>					
<b>Based on turnover KPI</b>	<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)</b> <b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)</b>					<b>Proportion of total recognized assets<sup>2</sup></b>
<b>% (compared to flow of total recognized assets in the numerator)<sup>1</sup></b>			<b>thereof use of proceeds</b>	<b>thereof transition activities</b>	<b>thereof enabling activities</b>	
GAR - assets recognized in the numerator and denominator						
1 Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	63.2%	4.4%	3.4%	0.0%	0.7%	17.8%
<b>2 Financial undertakings</b>	<b>18.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>3.6%</b>
3 Credit institutions	18.3%	0.0%	0.0%	0.0%	0.0%	3.5%
4 Loans and advances	15.0%	0.0%	0.0%	0.0%	0.0%	2.3%
5 Debt securities	24.4%	0.0%	0.0%	0.0%	0.0%	1.2%
6 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
7 Other financial undertakings	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%
8 thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
12 thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
16 thereof insurance companies	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%
17 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19 Equity capital instruments	4.6%	0.0%		0.0%	0.0%	0.0%
<b>20 Non-financial undertakings</b>	<b>16.3%</b>	<b>4.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>3.5%</b>	<b>3.7%</b>
21 Loans and advances	16.3%	4.9%	0.0%	0.0%	3.5%	3.7%
22 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
<b>24 Households</b>	<b>100.0%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>7.9%</b>
25 thereof secured by residential real estate	100.0%	9.0%	9.0%	0.0%	0.0%	6.6%
26 thereof house renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27 thereof vehicle loans	100.0%	0.0%	0.0%	0.0%	0.0%	1.2%
<b>28 Loans to local governments</b>	<b>81.6%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>2.5%</b>
29 Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30 Other loans to local governments	81.6%	0.0%	0.0%	0.0%	0.0%	2.5%
<b>31 Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>32 GAR assets, total</b>	<b>11.4%</b>	<b>0.8%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>98.0%</b>

<sup>1</sup> The percentage flow of sustainable economic activities is calculated for each risk exposure class for new business in 2023 taking into account loans and advances, debt securities and equity instruments

<sup>2</sup> The column "af" is calculated as the proportion of new business per exposure class in total assets of the year 2023



## 4. GAR KPI flow / based on turnover KPI

	a	b	c	d	e	f	g	h	i
<b>Disclosure date T</b>	<b>Climate change mitigation (CCM)</b>				<b>Climate change adaptation (CCA)</b>				
<b>Based on CapEx KPI</b>	<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)</b>				<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)</b>				
	<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)</b>				<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)</b>				
			<b>thereof use of proceeds</b>	<b>thereof transition activities</b>	<b>thereof enabling activities</b>			<b>thereof use of proceeds</b>	<b>thereof enabling activities</b>
<b>% (compared to flow of total recognized assets in the numerator)<sup>1</sup></b>									
GAR - assets recognized in the numerator and denominator									
1 Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	69.2%	7.5%	3.4%	0.0%	2.1%	0.0%	0.0%	0.0%	0.0%
<b>2 Financial undertakings</b>	<b>16.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3 Credit institutions	16.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4 Loans and advances	15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5 Debt securities	20.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
7 Other financial undertakings	5.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8 thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
12 thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
16 thereof insurance companies	5.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19 Equity capital instruments	5.1%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
<b>20 Non-financial undertakings</b>	<b>50.1%</b>	<b>19.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>10.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21 Loans and advances	50.1%	19.5%	0.0%	0.0%	10.1%	0.0%	0.0%	0.0%	0.0%
22 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%
<b>24 Households</b>	<b>100.0%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
25 thereof secured by residential real estate	100.0%	9.0%	9.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
26 thereof house renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27 thereof vehicle loans	100.0%	0.0%	0.0%	0.0%	0.0%				
<b>28 Loans to local governments</b>	<b>75.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29 Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30 Other loans to local governments	75.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>31 Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>32 GAR assets, total</b>	<b>12.5%</b>	<b>1.4%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>0.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



Disclosure date T Based on CapEx KPI		j	k	l	m	n	o	p	q
		Water and marine resources (WTR) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Circular economy (CE) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible) Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to flow of total recognized assets in the numerator) <sup>1</sup>		thereof use of proceeds		thereof enabling activities		thereof use of proceeds		thereof enabling activities	
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	<b>Financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
7	Other financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
12	thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
16	thereof insurance companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
20	<b>Non-financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
22	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
24	<b>Households</b>					<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
25	thereof secured by residential real estate					0.0%	0.0%	0.0%	0.0%
26	thereof house renovation loans					0.0%	0.0%	0.0%	0.0%
27	thereof vehicle loans								
28	<b>Loans to local governments</b>	<b>5.7%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29	Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other loans to local governments	5.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
32	<b>GAR assets, total</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



Disclosure date T		r	s	t	u	v	w	x	z
Based on CapEx KPI		Pollution (PPC)				Biodiversity and ecosystems (BIO)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
		Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
		thereof use of proceeds		thereof enabling activities		thereof use of proceeds		thereof enabling activities	
% (compared to flow of total recognized assets in the numerator) <sup>1</sup>									
GAR - assets recognized in the numerator and denominator									
1	Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	<b>Financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
7	Other financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
12	thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
16	thereof insurance companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
20	<b>Non-financial undertakings</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
21	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
22	Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
24	<b>Households</b>								
25	thereof secured by residential real estate								
26	thereof house renovation loans								
27	thereof vehicle loans								
28	<b>Loans to local governments</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
29	Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other loans to local governments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	<b>Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
32	<b>GAR assets, total</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>



	aa	ab	ac	ad	ae	af
<b>Disclosure date T</b> <b>Based on CapEx KPI</b>	<b>TOTAL (CCM + CCA + WTR + CE + PPC + BIO)</b>					
	<b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)</b> <b>Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)</b>					<b>Proportion of total recognized assets<sup>2</sup></b>
<b>% (compared to flow of total recognized assets in the numerator)<sup>1</sup></b>			<b>thereof use of proceeds</b>	<b>thereof transition activities</b>	<b>thereof enabling activities</b>	
GAR - assets recognized in the numerator and denominator						
1 Loans and advances not held for trading, debt securities and equity instruments eligible for the GAR calculation	70.1%	7.5%	3.4%	0.0%	2.1%	17.8%
<b>2 Financial undertakings</b>	<b>16.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>3.6%</b>
3 Credit institutions	16.9%	0.0%	0.0%	0.0%	0.0%	3.5%
4 Loans and advances	15.0%	0.0%	0.0%	0.0%	0.0%	2.3%
5 Debt securities	20.5%	0.0%	0.0%	0.0%	0.0%	1.2%
6 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
7 Other financial undertakings	5.1%	0.0%	0.0%	0.0%	0.0%	0.0%
8 thereof investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
12 thereof asset management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
16 thereof insurance companies	5.1%	0.0%	0.0%	0.0%	0.0%	0.0%
17 Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19 Equity capital instruments	5.1%	0.0%		0.0%	0.0%	0.0%
<b>20 Non-financial undertakings</b>	<b>50.1%</b>	<b>19.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>10.1%</b>	<b>3.7%</b>
21 Loans and advances	50.1%	19.5%	0.0%	0.0%	10.1%	3.7%
22 Debt securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23 Equity capital instruments	0.0%	0.0%		0.0%	0.0%	0.0%
<b>24 Households</b>	<b>100.0%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>7.9%</b>
25 thereof secured by residential real estate	100.0%	9.0%	9.0%	0.0%	0.0%	6.6%
26 thereof house renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27 thereof vehicle loans	100.0%	0.0%	0.0%	0.0%	0.0%	1.2%
<b>28 Loans to local governments</b>	<b>81.6%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>2.5%</b>
29 Housing loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30 Other loans to local governments	81.6%	0.0%	0.0%	0.0%	0.0%	2.5%
<b>31 Collateral obtained by taking possession: residential and commercial real estate</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>32 GAR assets, total</b>	<b>12.7%</b>	<b>1.4%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>0.4%</b>	<b>98.0%</b>

<sup>1</sup> The percentage flow of sustainable economic activities is calculated for each risk exposure class for new business in 2023 taking into account loans and advances, debt securities and equity instruments

<sup>2</sup> The column "af" is calculated as the proportion of new business per exposure class in total assets of the year 2023



## 5. KPI off-balance sheet exposures / loan portfolio KPI - based on turnover KPI

	a	b	c	d	e	f	g	h	i
Disclosure date T	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
Loan portfolio KPI - based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof transition activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	34.0%	4.5%	0.0%	0.0%	3.6%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	3.9%	1.7%	0.0%	0.1%	0.6%	0.0%	0.0%	0.0%	0.0%

	j	k	l	m	n	o	p	q
Disclosure date T	Water and marine resources (WTR)				Circular economy (CE)			
Loan portfolio KPI - based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	r	s	t	u	v	w	x	z
Disclosure date T	Pollution (PPC)				Biodiversity and ecosystems (BIO)			
Loan portfolio KPI - based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	aa	ab	ac	ad	ae
Disclosure date T	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
Loan portfolio KPI - based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof transition activities	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	34.0%	4.5%	0.0%	0.0%	3.6%
2 Assets under management (AuM KPI)	3.9%	1.7%	0.0%	0.1%	0.6%



## 5. KPI off-balance sheet exposures / loan flow KPI - based on turnover KPI

	a	b	c	d	e	f	g	h	i
Disclosure date T	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
Loan flow KPI - based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof transition activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	5.5%	3.0%	0.0%	0.1%	0.8%	0.0%	0.0%	0.0%	0.0%

	j	k	l	m	n	o	p	q
Disclosure date T	Water and marine resources (WTR)				Circular economy (CE)			
Loan flow KPI - based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	r	s	t	u	v	w	x	z
Disclosure date T	Pollution (PPC)				Biodiversity and ecosystems (BIO)			
Loan flow KPI - based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	aa	ab	ac	ad	ae
Disclosure date T	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
Loan flow KPI - based on turnover KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				
% (compared to total recognized off-balance sheet assets)		thereof use of proceeds	thereof transition activities	thereof enabling activities	
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	5.5%	3.0%	0.0%	0.1%	0.8%



## 5. KPI off-balance sheet exposures / loan portfolio KPI - based on CapEx KPI

	a	b	c	d	e	f	g	h	i
Disclosure date T	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
Loan portfolio KPI - based on capex KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof transition activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	14.6%	3.3%	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	5.6%	2.7%	0.0%	0.1%	0.9%	0.0%	0.0%	0.0%	0.0%

	j	k	l	m	n	o	p	q
Disclosure date T	Water and marine resources (WTR)				Circular economy (CE)			
Loan portfolio KPI - based on capex KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	r	s	t	u	v	w	x	z
Disclosure date T	Pollution (PPC)				Biodiversity and ecosystems (BIO)			
Loan portfolio KPI - based on CapEx KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	aa	ab	ac	ad	ae
Disclosure date T	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
Loan portfolio KPI - based on CapEx KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof transition activities	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	14.6%	3.3%	0.0%	0.0%	1.4%
2 Assets under management (AuM KPI)	5.6%	2.7%	0.0%	0.1%	0.9%



## 5. KPI off-balance sheet exposures / loan flow KPI - based on CapEx KPI

	a	b	c	d	e	f	g	h	i
Disclosure date T	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
Loan flow KPI - based on CapEx KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)					Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof transition activities	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	7.7%	4.3%	0.0%	0.2%	1.1%	0.0%	0.0%	0.0%	0.0%

	j	k	l	m	n	o	p	q
Disclosure date T	Water and marine resources (WTR)				Circular economy (CE)			
Loan flow KPI - based on CapEx KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	r	s	t	u	v	w	x	z
Disclosure date T	Pollution (PPC)				Biodiversity and ecosystems (BIO)			
Loan flow KPI - based on CapEx KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)			
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)			
% (compared to total recognized off-balance sheet assets)			thereof use of proceeds	thereof enabling activities			thereof use of proceeds	thereof enabling activities
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	aa	ab	ac	ad	ae
Disclosure date T	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
Loan flow KPI - based on CapEx KPI	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-eligible)				
	Proportion of total recognized assets that finance Taxonomy-relevant sectors (taxonomy-compliant)				
% (compared to total recognized off-balance sheet assets)		thereof use of proceeds	thereof transition activities	thereof enabling activities	
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%
2 Assets under management (AuM KPI)	7.7%	4.3%	0.0%	0.2%	8.8%



## Activities relating to nuclear power and fossil gas

Line	Activities relating to nuclear power	
1.	The company has activities in research, development, demonstration and deployment of innovative electricity generation plants that generate energy from nuclear processes with minimal waste from the fuel cycle, finances such activities or has risk exposures relating to these activities.	NO
2.	The company has activities in the construction and safe operation of new nuclear facilities for the generation of electricity or process heat – including for district heating or industrial processes such as hydrogen production – as well as safety improvement using the best available technologies, finances such activities or has risk exposures relating to these activities.	NO
3.	The company has activities in the operation of existing nuclear facilities for the generation of electricity or process heat – including for district heating or industrial processes such as hydrogen production – as well as safety improvement using the best available technologies, finances such activities or has risk exposures relating to these activities.	NO
Activities relating to fossil gas		
4.	The company has activities in the operation of facilities for the generation of fossil gaseous fuels, finances such activities or has risk exposures relating to these activities.	NO
5.	The company has activities in the construction, modernisation and operation of facilities for the co-generation of heat/cool from fossil gaseous fuels, finances such activities or has risk exposures relating to these activities.	YES
6.	The company has activities in the construction, modernization and operation of facilities for the generation of heat, heat/cool from fossil gaseous fuels, finances such activities or has risk exposures relating to these activities.	YES

The information applies equally to turnover KPI and CapEx KPI.

## Taxonomy-compliant economic activities (denominator) - based on turnover KPI

		Amount and share (in monetary amounts and as a percentage)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Line	Economic activities	Amount (in € m)	Share in %	Amount (in € m)	Share in %	Amount (in € m)	Share in %
1.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
2.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
3.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
4.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
5.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
6.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
7.	Amount and share of other Taxonomy-compliant economic activities in the denominator of the applicable KPI not listed in lines 1 to 6.	45.2	0.5%	45.2	0.5%	-	0.0%
8.	<b>Applicable KPI, total</b>	<b>45.2</b>	<b>0.5%</b>	<b>45.2</b>	<b>0.5%</b>	<b>-</b>	<b>0.0%</b>



**Taxonomy-compliant economic activities (denominator) - based on CapEx KPI**

Line	<b>Economic activities</b>	<b>Amount and share (in monetary amounts and as a percentage)</b>					
		<b>CCM + CCA</b>		<b>Climate change mitigation (CCM)</b>		<b>Climate change adaptation (CCA)</b>	
		<b>Amount (in € m)</b>	<b>Share in %</b>	<b>Amount (in € m)</b>	<b>Share in %</b>	<b>Amount (in € m)</b>	<b>Share in %</b>
1.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
2.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
3.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
4.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
5.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
6.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
7.	Amount and share of other Taxonomy-compliant economic activities in the denominator of the applicable KPI not listed in lines 1 to 6.	73.5	0.8%	73.5	0.8%	-	0.0%
<b>8.</b>	<b>Applicable KPI, total</b>	<b>73.5</b>	<b>0.8%</b>	<b>73.5</b>	<b>0.8%</b>	<b>-</b>	<b>0.0%</b>

**Taxonomy-compliant economic activities (numerator) - based on turnover KPI**

Line	<b>Economic activities</b>	<b>Amount and share (in monetary amounts and as a percentage)</b>					
		<b>CCM + CCA</b>		<b>Climate change mitigation (CCM)</b>		<b>Climate change adaptation (CCA)</b>	
		<b>Amount (in € m)</b>	<b>Share in %</b>	<b>Amount (in € m)</b>	<b>Share in %</b>	<b>Amount (in € m)</b>	<b>Share in %</b>
1.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
2.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
3.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
4.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
5.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
6.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
7.	Amount and share of other Taxonomy-compliant economic activities in the denominator of the applicable KPI not listed in lines 1 to 6.	45.2	100.0%	45.2	100.0%	-	0.0%
<b>8.</b>	<b>Amount and share of other Taxonomy-compliant economic activities in the numerator of the applicable KPI</b>	<b>45.2</b>	<b>100.0%</b>	<b>45.2</b>	<b>100.0%</b>	<b>-</b>	<b>0.0%</b>



## Taxonomy-compliant economic activities (numerator) - based on CapEx KPI

Line	Economic activities	Amount and share (in monetary amounts and as a percentage)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (in € m)	Share in %	Amount (in € m)	Share in %	Amount (in € m)	Share in %
1.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
2.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
3.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
4.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
5.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
6.	Amount and share of Taxonomy-compliant economic activity pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
7.	Amount and share of other Taxonomy-compliant economic activities in the numerator of the applicable KPI not in lines 1 to 6	73.5	100.0%	73.5	100.0%	-	0.0%
8.	<b>Amount and share of other Taxonomy-compliant economic activities in the numerator of the applicable KPI</b>	<b>73.5</b>	<b>100.0%</b>	<b>73.5</b>	<b>100.0%</b>	<b>-</b>	<b>0.0%</b>

## Taxonomy-eligible but not Taxonomy-compliant economic activities - based on turnover KPI

Line	Economic activities	Amount and share (in monetary amounts and as a percentage)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (in € m)	Share in %	Amount (in € m)	Share in %	Amount (in € m)	Share in %
1.	Amount and share of Taxonomy-eligible but not Taxonomy-compliant economic activity pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
2.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
3.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
4.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
5.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	1.2	0.0%	1.2	0.0%	-	0.0%
6.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.5	0.0%	0.5	0.0%	-	0.0%
7.	Amount and share of other Taxonomy-eligible, but not Taxonomy-compliant economic activities in the denominator of the applicable KPI not listed in lines 1 to 6.	1,454.0	15.6%	1,454.0	15.6%	-	0.0%
8.	<b>Amount and share of other Taxonomy-eligible, but not Taxonomy-compliant economic activities in the denominator of the applicable KPI</b>	<b>1,455.8</b>	<b>15.6%</b>	<b>1,455.8</b>	<b>15.6%</b>	<b>-</b>	<b>0.0%</b>



## Taxonomy-eligible but not Taxonomy-compliant economic activities - based on CapEx KPI

Line	Economic activities	Amount and share (in monetary amounts and as a percentage)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (in € m)	Share in %	Amount (in € m)	Share in %	Amount (in € m)	Share in %
1.	Amount and share of Taxonomy-eligible but not Taxonomy-compliant economic activity pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
2.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
3.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
4.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
5.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
6.	Amount and share of Taxonomy-eligible, but not Taxonomy-compliant economic activity pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	4.0	0.0%	4.0	0.0%	-	0.0%
7.	Amount and share of other Taxonomy-eligible, but not Taxonomy-compliant economic activities in the denominator of the applicable KPI not listed in lines 1 to 6.	1,473.2	15.8%	1,473.2	15.8%	-	0.0%
8.	<b>Amount and share of other Taxonomy-eligible, but not Taxonomy-compliant economic activities in the denominator of the applicable KPI</b>	<b>1,477.2</b>	<b>15.8%</b>	<b>1,477.2</b>	<b>15.8%</b>	<b>-</b>	<b>0.0%</b>

## Non-Taxonomy-eligible economic activities - based on turnover KPI

Line	Economic activities	Amount (in € m)	Share in %
1.	Amount and share of non-Taxonomy-compliant economic activity stated in line 1 of the reporting form 1 pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
2.	Amount and share of non-Taxonomy-compliant economic activity stated in line 2 of Form 1 pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
3.	Amount and share of non-Taxonomy-compliant economic activity stated in line 3 of Form 1 pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
4.	Amount and share of non-Taxonomy-compliant economic activity stated in line 4 of Form 1 pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
5.	Amount and share of non-Taxonomy-compliant economic activity stated in line 5 of Form 1 pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
6.	Amount and share of non-Taxonomy-compliant economic activity stated in line 6 of Form 1 pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
7.	Amount and share of other non-Taxonomy-compliant economic activities in the denominator of the applicable KPI not listed in lines 1 to 6.	7,824.1	83.9%
8.	<b>Total amount and share of other non-Taxonomy-eligible economic activities in the denominator of the applicable KPI</b>	<b>7,824.1</b>	<b>83.9%</b>



## Non-Taxonomy-eligible economic activities - based on CapEx KPI

Line	<b>Economic activities</b>	<b>Amount (in € m)</b>	<b>Share in %</b>
1.	Amount and share of non-Taxonomy-compliant economic activity stated in line 1 of the reporting form 1 pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
2.	Amount and share of non-Taxonomy-eligible economic activity stated in line 2 of Form 1 pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
3.	Amount and share of non-Taxonomy-eligible economic activity stated in line 3 of Form 1 pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
4.	Amount and share of non-Taxonomy-eligible economic activity stated in line 4 of Form 1 pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
5.	Amount and share of non-Taxonomy-eligible economic activity stated in line 5 of Form 1 pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
6.	Amount and share of non-Taxonomy-eligible economic activity stated in line 6 of Form 1 pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.0%
7.	Amount and share of other non-Taxonomy-eligible economic activities in the denominator of the applicable KPI not listed in lines 1 to 6.	7,774.5	83.3%
<b>8.</b>	<b>Total amount and share of other non-Taxonomy-eligible economic activities in the denominator of the applicable KPI</b>	<b>7,774.5</b>	<b>83.3%</b>







# Appendix





## GRI Content Index

### Statement on standards applied:

BKS Bank reported in accordance with GRI standards for the period 1 Jan. to 31 Dec. 2022.

### GRI 1 applied:

GRI 1: Foundation 2021

### Applicable GRI industry standard:

None

GRI Standard	Specification	Page number(s)	Comment or omission
<b>General disclosures</b>			
<b>GRI 2: General disclosures 2021</b>			
<b>The organization and its reporting practices</b>			
2-1	Organizational details	13, 18ff, 154ff, AR 56	
2-2	Entities included in the organization's sustainability reporting	17, AR 93ff	
2-3	Reporting period, reporting frequency and contact point	260, 269	
2-4	Restatements of information	173	
2-5	External assurance	267f	
<b>Activities and employees</b>			
2-6	Activities, value chain and other business relationships	12f, 14ff, AR 78ff	
2-7	Employees	90, 155	BKS Bank does not have any non-guaranteed hours employees
2-8	Workers who are not employees		We do not report on this standard. 99.7% of our workers are salaried employees
<b>Governance</b>			
2-9	Governance structure	AR 73f	
2-10	Nomination and selection of the highest governance body	90, AR 31, AR 33	
2-11	Chairperson of the highest governance body	AR 25	Chairwoman of the Supervisory Board, Sabine Umik, is not on the management board of BKS Bank
2-12	Role of the highest governance body in overseeing the management of impacts	32ff, 109, 128	
2-13	Delegation of responsibility for managing impacts	32ff, 109, 128, 130, GB 23ff, AR 73f	
2-14	Role of the highest governance body in sustainability reporting	260f	
2-15	Conflicts of interest	AR 24	
2-16	Communication of critical concerns	122	
2-17	Collective knowledge of the highest governance body	96, 110	
2-18	Evaluation of the performance of the highest governance body	92f, AR 32	
2-19	Remuneration policies	92f, 163f	
2-20	Process to determine remuneration	92f, 162, AR 29f	



GRI Standard	Specification	Page number(s)	Comment or omission
	2-21 Annual total compensation ratio		As the meeting of the Remuneration Committee on the variable remuneration of the management board is scheduled after the copy deadline of this report, this ratio cannot be reported.
<b>Strategy, policies and practices</b>			
	2-22 Statement on sustainable development strategy	6f, 27	
	2-23 Policy commitments	29, 32ff, 53, 118, 124	
	2-24 Embedding policy commitments	30, 32ff, 51	
	2-25 Processes to remediate negative impacts	118, 128	
	2-26 Mechanisms for seeking advice and raising concerns	122f	
	2-27 Compliance with laws and regulations	118ff	
	2-28 Membership associations	114f	
<b>Stakeholder engagement</b>			
	2-29 Approach to stakeholder engagement	33, 36, 111ff	
	2-30 Collective bargaining agreements	165	

**GRI 3: Disclosures on material topics 2021**

3-1	Process to determine material topics	37ff
3-2	List of material topics	39
3-3	Management of material topics	40f, 48f, 81f, 88, 90, 107f, 118, 153

**Material Topics****G - Governance****Anti-corruption**

GRI 3: Material topics 2021	3-3	Management of material topics	107f, 118	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption		100% of operations were checked
	205-2	Communication and training about anti-corruption policies and procedures	118f, 159	
	205-3	Confirmed incidents of corruption and actions taken	119	In 2023, there were no incidents of corruption.

**Compliance, governance**

GRI 3: Material topics 2021	3.3	Management of material topics	107f, 118
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**Data protection**

GRI 3: Material topics 2021	3-3	Management of material topics	118
GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches in the protection of customer data and/or data losses	120

**Economic stability and growth**

GRI 3: Material topics 2021	3-3	Management of material topics	40f
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	18ff, 185 AR 87ff, AR 92ff, AR 98ff, AR 143
	201-4	Financial assistance received from government	185

**Focus on the future**

GRI 3: Material topics 2021	3-3	Management of material topics	40f
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GRI Standard	Specification	Page number(s)	Comment or omission
<b>Customer satisfaction and product responsibility</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	107f, 118	
GRI 417: Marketing and Labelling	417-1 Requirements for product and service information and labelling	135	
	417-2 Incidents of non-compliance concerning product and service information and labelling	135	
	417-3 Incidents of non-compliance concerning marketing communications	135	

## S – Society and Social Engagement

<b>Occupational health and safety</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	81f	
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	97	
	403-2 Hazard identification, risk assessment, and incident investigation	98	
	403-3 Occupational health services	97	
	403-4 Worker participation, consultation and communication on occupational health and safety	97f	
	403-5 Worker training on occupational health and safety	97f	
	403-6 Promotion of worker health	97f	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	97f	
	403-8 Workers covered by an occupational health and safety management system	97f	
	403-9 Work-related injuries	97, 161	
<b>Education and training</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	81f	
GRI 404: Training and education 2016	404-1 Average hours of training per year and per employee	96, 158f	
	404-3 Percentage of employees receiving regular performance and career development reviews	159	
<b>Diversity and equality</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	81f	
GRI 202: Market presence 2016	202-2 Proportion of senior management hired from the local community	155	
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	90f, 156f AR 31, AR 36	
	405-2 Ratio of basic salary and remuneration of women to men	93	
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken		
	BKS Bank Indicator: Sponsoring volume of the BKS Bank Group	82, 101, 177	
<b>Fair employer</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	81f	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	160	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	88	
	401-3 Parental leave	158	
	BKS Bank Indicator: employee satisfaction	128	
<b>Sustainable investment</b>			
GRI 3-3: Material topics 2021	3-3 Management of material topics	81f	
	BKS Bank Indicator: Volume development of sustainable investments	73, 172	
<b>Sustainable financing</b>			



GRI Standard	Specification	Page number(s)	Comment or omission
GRI 3: Material topics 2021	3-3 Management of material topics	81f	
	BKS Bank Indicator: Volume development of sustainable financing	71, 84, 172	

## E - Environment and climate change mitigation

Climate neutrality			
GRI 3: Material topics 2021	3-3	Management of material topics	81f
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	56, 64, 167
	GRI 305-2	Indirect (Scope 2) GHG emissions	56, 64, 167
	305-3	Other indirect (Scope 3) GHG emissions	56, 62, 64, 167
	305-4	GHG emissions intensity	56, 62, 64, 174, 168, 171ff
	305-5	Reduction of GHG emissions	64, 168f
Energy consumption			
GRI 3: Material topics 2021	3-3	Management of material topics	81f
GRI 302: Energy 2016	302-1	Energy consumption within the organization	176
	302-4	Reduction of energy consumption	176
Sustainable investment			
GRI 3-3: Material topics 2021	3-3	Management of material topics	81f
	BKS Bank Indicator: Volume development of sustainable investments		73, 166
Sustainable financing			
GRI 3: Material topics 2021	3-3	Management of material topics	81f
	BKS Bank Indicator: Volume development of sustainable financing		71, 84, 165
Environment and climate change mitigation			
GRI 3: Material topics 2021	3-3	Management of material topics	81f



### ***Disclosure on implementation of TCFD recommendations***

The Task Force on Climate-related Financial Disclosures (TCFD) was established in 2015 to develop recommendations for the financial sector on meaningful and comparable disclosures on climate-related financial information for the entire industry.

The focus is primarily on the management of climate-related risks. The 2019 "Guidelines on non-financial reporting: Supplement on reporting climate-related information" of the European Union include several explicit references to the TCFD recommendations. At BKS Bank, many of the requirements have already been implemented.



## Overview of implementation of TCFD recommendations at BKS Bank

TCFD Disclosure Recommendations	Disclosure at BKS Bank	Page(s) in Report
<b>Governance</b>		
Disclose the company's governance of climate-related risks and opportunities.		
Recommended information a) Describe the Management Board's oversight of climate-related risks and opportunities.	<ul style="list-style-type: none"> <li>• Explain the Management Board's accountability.</li> <li>• Establish a governance structure that addresses and helps mitigate climate-related risks and takes advantage of opportunities.</li> </ul>	32, 109, 128
Recommended information b) Describe the role of management in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> <li>• A description of the identification, assessment and management of ESG risks including climate risks at BKS Bank as well as the role played by the Management Board and Supervisory Board, and the defined information processes are available.</li> </ul>	32, 128ff
<b>Strategy</b>		
Present the actual and potential effects of climate-related risks and opportunities on business activities, strategy and financial planning.		
Recommended information a) Describe the risks identified by the company for the short, medium and long term climate-related risks and opportunities.	<ul style="list-style-type: none"> <li>• Samples of the opportunities and risks identified are described; furthermore, a description is given of risks considered to be of relevance for the short, medium and long-term.</li> </ul>	50, 53, 128ff, 134, 136
Recommended information b) Describe the impact of climate-related risks and opportunities on the business, strategy and the financial planning of the company.	<ul style="list-style-type: none"> <li>• Selected explanations of the impact of the climate risk on the business model as well as the critical infrastructure of BKS</li> </ul>	48, 53, 56, 107, 128ff, 134, 136
Recommended information c) Describe the resilience of the company's strategy considering the various climate-related scenarios, including one of 2°C or lower.	<ul style="list-style-type: none"> <li>• An explanation of the strategy and key strategic initiatives that help mitigate climate risk is available.</li> </ul>	134
<b>Risk Management</b>		
Disclose how the company identifies and manages climate-related risks.		
Recommended information a) Describe the company's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> <li>• A statement on the due diligence processes used by BKS Bank to identify and assess climate-related risks has been provided.</li> <li>• It explains how ESG risks were assessed, and in some cases also presents detailed results from the review processes.</li> </ul>	128ff, 134, 136
Recommended information b) Describe the company's processes for managing climate-related risks.	<ul style="list-style-type: none"> <li>• A description of climate change mitigation measures is available as well as a description of how opportunities that may arise from climate change are taken advantage of.</li> </ul>	128ff, 134, 136
Recommended information c) Describe how the company's processes for identifying, assessing, and managing climate-related risks are integrated into the company's risk management system.	<ul style="list-style-type: none"> <li>• The management of climate risks in the context of the overall bank risk management is explained.</li> </ul>	128ff, 134, 136



TCFD Disclosure Recommendations	Disclosure at BKS Bank	Page(s) in Report
<b>Metrics and targets</b>		
Disclose metrics and targets used to assess and manage the relevant climate-related risks and opportunities.		
Recommended information a) Provide the information required by the company to assess climate-related risks and opportunities in accordance with the metrics used in the strategy and risk management process.	<ul style="list-style-type: none"> <li>A description is given of the targets, metrics and achieved KPIs of the sustainability strategy in which we also address climate risks.</li> <li>Information is available on the influence of non-financial performance indicators on management remuneration.</li> </ul>	40f, 93, 165f
Recommended information b) Indicate the greenhouse gas (GHG) emissions by Scope 1, Scope 2 and, if applicable, Scope 3 and the associated risks.	<ul style="list-style-type: none"> <li>The Carbon Footprint has been published.</li> <li>Financed emissions are presented in accordance with the standards of the Partnership for Carbon Accounting Financials for corporate loans, vehicle loans and lease finance, asset management and the treasury investment fund portfolio.</li> <li>We disclosed the impact of our green bonds in terms of CO<sub>2</sub> reduction.</li> </ul>	40f, 167ff
Recommended information c) Describe the processes used by the company to manage climate-related risks and opportunities and the degree of target attainment.	<ul style="list-style-type: none"> <li>We publish the targets and metrics as well as KPIs attained which we have defined in our sustainability strategy that also addresses climate risks.</li> <li>Targets for decarbonizing the treasury investment fund portfolio are presented.</li> <li>We publish key figures on the development of sustainable products.</li> <li>Development of energy consumption and greenhouse gas emissions are reported.</li> </ul>	40f, 62, 71, 73, 84, 176



## Contribution to the achievement of the Sustainable Development Goals in 2023

The SDGs provide an important framework for sustainable development. It is important to us to make a contribution. In 2023, for example, these were our contributions.

Target	Selected contributions to the respective SDGs
 <p><b>1 NO POVERTY</b></p>	<p><b>Goal 1: No poverty</b></p> <ul style="list-style-type: none"> <li>• Key sponsor of project “Kärntner in Not”</li> <li>• Generous donations for storm victims in Carinthia, Styria and Slovenia</li> <li>• Financial support for children living in the SOS Children’s Village</li> <li>• Advisory services for customers on wealth creation and retirement planning</li> <li>• Support for non-profit organizations with 421 hours of corporate volunteering</li> </ul>
 <p><b>4 QUALITY EDUCATION</b></p>	<p><b>Goal 4: Quality education</b></p> <ul style="list-style-type: none"> <li>• Our employees spent around 41,000 hours in training and further education courses</li> <li>• Job application training for people entering the job market and participation in the event “lange Nacht der Karriere” in Gleisdorf.</li> <li>• Sponsoring of the “Learncafé” of Caritas Carinthia in Spittal an der Drau</li> <li>• Sponsoring of Volkshilfe Wien’s Care Leaver project with a monthly scholarship</li> <li>• Events to increase financial knowledge among customers</li> </ul>
 <p><b>5 GENDER EQUALITY</b></p>	<p><b>Goal 5: Gender equality</b></p> <ul style="list-style-type: none"> <li>• We again exceeded our target of achieving a 35% share of women in management positions with a share of 36.4%</li> <li>• LGBTQIA+ Business Resource Group continued</li> <li>• Organized diversity workshops</li> <li>• Gender pay gap in Austria has decreased since 2016 from 19.2% to 15.8%</li> </ul>
 <p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p>	<p><b>Goal 7: Affordable and clean energy</b></p> <ul style="list-style-type: none"> <li>• In 2023, we issued three green bonds that raised proceeds of EUR 18.0 million. The green bonds were used to finance photovoltaic systems and a biomass plant among other things</li> <li>• BKS Bank operates ten own photovoltaic systems, which have helped us cut around 167 tons of CO<sub>2</sub> equivalents since they were commissioned in a comparison with the electricity mix we purchase, which now originates 99% from renewable sources</li> <li>• Construction on five more photovoltaic plants has been started</li> </ul>
 <p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p>	<p><b>Goal 8: Decent work and economic growth</b></p> <ul style="list-style-type: none"> <li>• Member of the UN Global Compact</li> <li>• EUR 30.4 million paid in taxes and charges</li> <li>• Workplace health promotion programme with 353 participants completed</li> <li>• The diversity campaign continued to present the diversity of employees</li> <li>• Lending volume increased 3.3% to EUR 7.4 billion</li> </ul>
 <p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p>	<p><b>Goal 9: Industry, innovation and infrastructure</b></p> <ul style="list-style-type: none"> <li>• Digital range of products enlarged</li> <li>• Built 1,600 m<sup>2</sup> of commercial space in Eisenstadt for “BKS-Lebenswert” which is ÖGNI Gold Standard certified</li> <li>• Cooperation with the innovation ecosystem weXelerate intensified</li> </ul>
 <p><b>11 SUSTAINABLE CITIES AND COMMUNITIES</b></p>	<p><b>Goal 11: Sustainable cities and communities</b></p> <ul style="list-style-type: none"> <li>• Provided financing to enable the expansion of sustainable infrastructure for cities and municipalities</li> <li>• Our 64 branches in towns and cities are an important part of municipal infrastructure and make it possible for older and less mobile persons to conduct their banking transactions locally and conveniently</li> </ul>



Target	Selected contributions to the respective SDGs
	<p><b>Goal 12: Sustainable consumption and production</b></p> <ul style="list-style-type: none"><li>• EMAS audit completed</li><li>• Initial certification as a Green Brand in Slovakia completed</li><li>• Since 2019, our photovoltaic systems have helped us cut 167 tons of CO<sub>2</sub> equivalents in relation to the electricity mix, which now comes 100% from renewable sources</li><li>• The volume of sustainable loans expanded to over EUR 1 billion</li><li>• Share of sustainable investment components in asset management raised to around 36.0%</li></ul>
	<p><b>Goal 13: Climate action</b></p> <ul style="list-style-type: none"><li>• Member of the Green Finance Alliance</li><li>• Covered 65% of total energy consumption from renewable energy sources</li><li>• Approximately 1,500 m<sup>2</sup> of space used for banking operations were converted into apartments, thereby helping avoid new soil sealing</li><li>• 545 pieces of equipment no longer usable for banking operations were given to AfB for reuse</li><li>• Natur&amp;Zukunft accounts initiated the planting of a further 10,000 trees</li></ul>



## Information on the report

This sustainability report covers the sustainability activities of BKS Bank throughout the Group for the financial year 2023. BKS Bank publishes non-financial information in accordance with § 243b Austrian Business Code (*Unternehmensgesetzbuch, UGB*) and § 267a Austrian Business Code (*NaDiVeG, Nachhaltigkeits- und Diversitätsverbesserungsgesetz, Sustainability and Diversity Improvement Act*) in this separate Sustainability Report. We provide information on concepts, processes and measures relating to environmental, social and employee issues as well as on human rights and anti-corruption.

The report was prepared in accordance with the GRI Universal Standard. The indicators published cover the BKS Bank Group and therefore correspond with those published in the Annual Report. The group of consolidated companies are listed on page 17. If, in some cases, a key indicator or a reporting period differs from those used for the financial year 2023, we point this out in the text. The financial year of BKS Bank is the period from 1 January to 31 December of the respective year.

The single-entity financial statements of BKS Bank AG are not presented. The reason is that the single-entity has a dominant position within the Group and its non-financial performance indicators differ only minimally from those of the BKS Bank Group. Data is collected using standardized, internal processes. The carbon footprint is calculated in cooperation with external partners. We have taken the greatest possible care in the collection and preparation of the data. However, slight deviations due to rounding differences are possible.

### **Role of the highest governance body in sustainability reporting**

The Sustainability Report was prepared in close cooperation with the Chairwoman of the Management Board and approved by the full Management Board. Subsequently, the report is submitted to the Supervisory Board for approval of the content prior to publication. To facilitate the Supervisory Board's review of the information and key figures reported, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. was engaged as an external auditor for an independent Limited Assurance Report. The report on the audit is available on page 263 et seq.

### **Report audience and frequency of publication**

The Sustainability Report is written for all stakeholders of BKS Bank. The Sustainability Report addresses men and women equally.

BKS Bank publishes the Sustainability Report annually at the same time as the Annual Report (German version). The last publication preceding this report was in April 2023.

The current Annual Report and Sustainability Report are available on our website at [www.bks.at/investor-relations/berichte-und-veroeffentlichungen](http://www.bks.at/investor-relations/berichte-und-veroeffentlichungen), as well as the reports from previous years. The Sustainability Report is not printed for environmental reasons. Basic information about the company can also be found on our website at [www.bks.at](http://www.bks.at).



### **Forward-looking statements**

This sustainability report contains information and forecasts relating to the future development of the BKS Bank Group. The forecasts are estimates based on the information at our disposal on the copy deadline 1 March 2024.

Should the assumptions regarding such forward-looking statements prove incorrect or should risks materialize to an extent not anticipated, the actual results may vary from those currently expected. This Sustainability Report does not constitute a recommendation to buy or sell shares of BKS Bank AG.

Klagenfurt am Wörthersee, 1 March 2024

The Management Board



Ms Herta Stockbauer  
Chairwoman of the Board



Mr Nicholas Juhász  
Member of the Management Board



Ms Claudia Höller  
Member of the Management Board



Mr Alexander Novak  
Member of the Management Board



Mr Dietmar Böckmann  
Member of the Management Board



## Glossary

The target of **1.5°C** refers to the goal of limiting global warming to 1.5 degrees Celsius above pre-industrial levels.

The EU presented the **Action Plan for Financing Sustainable Growth** in 2018. Its goals include increasing transparency in sustainability financing and channelling funds into sustainable financing and investments.

The **Universal Declaration of Human Rights** (Resolution 217 A (III) of 10 December 1948) consists of 30 articles, adopted by the United Nations, and aims to achieve the greatest possible protection of all human beings.

The **audit certificate “berufundfamilie”** is a state quality label awarded to family-friendly companies in Austria.

**Exclusion criteria** in the context of sustainability refers to criteria that define transactions and investments a company does not enter into.

**Biodiversity** or biological diversity stands for the variety of life on earth, including all living beings, species, ecosystems and landscapes.

The **BKS Portfolio-Strategie nachhaltig** refers to the asset management strategy that invests exclusively in investment funds from the sustainability segment. These investment funds are subject to strict criteria, and compliance is continuously monitored both internally and externally.

The **carbon footprint** is a measure of the total amount of carbon dioxide emissions generated or caused directly or indirectly by the activities or life stages of products or persons.

The **Diversity Charter** is an initiative to promote appreciation towards all members of society.

A **CO<sub>2</sub> equivalent** is a unit of measure used to standardize the climate impact of the various greenhouse gases.

**Carbon sink** is the term used to describe natural ecosystems or geological reservoirs that can absorb CO<sub>2</sub> such as forests, soils, oceans.

A **code of conduct** is a set of rules for behaviour.

The term **compliance** refers to compliance with statutory provisions by companies. The term compliance is also used to refer to the creation of organisational structures within companies to ensure adherence to regulations – both statutory and internal company guidelines.

**Corporate governance** is the legal and factual regulatory framework for managing and monitoring companies for the benefit of all relevant stakeholders and stands for good corporate governance.

The **Corporate Sustainability Reporting Directive (CSRD)** is a EU Directive that defines future sustainability reporting.

**Climcycle** is an ESG risk assessment tool for classifying Taxonomy eligibility and determining CO<sub>2</sub> emissions pursuant to PCAF.

**Decarbonization** refers to the transformation the economy, specifically the energy sector in order to lower the output of carbon dioxide (CO<sub>2</sub>) by phasing out fossil fuels.

**Diversity** refers to the conscious handling of diversity in society, related not only to gender but also to other characteristics such as race, social background, age, religion, sexual orientation and disability.

**Dividend** is the share in the profit of a joint stock company distributed to shareholders.

**Due diligence** is the careful scrutiny and analysis of a company with regard to its economic, legal, tax and financial circumstances.

The **EFQM model** is a total quality management system developed in Europe. EFQM stands for European Foundation for Quality Management.

**Own investments** refers to investment transactions a bank carries out for its own account.

**EMAS** (Eco-Management and Audit Scheme) is one of the most widespread and stringent environmental management systems in Europe.

**Issues** in a financial policy context refer to the issuance of securities or money. In an ecological context, **emissions** refer to the emissions of gases or particles that pollute the air, soil or water.



**Renewable energy** or regenerative energy refers to energy sources that are virtually inexhaustible in the human time horizon for sustainable energy supply or are renewed relatively quickly. Examples include solar and wind power.

**ESG**, Environmental, Social and Governance, refers to the three key factors used when measuring the sustainability and social impact of an investment in a company or business.

The **European Green Deal** is a scheme presented by the European Commission in 2019 with the goal of reducing net greenhouse gas emissions in the European Union to zero by 2050, making it the first continent to become climate neutral.

**Financial literacy** refers to a general education in financial topics.

**Financed emissions** include CO<sub>2</sub> emissions generated on the basis of loans granted and investment products.

The programme **"Fit for 55"** describes the numerous EU regulations that aim to reduce CO<sub>2</sub> emissions by 55% by the year 2030 compared to the year 1990.

**Money laundering** is the term used to describe the process of smuggling illegally generated funds or illegally acquired assets into legal financial and economic cycles.

The **gender pay gap** describes the disparity between the average income of women and men.

The **GHG Protocol (Green House Gas Protocol)** is an internationally recognized standard for greenhouse gas emissions accounting and reporting for companies.

The **Global Reporting Initiative** is a provider of guidelines for the preparation of sustainability reports by companies, small and medium-sized enterprises, governments and non-governmental organisations.

The **green asset ratio** is a ratio that indicates the proportion of a bank's business classified as sustainable in accordance with Regulation (EU) 2020/852 ("Taxonomy Regulation").

A **green bond** is a bond with positive environmental and/or climate characteristics.

**Green Brands** is an international, independent and autonomous organisation that evaluates brands, and awards the green brand quality seal to ecologically-sustainable brands. It is an EU certification mark.

**Green finance** stands for environmentally-sustainable finance and is often also used as a general term for a more sustainable finance industry.

**Green Finance Alliance** The Alliance is an initiative of the Ministry for Climate Action created to achieve a sustainable financial market. Members of the Green Finance Alliance play a pioneering role in climate action and demonstrate the compatibility of climate action and a sustainable economy.

**Green leasing** refers to lease financing for environmentally-sustainable commodities.

**Impact** refers to the effects of measures on the environment or society.

**International Labour Organisation:** The International Labour Organisation is a specialized agency of the United Nations charged with promoting social justice, human rights and labour rights.

**ISS ESG** is an internationally-recognized sustainability rating agency and consultancy firm.

**Climate neutrality** means that a process or activity does not affect the climate.

**Climate change** is the globally occurring change in the Earth's climate.

**Circular economy** is a production and consumption model. The model aims to ensure that existing products and materials are shared, repaired, refurbished or recycled as long as possible so as to extend the lifecycle of the products and materials.

**MAMFORCE®:** In Croatia, the MAMFORCE® organisation defines standards for work-life balance.

**MSCI ESG** is a global provider of sustainability research analysis and sustainability ratings.

In **sustainable procurement** purchasing is based on minimum ecological and social standards.

**Sustainable financing:** This refers to financing that is used for a sustainable purpose.



**Sustainable investment** refers to investments in which the issuer is obliged to invest the proceeds in projects or technologies that are climate-relevant or environmentally-friendly.

**Sustainability** means meeting the needs of the present without compromising the needs of future generations.

The **Sustainability and Diversity Improvement Act** (*Nachhaltigkeits- und Diversitätsverbesserungsgesetz, NaDiVeG*) is the legal basis for sustainability reporting in Austria.

The **net promoter score** is an international metric for measuring the willingness of customers to recommend a company to others.

**Offshore banking:** Offshore banking refers to banking transactions in a currency other than that of the country of domicile. Offshore banks are often located in low-tax locations with only rudimentary banking supervision. Their purpose is usually to facilitate tax evasion and avoidance.

**ÖGNI:** The Austrian Society for Sustainable Real Estate (*Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft*) is a non-governmental organisation promoting sustainability in all aspects of the construction and real estate industry in Austria.

The term **eco-electricity or green power** usually refers to electrical energy from environmentally-friendly renewable energy sources.

The **Austrian Ecolabel for Sustainable Financial Products** certifies ethical projects and companies from the financial sector that generate profits through sustainable investments.

**Paris Climate Agreement:** The Paris Agreement was signed by the international community of states in 2015 with the goal of reducing global warming to below 2 degrees Celsius.

The **Partnership for Carbon Accounting Financials (PCAF)** is a global initiative of the financial industry to standardize the measurement of greenhouse gas emissions for the financial sector.

In the context of climate change, risks that arise directly from the consequences of climate change are referred to as **physical risks**.

**Positive criteria** refer to the services, technologies and business practices of companies and to the activities and practices of countries that comply with the principles of sustainability are therefore assessed positively in business transactions.

**Recycling** is the processing and reuse of discarded raw materials in a new product.

**respACT - austrian business council for sustainable development** is Austria's leading business platform for corporate social responsibility (CSR) and sustainable development.

**Reuse** means the reuse of a product either for a new purpose or after the product has been refurbished for further use.

**rfu** - designates the company Mag. Reinhard Friesenbichler Management Consulting.

**Science-based targets (SBT)** are reduction targets for relevant greenhouse gas emissions calculated on a scientific basis in accordance with the standards defined by the Science Based Targets Initiative (SBTi).

**Scope 1:** all direct greenhouse gas emissions, i.e. those generated by combustion at our own facilities.

**Scope 2:** all greenhouse gas emissions associated with purchased energy (e.g., electricity, district heating).

**Scope 3 emissions** refer to the greenhouse gas emissions that are generated before (upstream) or after (downstream) the company's activities.

**Second party opinion** is an opinion prepared by external experts on the sustainability of a financial product.

**Social bonds:** These are bonds whose proceeds are used to finance socially sustainable projects.

A **stakeholder** is a person or group of persons with a legitimate interest in the course or outcome of a process or project.

**Stranded assets** are generally understood to mean assets (e.g. shares in a company, technical equipment or inventories) whose earning power or market value falls steeply and unexpectedly to the point at which they are largely or completely worthless.



The **Sustainable Development Goals (SDGs)** are 17 goals for sustainable development. These goals of the United Nations serve to ensure sustainable development on an economic, social and ecological level worldwide.

The so-called **Task Force on Climate-related Financial Disclosures (TCFD)** was established to develop voluntary, standardized disclosures on climate-related financial risks for companies.

The **Taxonomy of the European Union** provides binding definitions for ecological and sustainable activities and investments.

**TEG (Technical Experts Group):** The EU Technical Expert Group on Sustainable Finance advises the European Commission on the implementation of the Action Plan for Financing Sustainable Growth.

**Greenhouse gases (GHG)** are gases that contribute to the greenhouse effect and which may be of natural or anthropogenic origin. They absorb a portion of the long-wave thermal radiation emitted by the ground, which would otherwise escape into space.

**TRIGOS:** The TRIGOS Award is an Austrian award for responsible businesses. It has been awarded both nationally and regionally since 2004.

#### **Transition risks or transitory risks**

In the context of climate change, these risks refer to those that arise from the transition to a climate-neutral economy.

**UN Global Compact** is the world's largest network for corporate responsibility. The members commit to comply with 10 principles. The goal is to make the world more social and ecological.

**VÖNIX** is the sustainability index of the Austrian stock market.

In a monetary economy, **value creation** is the objective of productive activity. This transforms existing goods into goods with a higher monetary value.

The **materiality analysis** serves to identify the sustainability issues that are significant for a company and its stakeholders.

The CSR topics of relevance for the company and its stakeholders are identified and presented in the **materiality matrix**.

**Whistleblowing:** Whistleblowing is understood to mean the disclosure of information from sources that are secret or protected because this information is important for the general public. The EU Whistleblower Directive is intended to ensure that people who are the first to become aware of a threat or damage to the public interest in the course of their professional activities are protected when they report this fact.



**List of Abbreviations**

3BIT	3 Banken IT Gesellschaft	ISO	International Organization for Standardization
AfB	"Arbeit für Menschen mit Behinderung" (Work for people with disabilities); mildtätige und gemeinnützige GmbH	IT	Information technology
AG	Aktiengesellschaft (public limited company)	n.a.	Not available
AML	Anti-Money-Laundering	SME	Small and medium-sized enterprises
ALM	ALM assets/liabilities management	kWh	Kilowatt hours
ASRA	Austrian Sustainability Reporting Award	kWp	Kilowatt peak
BGF	Betriebliche Gesundheitsförderung (Workplace Health Promotion)	LCR	Liquidity coverage ratio
BWG	Bankwesengesetz (Banking Act)	NFRD	Non-Financial Reporting Directive
BTv	Bank für Tirol und Vorarlberg	m <sup>2</sup>	Square meter
CapEx	Capital expenditures (spending on investments)	m <sup>3</sup>	Cubic meter
CH <sub>4</sub>	Methane	mn	million
CO <sub>2</sub>	Carbon dioxide	bn	billion
COVID-19	Coronavirus disease 2019	MWh	Megawatt hours
CSDDD	Corporate Sustainability Due Diligence Directive	MWp	Megawatt peak
CSR	Corporate social responsibility	N <sub>2</sub> O	Nitrous oxide
CSRD	Corporate Sustainable Reporting Directive	NF <sub>3</sub>	Nitrogen trifluoride
DB-equ.	Dichlorobenzene equivalent	NGO	Non-governmental organisation
DGNB	Deutsche Gesellschaft für nachhaltiges Bauen (German Sustainable Building Council)	NPO	Non-profit organization
GDPR	EU General Data Protection Regulation	ÖCGK	Austrian Corporate Governance Code
EFQM	European Foundation for Quality Management	OECD	Organisation for Economic Cooperation and Development
EIP	European Investment Practitioner	ÖGNI	Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft (Austrian society for sustainable real estate management)
EMAS	Eco-Management and Audit Scheme	OpEx	Operating expenses
ESG	Environmental, Social, Governance	OR	Operational risk
EU	European Union	PCAF	Partnership for Carbon Accounting Financials
ECB	European Central Bank	QI	Qualified intermediary
FATCA	Foreign Account Tax Compliance Act	respACT	respACT- austrian business council for sustainable development
Fe-equ.	Iron equivalent	SDGs	Sustainable Development Goals; UN targets for sustainable development
HFC	Hydrofluorocarbons	SF <sub>6</sub>	Sulfur hexafluoride
FMA	Austrian Financial Market Authority	SFDR	Sustainable Finance Disclosures Regulation
GAR	Green asset ratio	SPO	Second party opinion
AR	Annual report	t	tons
GHG	Greenhouse gas	TCFD	Task Force on Climate-related Financial Disclosures
GRI	Global Reporting Initiative	GHG	Greenhouse gas
GWh	Gigawatt hours	UN	United Nations
HFC	Halogenated fluorocarbons	VÖNIX	VBV Österreichischer Nachhaltigkeitsindex (VBV Austrian Sustainability Index)
IDD	Insurance Distribution Directive	WAG	Wertpapieraufsichtsgesetz (Austrian Securities Supervision Act)
IFRS	International Financial Reporting Standards Amount	WBI	Wiener Börse Index (Vienna Stock Exchange Index)
ICS	Internal control system	WWF	World Wide Fund for Nature
ICT	Information and communication technology		
ILO	International Labour Organisation		



BKS Bank AG, Klagenfurt am Wörthersee

31 December 2023

To the Members of the Management Board and  
the Supervisory Board of BKS Bank AG

Klagenfurt am Wörthersee

## Report on the independent audit of the non-financial report 2023

We have performed an audit of the consolidated non-financial reporting 2023 (hereinafter “audit”) of BKS Bank AG (hereafter BKS), Klagenfurt am Wörthersee to prepare a limited assurance report.

The consolidated non-financial report 2023 was prepared in accordance with the provisions pursuant to § 243b Austrian Business Code (UGB) and § 267a Austrian Business Code (UGB, NaDiVeG), and in accordance with the EU Taxonomy Regulation, as well as with the GRI Universal Standards 2021.

### Responsibility of the legal representatives

The proper preparation of the non-financial report 2023 in accordance with § 243b Austrian Business Code (UGB<sup>1</sup>) and § 267a Austrian Business Code (UGB<sup>2</sup>), the requirements of Article 8 EU Taxonomy Regulation<sup>3</sup>, as well as the GRI Universal Standards<sup>4</sup> is the responsibility of the Company's legal representatives. We have a statement of completeness signed by the legal representatives in our files.

### Responsibility of the auditor

Our responsibility is to express an opinion, based on our audit activities and the evidence we have obtained, as to whether any matters have come to our attention that may cause us to believe that the Sustainability Report 2022 has not been prepared, in all material respects, in accordance with § 243b Business Code and § 267a Business Code NaDiVeG) including the EU Taxonomy Regulation, as well as the GRI standards.

We conducted our audit in accordance with the standards of the “International Federation of Accountants' ISAE 3000 (Revised)”.

These standards require that we comply with professional ethical requirements including the rules on independence, and that we plan and execute the tasks taking into account the principle of materiality so as to be able to present our opinion with a limited degree of certainty.

Our liability is limited under the “General Terms and Conditions of Contracts for the Certified Public Accounting Professions”. The Terms state that persons belonging to these professions shall only be liable if they breach their obligations by wilful intent or gross negligence. In cases of gross negligence, the maximum liability amount towards clients and any third parties is limited to a total of EUR 726,730.

Our audit activities were performed to obtain a certain auditing assurance as a basis for our opinion. The scope of the auditing activities to obtain audit evidence is narrower than the scope for obtaining sufficient auditing assurance (such as for an audit of financial statements), therefore, the level of audit assurance is lower.



The selection of the audit activities is at the discretion of the auditor. These included the following activities:

- Obtaining a general overview of the company's business activities and its organisational structure and workflows;
- Interviews with company officers to understand the relevant systems, processes, and internal controls relating to the content of the report audited that support the gathering of information for reporting;
- Review of the relevant documents relating to the group, top management and management staff to assess awareness and priorities of the non-financial reporting topics and to understand how the processes and controls have been implemented;
- Survey of risk management and governance processes in relation to sustainability, and critical evaluation of their presentation in non-financial reporting;
- Conduct analytical audit procedures at the entity level;
- Random samples of data and processes were taken to check if they have been appropriately adopted, consolidated and reported at the group level. This activity included assessing if the data reported was accurate, reliable, and complete;
- Assessment of the reporting of material topics, which are addressed in communications with stakeholders, which the media reports on, and to which major competitors make references in their environmental and social reports;
- Evaluation of the company's internal materiality analysis, taking into consideration industry-specific mega-trends as well as GRI aspects;
- Assessment of whether the requirements of § 243b Business Code and § 267a Business Code were adequately addressed;
- Sample testing of the statements on the audited report contents in the non-financial reporting for 2023 based on the reporting principles of the GRI Universal Standards 2021;
- Assessment of whether the GRI Universal Standards (Update 2021) have been applied in a compliant manner;
- Assessment of whether the requirements of the EU Taxonomy Regulation have been adequately addressed.

#### Scope of our mandate

- Figures for preceding years were not reviewed, unless it was necessary for plausibility reasons.
- We do not check the findings of external studies and certifications, but only the correct inclusion of such data and contents in the report.

Our mandate was not to conduct an audit of the financial statements or a review of historical financial information. We did not audit the performance indicators and statements audited as part of the audit of the annual financial statements, or the information contained in the corporate governance report and in the risk report. We only checked for the GRI-compliant presentation of this information in the report. Likewise, neither the detection and clarification of criminal offences, such as embezzlement or other acts of fraud and administrative offenses, nor the assessment of the effectiveness and efficiency of the management was the subject of our engagement. Furthermore, reviewing figures from external studies, forward-looking statements and prior years were not part of our mandate. In the report, the references listed in the GRI Content Index were reviewed, but not any additional (web) references beyond these.

In our opinion, the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our summarized assessment.

<sup>1</sup> <https://www.ris.bka.gv.at/Dokumente/Bundesnormen/NOR40189008/NOR40189008.pdf>

<sup>2</sup> <https://www.ris.bka.gv.at/Dokumente/Bundesnormen/NOR40189009/NOR40189009.pdf>

<sup>3</sup> <https://www.globalreporting.org/standards>

<sup>4</sup> <https://eur-lex.europa.eu/eli/reg/2020/852/>



### **Summary of our assessment**

Based on our audit procedures and the evidence obtained, no facts have come to our attention that give us cause to believe that the Sustainability Report 2022 has not been prepared in all material respects in accordance with § 243b Business Code and § 267a Business Code (NaDiVeG) including the EU Taxonomy Regulation as well as with the GRI Universal Standards 2021.

### Restriction on use

As our report was prepared solely on the commission and in the interest of the client, it does not constitute a basis that offers any assurance on the content for third parties. Therefore, third parties may not derive any claims based on this report. Accordingly, this report may not be forwarded to third parties in part or in full without our explicit prior consent.

### Engagement terms

We have prepared this report on the basis of our agreement with you which is subject to the General Engagement Terms for the Public Accounting Professions (*Allgemeinen Auftragsbedingungen für Wirtschaftstreuhandberufe*) and also effective with respect to third parties.

Vienna, 1 March 2024

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.



Mag. Stefan Uher



pp Lukas Kirchmair, MA



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 St. Veiter Ring 43,  
 9020 Klagenfurt am Wörthersee  
 Phone: +43 (0) 463 5858-0  
 Fax: +43 (0) 463 5858-329  
 DVR (data processing code): 0063703  
 VAT ID: ATU25231503  
 FN: 91810s  
 Internet: [www.bks.at](http://www.bks.at)  
 Email: [bks@bks.at](mailto:bks@bks.at),  
[investor.relations@bks.at](mailto:investor.relations@bks.at)

### Edited by

BKS Bank AG, Office of the Management Board and  
 Investees, Group Communication, PR and Strategy

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### Sub-editor (German version)

Mag. Andreas Hartl

### Translation

Edith Vanghelof

### Contact

MMag. Michaela Werbitsch  
 Head of Communication and ESG  
 E-mail: [michaela.werbitsch@bks.at](mailto:michaela.werbitsch@bks.at)

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