

# Code of Conduct



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## Company culture and objectives

As a universal and dynamic regional bank in the heart of Europe, Oberbank provides financial services of the highest quality. Security, stability and sustainability constitute the foundations of all our actions and thus form the platform of our business model, which focuses on customers and customer business. These values also underlie our ongoing development and in the interests of our customers, we constantly adapt to changing conditions without neglecting our timeless, modern values.

In the past, the Oberbank has already expressly pledged itself to balancing the interests of all its customers, employees, shareholders and other stakeholders within its strategy and business policy. This equilibrium between different wishes and needs contributes significantly to the stability and security of the Oberbank and is also a decisive factor in the retention of its independence and autonomy.

The Oberbank takes full account of ecological aspects that are targeted upon the conservation of all types of resources and is committed to equal opportunities for women and men. Respect and consideration for colleagues, customers and partners are further central values that the Oberbank represents. We act according to high ethical principles and reject any form of discrimination, corruption, disadvantage or sexual harassment. We operate in accordance with the applicable legal regulations and internal guidelines, thus underlining our sustainable, trust- and partnership-based working approach.

On the basis of these principles, in 2010 the Oberbank drew up the following Code of Conduct, which is regularly revised and sets out the principles of our business policy, as well as minimum standards of good conduct for the bank and the persons acting on its behalf.

## Scope of application

This Code of Conduct applies to every Oberbank Group employee and therefore covers all of the business areas, regions and companies in which Oberbank has a shareholding of at least 50% and performs group activities. Therefore, this Code of Conduct has also been translated into the respective national languages of all the employees in foreign markets and consequently applies without restriction.

Furthermore, the present regulations also pertain to the group of persons who are organisationally or spatially embedded or permanently active at the respective Oberbank locations such as employees for whom the Oberbank does not exercise a direct employer function. The Oberbank also endeavours to ensure that participations over which it does not exercise control, as well as customers, suppliers and partners also comply with the fundamental principles of this Code.

The current Code of Conduct is already issued to the aforementioned group of addressees at the time of recruitment, is permanently available via the in-house INSIDE system and can also be called up and downloaded from the homepage of the bank under [www.oberbank.at](http://www.oberbank.at). The Oberbank expects all employees on every hierarchic level to read, understand and consistently comply with the current version of the Code.

Evaluations show that in 2022, on average employees accessed the Code of Conduct online in INSIDE 16 times monthly and therefore used the Code as a benchmark in their daily activities. Likewise, on average, customers and other interested parties accessed the Oberbank Code of Conduct 68 times per month via the homepage.

## Responsibility for implementation

As stipulated in the performance standards for Oberbank managerial personnel, responsibility for exemplifying, demanding and monitoring compliance with internal and external guidelines lies with the company employees defined as executives, beginning with the Board of Management.

The direct line manager is the first point of contact for employees with questions about the possible interpretation of internal regulations.

However, ultimately it is also the responsibility of every individual Oberbank Group employee to assess the ethical and moral compatibility of his or her activities, conduct and omissions in terms of the values of society and those of the bank.



## Independence secured by stable core stockholders

The business policy of the Oberbank and its course for continuous success are based on principles of good corporate governance and transparency and pursue sustainable and long-term objectives. The ownership structure and the strategic orientation of the Oberbank as a listed, independent, regional bank are clearly communicated to the general public. The preservation of independence is our primary corporate objective. We aim to safeguard this autonomy through sustainable profitability and a sensible risk policy. No shareholder is able to exercise direct or indirect control alone. A syndicate agreement exists between the BKS Bank AG and the Bank für Tirol and Vorarlberg Aktiengesellschaft, which has the purpose of maintaining the independence of the Oberbank. In addition to the commitment of the management and the employees to the Oberbank and its autonomy, long-term cooperation with reliable partners such as the Generali Versicherung AG also serves as a major stability factor.

This fostering of independence is also reflected in the manner in which our employees interact with customers. They are on an equal footing with their clients and responsibly offer services tailored to the customer's individual, financial interests. Autonomy is also practiced during day-to-day customer contacts with the result that the freedom of action required for optimum consulting, without directives from controlling, domestic or foreign group companies, has established itself as a guideline for shaping our customer relationships. In addition, this independence makes a significant contribution to the attractiveness of Oberbank as an employer in the respective regions.

## Working environment: mutual esteem

Oberbank naturally opposes all forms of discrimination and sexual harassment. It consistently rejects discrimination, for example on the basis of nationality, culture, social origin, skin colour, gender, sexual orientation, religion or political opinion. Oberbank attaches great importance to open communication in the event of an incident, which is why a whistleblowing reporting system has been set up for anonymous reports (for the whistleblowing reporting platform, see <https://oberbank.integrityline.com/frontpage>).

Promoting diverse potential gives our company a clear competitive advantage, which is why age, gender, nationality or other personal characteristics should not be an exclusion criterion when making personnel decisions. On the contrary, we value all people and practise fairness, inclusion and gender equality in the

workplace. Oberbank's commitment to diversity is also reflected in the signing of the Diversity Charter (see also <https://www.oberbank.at/mitarbeiter> ).

In this context, it is essential for all countries in which Oberbank operates to act in accordance with international conventions and standards such as the European Convention on Human Rights (ECHR), the UN Global Compact, the OECD Guidelines for Multinational Enterprises or the UN Guiding Principles on Business and Human Rights. Compliance with the fundamental principles of the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, i.e. freedom of association, the right to recognition of collective bargaining, the prohibition of forced, compulsory and child labour as well as the prohibition of discrimination in the workplace, is also of fundamental importance to Oberbank. The fact that Oberbank also attaches great importance to workplace health promotion and safety at the workplace is reflected, among other things, in the "Aktie Gesundheit" initiative (see also <https://www.oberbank.at/benefits>).

Oberbank employees represent the values of Oberbank to the outside world. They are therefore required to demonstrate fair, morally correct and lawful behaviour. This is essential to gain and maintain the trust of customers that is necessary in the banking business. Culpable misconduct has consequences under personnel law.

## Managerial / staff conduct

### Leading by example

Managers act as role models and are guided by the Code of Conduct. They behave in a morally correct manner and thus ensure that employees comply with the bank's ethical principles. Personal communications and employee motivation are important. In addition to the MbO process ("Management by Objectives", see below), managers are also available on an ad hoc basis to address the important, personal concerns of individual employees.

### Esteem / anti-discrimination / diversity

Respectful and appreciative interaction is extremely important during daily cooperation. Everyone has individual strengths that can be put to good use in the team. All employees are treated equally and have the same opportunities regarding their professional perspectives. There is no discrimination on the part of employees/management bodies for reasons of gender, race, skin colour, ethnic or social origin, genetic characteristics, language, religion or ideology, political or other opinion, membership of a national minority, wealth, birth, disability, age or sexual orientation. A diverse composition or diversity is furthered when making appointments to managerial bodies. It is also ensured that remuneration is gender-neutral and based on the same criteria. As can be seen in the "Collective Agreement for Employees of Banks and Bankers", all employees are allocated to an employment group according to the nature of the predominant activities to be performed, the related responsibility, training, the possible management of personnel and many other criteria. Each of the employment groups includes salary grades based on the length of service with the company.

As part of a company initiative entitled "Chance 2030 - Gender Balance for Greater Diversity," the Oberbank is actively promoting a gender-balanced corporate culture. The clearly stated goal is to achieve equal

representation of all genders in every position, i.e. 50 per cent women and 50 per cent men. This quota is taken into account during all new and subsequent appointments to managerial positions.

### **Family support**

Family support and the compatibility of professional and family life are also among the Oberbank's guiding principles and fall under the direct responsibility of managers. Flexible working hours and parental leave options are available to all employees.

### **Work-life balance**

The Oberbank offers a wide range of working time models to accommodate its employees. These include flexitime, part-time employment and teleworking. The flexitime model, for example, facilitates the balancing of higher and lower workload phases and thereby creates a feasible equilibrium between the professional and private spheres. In this way, the employer attempts to make a significant contribution to creating parity between work, private interests and family life. The Oberbank also enables educational leave and provides financial support when the intended training is of relevance for further employment within the bank.

### **Management by Objectives (MbO) and performance standards**

Management by Objectives is embedded in a process that is established throughout the group and involves MbO discussions in which the targets for the coming year are determined in a measurable and comprehensible manner and their implementation is reviewed on the basis of defined measurement criteria.

Performance standards, which are also evaluated as part of the MbO process, have been defined for managerial posts in the following key areas:

- Sales / customer orientation
- Risk / operational responsibility
- Professional competence - learning & development
- Leadership / social competence and equal opportunities
- Values - the Oberbank spirit

### **Employee representation**

The balance between the economic interests of the bank and the interests of employees is a particular concern. Open, constructive communications and a relationship based on partnership are maintained between management and the Works Council. The Works Council members are free to assemble and call for meetings of all or sections of the company workforce. All employees are at liberty to attend staff meetings and the Oberbank provides adequate facilities for this purpose.

# Employee conduct and appearance

A confident and polite tone is expected during dealings with both customers and colleagues.

## Appearance and manners

As far as a well-dressed appearance and a positive employee attitude are concerned, using INSIDE (Services/Miscellaneous/Quality Management), you can find checklists and recommendations regarding conduct that are intended to guarantee the Oberbank's quality standards. Even outside of professional activities, care must be taken to maintain an appropriate appearance or demeanour appropriate to the job description of a bank employee in order that actions are avoided, which could have a negative impact upon the reputation of the Oberbank.

## Dealing with alcohol and drugs

As a fundamental rule, the consumption of alcoholic beverages is not permitted during working hours. Moderate alcohol consumption is permitted within a usual social context, for example at customer events, business dinners and festive or social occasions (Christmas or birthday parties). In the spirit of mutual support, together with line managers, the Human Resources department, the Works Council and the company physician, employees and managers are required to provide assistance in the event of the obvious problems of other colleagues with regard to alcohol. Smoking is prohibited in the business premises of the Oberbank. The consumption of drugs by employees is strictly forbidden.

## Sexual harassment, discrimination, mobbing

In accordance with this Code of Conduct, sexual harassment, discrimination or degrading language of any kind towards other employees or customers is strictly prohibited in the Oberbank and will result in labour law-related consequences.

## Bank resource utilisation

Employees are expected to utilise the bank's equipment and materials in a cost-conscious and resource-conserving manner. The use of office supplies for private purposes is therefore basically forbidden. The employment of PCs for private purposes (telebanking, Internet queries) is permitted subject to managerial agreement, but this is to be exercised on an extremely restrictive basis. An internal work instruction („Arbeitsanweisung: Internet, eMail, N:\Privat, Messenger-Dienste AT/DE“) has been issued in this regard.

## Personal financial management

Executive management expects employees to conduct their banking business at the Oberbank and, in particular, refrain from holding accounts and deposits, conducting securities transactions or taking out loans at other financial institutions. Accounts and deposits maintained on favoured employee terms may also include the private funds of a spouse or dependent children for whom child allowance is received.



## **Guidelines for employee transactions**

Employee transactions may not be concluded against the interests of customers or the Oberbank. Accordingly, via INSIDE the Oberbank has issued guidelines („Richtlinie: Interessenskonflikt Policy“) for investment and securities transactions by bank personnel, which must be observed by all employees.

## **Acceptance of gifts and gratuities**

Employees may neither demand nor accept benefits or other advantages for themselves or for third parties that could impair their independence. No bribery or other forms of corruption through the acceptance or granting of unfair advantages will be tolerated. The relevant company agreement regulates the following with regard to the acceptance of gifts (by customers, business partners, institutions, etc.) offered with regard to the service or official position. Employees may accept occasional gifts, the value of which does not exceed the standard amount. Before accepting benefits of monetary value that exceed the value of an occasional gift, or monetary sums, employees must obtain a decision from the Head of Department or Division. Customary discounts are excluded. Gifts exceeding a value of EUR 150 may not be accepted and solely the Board of Management may grant exceptions to this rule. Should an occasion occur, employees may accept invitations when these serve the business interests of the Oberbank, or the fulfilment of representative obligations.

## **Secondary occupations**

Employees must notify the Human Resources department of any part-time activities, shareholdings in companies or executive roles prior to their assumption and must obtain special departmental approval, which takes any conflicts of interest into account. Among others, such functions include managing directorships, management and supervisory board posts, positions in foundations, the power of attorney, the exercise of political offices, and activities and functions contrary to the employees' duty of loyalty or morality, or which could prove to be competitive in nature. They also encompass pursuits that may interfere with the performance of work within the Oberbank, as well as voluntary activities to a manageable extent. Further details on the conditions and procedures for reporting and the approval of part-time activities are set out in the internal working instruction „Arbeitsanweisung: Nebenbeschäftigungen, Unternehmensbeteiligungen bzw. Organfunktionen durch MitarbeiterInnen“.

## **Media**

Questions from journalists are answered exclusively by the Board of Management, or persons nominated for this purpose. This guarantees that the Oberbank represents only one point of view at a time to the outside world and thus does not act in a contradictory manner.

## **Social media**

The Oberbank has been active in social networks since the beginning of 2014. As private and business content often become blurred, there is a „Richtlinie: Social Media“ for the conscious use of social media that can be called up via INSIDE and serves to protect employees and the company. As a general rule, social media may be used for “networking” but not as a sales channel for Oberbank products. The main objective of the Oberbank's social media activities is to strengthen its image and to increase customer interaction. The “Digital Unit” team of the Strategic Organisational Development, Digitalization and IT department (ORG) manages all “official” Oberbank appearances.

## Employee / customer conduct

The overriding principle of our company is naturally to strive to fulfil the financial concerns and wishes of our customers in the best possible manner. In doing so, the personal relationships between employees and customers are of primary importance.

### **Esteem & “Know Your Customer”**

Such personal relationships are not only an expression of estimation towards our customers, but also indispensable for the implementation of the “Know Your Customer” principle to which the Oberbank is fully committed. This facilitates both the recognition and prevention of suspicious transactions, money laundering and white-collar crime.

### **Discretion**

Complete discretion and data protection must be ensured in banking and standard customer transactions, as this is a cornerstone of customer trust in the Oberbank.

### **Communications with customers**

For communications with our customers, the appropriate medium has to be selected in line with the matter in hand and the customer's wishes. Moreover, the relevant guidelines (see e.g. INSIDE/Qualitätsmanagement, INSIDE/Corporate Design) are to be observed. Complicated technical terms should be avoided and clear language is to be employed.

### **Wishes and complaints**

All customer wishes and complaints are to be taken seriously and quick and satisfactory solutions are to be sought („Richtlinie: Organisation des Beschwerdewesens in der Oberbank“).

### **Adherence to deadlines**

Agreed appointments are to be kept by means of efficient schedule management. Return calls to customers or employees are to be handled quickly and reliably.

### **Responsible customer relations**

We wish to behave towards our customers in a fair and respectful manner, which is why marketing campaigns must also be conducted with equal moderation and courtesy. No offensive or insulting images or messages may be used. Marketing materials must be clear, balanced and not misleading. Furthermore, loan allocations must be made responsibly. Loans may only be granted to customers, who are most likely able to afford repayment. In the event of financial difficulties, solutions must be prepared jointly.

## Error culture in the Oberbank

The Oberbank strives to ensure a functioning error management system on a permanent basis and thus implement a modern error culture throughout the company. The aim is to achieve an up-to-date, contemporary and constructive approach to dealing with errors, which should be dealt with on the basis of the following principles:

### **Principle of error acceptance**

This means that the Oberbank's guiding premise is not to demand one hundred per cent error avoidance from employees, but instead to attempt to promote the ability of all employees to deal with errors constructively. With the help of the company's established "Internal Control System" (ICS) and operational risk management, activities aimed at the improvement of processes and systems are in constant progress.

The Oberbank is conscious of the fact that amongst employees, errors can also be accompanied by fear of recrimination and other negative consequences. This can lead to attempts to conceal and hide mistakes, which render impossible the constructive handling of mistakes and learning how to avoid similar occurrences in the future. Employees must therefore have the opportunity to report negligent errors to their line managers without anxiety regarding sanctions and discuss them constructively together. Line managers are therefore required to respond to employee reports of mistakes in a factual, timely, positive and supportive manner. Subjective, emotional and derogatory criticism of employees must be avoided.

Within the framework of the legal possibilities and the bank's duty of care towards its employees, the Oberbank is committed to offering employees optimum support during external responsibility. This has also been specified in a separate internal guideline, which is available to employees via INSIDE („Richtlinie: Externe Verantwortung von Mitarbeiter:innen in der Oberbank“).

### **Principle of "zero tolerance" with regard to grossly negligent conduct**

In order to prevent misconduct to the greatest possible extent, all essential work processes are described in accordance with legal regulations and these descriptions are available to employees at all times via INSIDE. In order to verify compliance with these regulations and the underlying laws, the bank has a large number of technical and manual controls, as well as all the facilities and procedures of second- and third-line controls standard to the industry (Internal Auditing, Compliance Office, Money Laundering Prevention Office, complaints management for customer complaints and whistleblowing for confidential disclosure of violations of the law by employees to Internal Auditing). Bank employees are therefore aware that gross negligence and in any case intentional, misconduct in connection with the performance of their duties will lead to corresponding (labour) law consequences.

## Whistleblowing

An office for the reporting of misconduct by employees has been established at the Oberbank under the auspices of Internal Auditing. In this regard, there is a separate guideline called „Arbeitsanweisung: Whistleblowing (Hinweisgebersystem)“, which can be accessed via INSIDE at any time. The Oberbank thus has an internal procedure for the anonymous reporting of occurrences that arouse the suspicion of violations of the law. The reporting option is available to all employees of the Oberbank Group, as well as to external personages. The link to the reporting platform is available via INSIDE and on the Oberbank homepage. There are no internal or external reporting channels that could compromise the anonymity or confidentiality of employee reports. Whistleblowers are not subject to pressure or reprisals of any kind. The implemented reporting tool complies with the requirements of Directive (EU) 2019/1937.

## Complaint management

The Oberbank possesses a central complaints management system to which clients can turn at any time if they have been unable reach their advisors for an adequate solution regarding a complaint or concern. The Oberbank's complaint management is regulated by the organisation's complaint system guideline „Richtlinie: Organisation des Beschwerdewesens in der Oberbank“, which can be accessed by employees via the in-house INSIDE at all times. The Central Complaints Office endeavours to find a solution to the individual problem that is acceptable to all concerned, by collating and considering the arguments of both sides. In addition, the findings collected by the complaints management system are incorporated into the “permanent progress management” system, which has been established for the ongoing improvement of processes related to operational risks.

## Social responsibility

As an independent regional bank, the Oberbank has deep, geographic roots and supports both local people and businesses. Our success is based on the confidence that our customers place in us, and this trust gives rise to social, economic and ecological responsibilities, which we take very seriously.

### Sustainability

Sustainable thought and action have always been an integral part of Oberbank strategy (see „Richtlinie: Nachhaltigkeit in der Oberbank“). However, in order to also meet the demands of modern sustainability management, it has implemented a group-wide sustainability project with the following focal points:

- The implementation of an internal sustainability organisation and corresponding process structures for its continuous development.
- The development of a sustainability strategy with clear targets and measures for the realisation of these objectives (e.g. the consistent expansion of the sustainable product range; the introduction and systematic analysis of processes for a further increase in eco-efficiency). The Oberbank's sustainability ambitions are in line with the global Sustainable Development Goals (SDGs) of the

United Nations and through our corporate performance we are making a measurable contribution to their achievement.

- Establishment of an active exchange with relevant, external stakeholders in the field of sustainability. We have stated publicly that we wish to participate directly in the solution of global challenges and are actively involved in branch initiatives of CSR-relevance.

In addition, this year the ESG Unit was formed in the Strategic Organisational Development, Digitalization and IT (ORG) department. ESG stands for Environment, Social and Governance and the Unit's range of competences extends beyond environmental protection. For this reason, it serves both internally and externally as the first point of contact for topics related to sustainability and acts as a hub for various sustainability agendas within the Oberbank. The Oberbank can only be economically successful if it also assumes its ecological and social responsibilities.

### **Sponsoring and social commitment**

Among other aspects, our social responsibility takes the form of targeted sponsoring. As a regional bank, in its catchment area the Oberbank focuses primarily upon sponsoring activities with a local connection. In addition to cultural and sporting sponsorship commitments, other areas such as social & voluntary institutions, charity & service clubs, public institutions, business & politics and various small sponsorships are also supported. The Oberbank also aids institutions that are committed to the preservation of a functioning environment and human coexistence (volunteer fire services, the Red Cross, animal protection organisations, the Austrian Alpine Association, the Austrian Mountain Rescue Service, the Scouts and the Police). For further information see INSIDE/Sponsoring.

### **Political donations**

The Oberbank rejects direct monetary donations to political parties if these serve the purpose of political advertising or communication, programme design and implementation, and all other activities that relate directly to a political party. However, it cannot be excluded that the indirect support of one or more political institutions may occur through the funding of eligible projects or communications activities on the part of the Oberbank. In this case, however, the focus is on the suitability of the project for sponsoring, or the Oberbank's own communications image and not the affiliation to a certain political party.

### **Accessibility**

We strive to make our branches and our website as barrier-free as possible and to improve accessibility in order to facilitate the entry of all physically disadvantaged persons.

## Ecological responsibility

The protective use of all resources is part of social responsibility, which is why the Oberbank seeks to achieve the greatest possible environmental compatibility with regard to all its activities, processes and products. Every year we identify areas for improvement in relation to energy efficiency and in our sustainability goals aim to achieve the climate neutrality of our own operations by 2025. The introduction of the EMAS (Eco-Management and Audit Scheme) environmental management system in Austria is a further step towards reducing CO<sub>2</sub> emissions. The system places a strong emphasis upon employee involvement.

### **Energy saving**

Since 2007, Oberbank has deployed a professional energy management team that continuously evaluates the measures taken regarding compliance with the statutory guidelines on energy efficiency and sustainability. Internal stipulations relate to effective energy consumption in all Oberbank buildings, which may also be related directly to technical improvements. The objective is to save energy while maintaining an unchanged level of operational performance and thus reduce negative impact upon the climate. For further information, see INSIDE/Energiemanagement.

### **Waste prevention/waste management**

Within the Oberbank, a contribution to successful recycling is achieved through the separation of residual waste, paper, organic waste, metal, glass, electronic scrap and hazardous waste. One EMAS target is an improvement in waste separation at bank headquarters and subsequently at the branch offices and branches.

### **Material consumption**

In order to successively reduce paper consumption, we aim to use it sparingly. The digitalisation of various forms and the promotion of electronic signatures also contribute in this respect. Due to the requirement to save paper, all materials (e.g. printed matter, promotional gifts) are employed carefully. All these projects have a positive impact upon the energy balance.

### **Water consumption**

In the interest of environmental protection, we strive to keep water consumption as low as possible.

### **Climate-friendly business travel**

Business travel is also to be undertaken in a climate-friendly manner. To this end, the Oberbank has anchored the primacy of public transport, especially the railways, in its business travel guidelines. The setting up of videoconference rooms has reduced business trips to the necessary minimum. Fuel is also saved through the holding of webinars or online training courses and presentations.

## Travel allowances

The Oberbank encourages its personnel to use public transport. Therefore, employees in Austria are reimbursed for 40% of their expenses if they utilise public transport when travelling to work. See IN-SIDE/Zuschüsse.

## Regional food products

In the Oberbank's staff restaurant, care is taken to ensure that meals are largely prepared using fruit, vegetables, meat, pasta and eggs purchased from suppliers in the Linz area. In addition, organic ingredients are employed wherever possible and the organic range is constantly being expanded. For dry ingredients such as rice, pasta, unfilled pasta, yoghurt and curd cheese, our company restaurant is already certified with an organic seal of approval.

## Supplier selection

During supplier selection, the greatest possible consideration is allocated to ecological effects. For example, when purchasing paper and hygiene articles, recycled material is used (protection of the environment) and if feasible, orders are placed with regional suppliers (sustainability due to short delivery routes). Clearly, to the extent that they have an influence upon the supply chain, we expect our suppliers to comply with legal requirements and regulations. For example, they may not engage in bribery or corruption, or be involved in money laundering and naturally must take into account established human rights, as well as other aspects such as compliance with legislation regarding working hours, employee safety, the ban on child labour and illicit employment, etc. Therefore, we issue our own „[Code of Conduct für Lieferant:innen und Geschäftspartner:innen der Oberbank AG](#)“ to new associates and instruct them to comply with the regulations. Since 2019, the Code of Conduct has also been presented systematically to our existing and new suppliers for signature, thus guaranteeing their compliance. It is also available on the Oberbank website.

## Investor relations

Investor relations assignments in the Oberbank include all measures that are intended to promote a dialogue with the general public, but more especially that with stockholders and potential stockholders. The central task of investor relations is to gain the trust of investors and to maintain this in the long-term. This lengthy confidence-building process demands continuous exchanges with the various target groups. Important investor relations instruments include, for example, a comprehensive dividend and information policy, as well as image cultivation through targeted public relations activities. At the Oberbank, the latter is guaranteed by quarterly stockholder reports. In addition to sustainable investor support, the Oberbank is also committed to the principles of the Austrian Corporate Governance Code. We comply with these principles by making relevant information available to stockholders on our website [www.oberbank.at](http://www.oberbank.at). Stockholders known to us are kept informed of important information relating to the Oberbank on an ongoing basis as requested. Numerous publications in the print media round off the Oberbank's numerous investor relations measures.



The Oberbank endeavours not to commit or participate in any violations of the law whatsoever. Our actions in compliance with the law are continuously reviewed with the help of numerous internal control mechanisms and external auditing bodies or authorities. As an important control organ, the Oberbank's compliance organisation ensures that the requirements applicable to credit institutions (especially those of a regulatory nature) are fully complied with. A range of effective regulations, systems and procedures ensure that even the slightest misconduct is detected, sanctioned and, if necessary, reported to the competent bodies or authorities (e.g. reporting of suspicious transactions and securities orders and business).

In order to increase awareness regarding compliance, all employees must complete annual e-learning or web-based training courses with integrated test modules. The Human Resources department monitors the completion rate and the Compliance department provides the Board of Management with monthly reports.

## Contacts with authorities

The Oberbank endeavours to maintain productive and transparent contacts and cooperation with all the authorities of relevance to its business operations (Financial Market Authority (FMA), Austrian National Bank, tax offices, company registry courts, etc.). In the event of regulatory investigations, questions or audits, we cooperate fully and provide all the relevant information in a timely manner and to the extent required and permitted by law.

## Banking secrecy

A key element in banking business is customer trust. This requires that with respect to the circumstances that become known to them in the course of their work, the bank's employees maintain absolute discretion, especially with regard to the transactions and financial management of customers. This confidentiality shall apply to all Oberbank employees, who undertake an obligation that all the secrets entrusted or made accessible to them on the basis of their business relationship with customers may not be disclosed or exploited, with the exception of the cases stipulated in § 38 para. 2 of the Austrian Banking Act (BWG). The



obligation to maintain banking and data secrecy shall remain in force even after the termination of the employment relationship of our employees and shall therefore apply for an unlimited period of time.

## Data protection

Our customers and business partners entrust us with their data and rightly expect us to handle it with the utmost professionalism and care. Protecting this data is therefore a very high priority! In order to fulfil these expectations and comply with the General Data Protection Regulation (GDPR), we have implemented appropriate measures and precautions to comply with the legal requirements. We expect all colleagues to be familiar with and comply with our data protection guidelines („Arbeitsanweisung: Datenschutz-Grundverordnung“, „Handbuch: Datenschutz“) and to observe the corresponding work instructions. The annual online training courses on data protection and IT security are also mandatory for all employees.

## Cybercrime

The Oberbank is committed to the fight against cybercrime. Employees play a central role in this regard and should something appear conspicuous, it is to be reported immediately to the line manager or the responsible employees in the Compliance Department.

## Taxes

The Oberbank is committed to tax morality and honesty. Taxes are determined and paid in accordance with the prevailing laws. In cases of ambiguity or doubt, tax consultants are consulted immediately for clarification. At no time has the Oberbank actively pursued offshore banking solutions or introduced them to private banking customers. Even upon request, no corresponding products or services are recommended or brokered. In general, investment solutions that are designed primarily for tax reasons are seen as negative. Consultants make clear to customers that they must adopt a compliant manner with regard to taxation and that the Oberbank only wishes to invest funds that have been acquired in line with this approach. In questionable cases, extensive and verified evidence is requested and should doubts nevertheless exist, the business relationship is rejected. The consultants are intensively trained with respect to the aforementioned topics during a range of seminars.

# Combating of money laundering and the financing of terrorism

Assisting the discovery and combating of transactions with a criminal background, and hence their prevention, is part of the correct business policy of a banking institution. In particular, this applies to transactions that serve money laundering or the financing of terrorism. Such criminal activities may not only threaten the solidity of a banking institution misused for this purpose, but also endanger the integrity and stability of an entire financial centre. The Oberbank is fully committed to combating money laundering and the financing of terrorism. As a result, the Oberbank has implemented appropriate measures to counteract money laundering and terrorism financing, and scrutinises business processes appropriately. All of these initiatives serve the know-your-customer principle, which is of growing importance in the banking industry. In order to support the compliance of employees with statutory obligations, extensive rules and regulations have been issued, which include internal work instructions (see “Richtlinie: Geldwäsche”, „Richtlinie: Organisationsrichtlinie Gruppenweite Strategien und Verfahren zur Prävention von Geldwäsche- und Terrorismusfinanzierung“). In addition, all employees receive regular training.

## Sensitive business areas

Oberbank distances itself from industries, companies and business practices that it considers to have unacceptable effects on the environment, social issues and corporate governance. For example, Oberbank does not enter into business relationships and distances itself from companies where labour and human rights violations are known or become known in the course of the business relationship. Also excluded are products or activities that are considered illegal under the applicable legal system or international conventions (e.g. money laundering, fraud, corruption, terrorist financing), as well as controversial environmental practices that constitute violations of national environmental laws and international environmental protection agreements and are not compatible with Oberbank's sustainable values and the preservation and promotion of biodiversity (for more information on the exclusion criteria, see <https://www.oberbank.at/strategie>; for more information on sustainability at Oberbank, see <https://www.oberbank.at/nachhaltigkeit>).

In particular, the Oberbank regards the following areas as being subject to increased ESG risk and therefore excludes them:

### Criteria

### Examples

#### Labour law violations

Where there is a violation of at least one of the four fundamental principles of the ILO Declaration on Fundamental Principles and Rights at Work:

- Freedom of association and the recognition of the right to collective bargaining
- Forced and compulsory labour
- Child labour
- Discrimination in the workplace

For example, when working conditions are unreasonably substandard, especially with regard to minimum wages, working hours, safety and health, forced labour is practised, or minimum standards are systematically circumvented.

**Human rights violations** When human rights are violated in the sense of nationally and internationally recognised legal bases (e.g.: European Convention on Human Rights (ECHR), UN Charter of Fundamental Rights, etc.). Among others, such violations include repression through political arbitrariness, torture or the restriction of privacy, freedom of expression, systematic interference with religious freedom and other human rights violations such as activities that have a negative impact on indigenous peoples and their livelihoods.

**Illegal business practices** Products or activities that are considered illegal under applicable laws or other provisions of the respective state legal system or international conventions and agreements (e.g.: money laundering, fraud, corruption, financing of terrorism, etc.).

**Controversial environmental practices** Controversial environmental practices, which violate applicable national environmental laws and international environmental agreements and are incompatible with overall sustainable values and the preservation and promotion of biodiversity (e.g. systematic behaviour leading to contamination or pollution, projects with a major negative impact on the environment, encroachment on protected areas).

## Branch/Criteria

## Exclusions

### Nuclear energy

- Nuclear energy production and predominant distribution
- Uranium mining and enrichment
- Handling or trading of radioactive or hazardous waste, or the receipt of commission from such activities
- Radioactive material, except medical materials and quality control equipment in which the source of radioactivity is negligible and sufficiently protected

### Illegal substances (Drugs)

Production and trading of drugs that in the respective national legal system are not approved for consumption

### Harmful substances

Prohibited chemical compounds or chemical compounds that are being progressively banned and other harmful substances (e.g. hazardous or highly hazardous pesticides, medicines and materials such as unbound asbestos fibres)

### Precious stones and conflict minerals

Mining of conflict minerals<sup>1</sup> or blood diamonds<sup>2</sup>, etc.

### Fishing

In the case of non-adherence to internationally recognised standards and treaties

|   |  |
|---|--|
| <b>Trading with protected animal species or export leather and animal experiments</b> | <ul style="list-style-type: none"> <li>- Trading with endangered or specially protected animal species, or with species covered by the Washington Convention on International Trade in Endangered Species (CITES), or with parts of such animals</li> <li>- The arrangement of hunts or the hunting of such animals</li> <li>- Activities using live animals for research purposes that carry the risk of causing harm and suffering to the animals involved, for the purpose of testing end consumer goods (e.g. cosmetics, detergents), which is not mandatory under the respective national legal system</li> </ul> |
| <b>High volume fracking, extraction of oil sands, oil</b>                             | <ul style="list-style-type: none"> <li>- Exclusion of financing with companies with the business purpose of high-volume fracking</li> <li>- Exclusion of financing for the production of oil sands, as well as business activities relating to new, unconventional oil projects (shale oil, oil sands, Arctic oil) aimed at the expansion of oil industry infrastructure</li> </ul>  |
| <b>Coal</b>   | <ul style="list-style-type: none"> <li>- Exclusion of financing with regard to the promotion and production of coal and energy generation from coal</li> <li>- Exclusion of new business with companies whose primary business purpose is trading in coal</li> </ul>   |
| <b>Controversial and heavy weapons</b>  | Exclusion of financing with regard to the production of and trading in controversial and heavy weapons. These include e.g. biological/chemical weapons, cluster munitions, nuclear weapons, landmines  |
| <b>Embryo research</b>  | Companies, the business activities of which, are targeted on consumptive research on human embryos (excluding in vitro fertilisation)  |
| <b>Pornography (adult entertainment)</b>  | In particular, unacceptable behaviour includes the denigrating and degrading portrayal of individuals or sexual acts, the production of pornographic content in any format (e.g. films, magazines, etc.), the offering of sex tourism, the operation of brothels and the distribution of pornographic content (turn-over limit: 10%).  |

<sup>1</sup> For example, tin, tantalum, tungsten or gold, which are mined in the Democratic Republic of Congo and its neighbouring states. This region is seriously affected by armed conflict, with the warring parties often financing themselves through control of the mines.

<sup>2</sup> Definition under the Kimberley Agreement: smuggled diamonds that have financed, or are financing, the various wars in Africa.

This also has a positive effect upon the risks to the bank, as in the long-term sustainable production is always less hazardous. This is because in future only those companies that have prepared themselves appropriately for the scarcity of resources will be successful. This not only includes shortages of natural resources, but also the increasing lack of skilled workers. Moreover, companies that operate sustainably are less affected when new environmental standards are introduced or guidelines are tightened. The implementation of standards must already be ensured during the customer acceptance process. Moreover, sensitive industries as well as, e.g. geographical risk aspects are only permitted if strict requirements are met such as those also foreseen in the inter-group directive on money laundering „Richtlinie: Geldwäsche“. For example, subject to approval are betting or gambling, companies with their registered offices in an offshore country, companies active in the field of crypto-currencies, companies operating as money transfer service providers outside the regulated market, companies attributable to foreign political parties, and foreign organisations wishing to open a business relationship for the purpose of fundraising.

In line with the regionality principle, in those countries where it is represented the Oberbank focuses on companies that have their registered offices in the EU, or belong to a member state of UNIDO. In addition, we do not conduct proprietary business with central governments that are excluded owing to the following criteria:

| <b>Criteria</b>                       | <b>Exclusions</b>  |
|---------------------------------------|--|
| <b>FATF list</b>                      | Countries on the black, dark grey or grey list of the Financial Action Task Force on Money Laundering (FATF)   |
| <b>EU list of high-risk countries</b> | Countries on the EU list of high-risk countries (Delegated Regulation (EU) 2016/1675 as amended)   |
| <b>Climate protection</b>             | Countries that have not ratified the 2015 Paris Climate Change Agreement   |
| <b>Press and media freedom</b>        | Countries in which press and media freedom is massively restricted. (Reporters Without Borders blacklist)  |
| <b>Sanctions</b>                      | Countries upon which EU sanctions have been imposed unless specifically defined strategies and procedures are in place at Oberbank to migrate the risks in question to an appropriate extent and in a legally compliant manner |

## Adherence to sanction provisions

Sanctions can occur in both the business of customers and that of the Oberbank. The provisions of the sanctions to be observed derive from both European and national law, and in addition may be affected indirectly by the extraterritorial effect of provisions in US sanctions. To comply with these regulations, the OC has implemented appropriate measures and issued a specific guideline „Richtlinie: Sanktionen & Embargos“.

## Securities Compliance

Banking institutions are required to ensure an organisational form and procedures appropriate to their structure and business activities, as well as ongoing monitoring for the correct performance of securities services and ancillary securities services. The central concern of Securities Compliance is the prevention of market manipulation and insider trading as defined in the Market Abuse Directive and the Stock Exchange Act. Securities Compliance has prepared and issued rules and guidelines („Richtlinie: WAG-Compliance“) to ensure the proper performance of securities services and ancillary securities services.

### **Conflicts of interest**

The ever-expanding range of activities and services related to the financial instruments and services that banking institutions offer and carry out has increased the potential for conflicts of interest between these activities and those of customers. The Oberbank is required by law to take appropriate precautions to ensure that any conflicts of interest are in no way detrimental to customers. For example, one such precaution is the duty of the Oberbank's employees/managers/bodies to comply with the guidelines for transactions by its own personnel („Richtlinie: WAG-Compliance“).

## Anti-fraud management

The Oberbank is committed to comprehensive fraud prevention. Clear guidelines („Richtlinie: Anti-Fraud-Management“) are in place to prevent both internal and external misconduct with such motives and intentions. In order to avert fraudulent or malicious payment transactions, the Oberbank uses IT tools that are calibrated according to the findings of past fraud attempts. In this way, the Oberbank endeavours to safeguard customer assets in the best possible manner and justify the trust of investors.

## Anti-corruption management

An important element in anti-fraud management is the fight against corrupt behaviour by employees. Violations of anti-corruption regulations are totally unacceptable and have always been pursued in the sense of a zero-tolerance policy. Due to the importance of this topic, a separate guideline („Richtlinie: Anti-Korruption“) exists, which supplements the knowledge of employees with regard to the combatting of corruption and ensures increased awareness and sensitivity.

## Training, learning & education

We enable our employees to grow, progress and educate themselves in both a professional and personal regard. Therefore, we offer a variety of programmes or seminars in the personnel development field. The need for further training is determined regularly together with the respective line manager. In order to ensure that our employees are up to speed with the latest technical and legal developments and that our quality standards are maintained in every area of our activities, on an ongoing basis, the Human Resources department provides them with courses, e-learning and webcasts in the HR system. For example, depending upon the employee's position, annual e-learning courses on data protection, FATCA, CRS, compliance / op-risk / complaint management / internal control system, money laundering / sanctions / financing of terrorism, etc. and webcasts on the topics of WAG compliance, money laundering compliance, IT security, fraud prevention etc. are mandatory. See INSIDE/Online Lernwelt.

## Violations/consequences

Amongst other matters, responsible corporate governance includes compliance with regulations, the majority of which are prescribed by statutory framework conditions. In addition, the Oberbank has always felt a commitment to define its ground rules and guiding principles and communicate them appropriately to its personnel. The aim of this Code of Conduct is to summarise the measures instituted in a transparent form and also present them to the general public. The measures and conduct-related objectives contained therein correspond to the awareness practiced within the Oberbank and serve, amongst other applications, our corporate social responsibility (CSR) principles.

### **Violations**

In the event of violations of the Code of Conduct or suspicious circumstances, please contact your immediate line manager or, with regard to compliance matters, the Compliance Department or the whistleblowing unit in Internal Auditing. Whistleblowing reports can also be made anonymously and are subject to special confidentiality regulations.

In consultation with the Board of Management, the Central Works Council and the Human Resources department, it has been determined that violations of the regulations contained in the Code of Conduct can lead to consequences under employment law, as violations can have serious implications for the Oberbank. The aforementioned consequences can range from a warning (mildest measure) to dismissal (severest measure).

## Contact partners

### **Code of Conduct**

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## Additional information

Arbeitsanweisung: Datenschutz-Grundverordnung

Arbeitsanweisung: Dienstreise

Arbeitsanweisung: Internet, eMail, N:\Privat, Messenger-Dienste AT/DE

Arbeitsanweisung: Nebenbeschäftigungen, Unternehmensbeteiligungen bzw. Organfunktionen durch Mitarbeiter:innen

Arbeitsanweisung: Whistleblowing (Hinweisgebersystem)

Checkliste: Gepflegtes Auftreten & positives Verhalten

[Code of Conduct für Lieferant:innen und Geschäftspartner:innen der Oberbank AG](#)

Handbuch: Datenschutz

Richtlinie: Anti-Fraud-Management

Richtlinie: Anti-Korruption

Richtlinie: Externe Verantwortung von Mitarbeiter:innen in der Oberbank

Richtlinie: Geldwäsche

Richtlinie: Nachhaltigkeit in der Oberbank

Richtlinie: Organisation des Beschwerdewesens in der Oberbank

Richtlinie: Organisationsrichtlinie Gruppenweite Strategien und Verfahren zur Prävention von Geldwäsche- und Terrorismusfinanzierung

Richtlinie: Sanktionen & Embargos

Richtlinie: Social Media

Richtlinie: WAG-Compliance

As at 01.12.2023

### **Oberbank AT**

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