

Oberbank

Not like any other bank

Sustainability in Brief 2024



Planning for the future
means thinking ahead
about sustainability.

Table of contents

Oberbank at a glance	4
Our values and goals	5
Sustainability at Oberbank: Ratings & highlights 2024	7
Sustainability topics and SDG	9
Membership and industry initiatives	10
Oberbank's in-house sustainability organisation	11
CO2 balance and decarbonisation	12
Sustainability in line with the EU taxonomy	16
ESG risk management	17
Strictly excluded business (Exclusion criteria)	18
Sustainable financing	21
Sustainable products	24
Governance, compliance and data protection	27
Employees of Oberbank	28
Social and cultural commitment	30
Public information	31

This brochure is based on the consolidated non-financial statement 2024 (Oberbank Sustainability Report), which was integrated into the Annual Financial Report. Differences in content have been marked.

For more information, please refer to our consolidated non-financial statement 2024 on the Oberbank website at <https://www.oberbank.com/sustainability>.

Preface by the Chairman of the Management Board

Dear Readers, Dear Shareholders,

The general economic environment was challenging in 2024, with economic forecasts constantly being adjusted downwards; it was also the second successive year of recession. The trend was much better in our markets of Eastern Europe, which were already well ahead of the interest cutting cycle. In this environment, Oberbank attained earnings at the excellent level of 2023 and substantially strengthened equity again.

Sustainability

There is no alternative to the transformation of the economy towards sustainability. At Oberbank, we base our contribution on our comprehensive sustainability strategy.

We supplemented the information provided in the non-financial statement contained in our consolidated financial statements for 2023 in order to fully comply with the requirements of the ESRS (European Sustainability Reporting Standards). We also updated and supplemented the materiality assessment.

The decarbonisation of our loan portfolio is a challenge, not only for us but also for our customers. To achieve the ambitious decarbonisation goals we must primarily address the segment of Corporate and Business Banking. This means being able to assess the sustainability of a company and its business model, as well as its exposure to sustainability risks. Our top priority is to help our corporate customers master the transformation and make their business models fit for the future: sustainable and with a clear contribution to decarbonisation.

We are proud of our excellent sustainability ratings: ISS ESG confirmed our prime rating (rating C+), which places us among the top 10 banks out of around 280 regional banks that are rated throughout the world. Our MSCI ESG rating was upgraded from A to AA in 2024, thus placing Oberbank among the global leaders. Oberbank's shares were included again in the VÖNIX Sustainability Index of the Vienna Stock Exchange in 2024.

I look forward to the next five years with confidence, Oberbank's business stands on solid footing. Our strength is the loyalty of our staff – from our management to the employee representatives. We all work to achieve the same goal.

The best protection of all for our success and our independence is the trust and loyalty of our customers, shareholders and employees.

I hope you will continue to accompany us on our journey.

A handwritten signature in black ink, appearing to read 'Franz Gasselsberger', with a stylized, flowing script.

CEO Franz Gasselsberger

Oberbank at a glance



Oberbank AG is an independent Austrian regional bank headquartered in Linz. Its branch network extends across Austria, Germany, the Czech Republic, Slovakia and Hungary.

Oberbank AG serves both retail and corporate customers and provides its customers a full range of financial services.

Successful

Key indicators as of 31 December 2024

in € million	
Net income before taxes	476.8
Balance sheet total	28,382.6
Primary agent	19,700.3
Equity capital	4,115.6
Client assets under	40,158.0
Market capitalisation	4,928.9

in %	
Common equity tier 1 capital ratio	19.25 %
Core capital ratio	19.52 %
Total capital ratio	21.29 %
Cost-income ratio	42.47 %

Competent

2,477 employees at 176 branches
(Headcount as of 31 December 2024)

	Branches	Employees
Austria	93	1,777
Germany	46	326
Czech Republic	20	194
Hungary	13	137
Slovakia	4	43
Total	176	2,477

Top institutional rating by Standard & Poor's:
With a "single A", we are one of the best-rated banks in Austria (as of: audit date 19 March 2024).

Our values and goals

Living corporate values

Our values are the central foundation of our strategy.

- Motivated employees who work with **competence** and **passion** create **trust**.
- A strong sense of **community** is also a key value to Oberbank.
- As an employer, Oberbank is committed for fairness and equal opportunities.
- As an employer, Oberbank strives to provide an attractive and meaningful working environment.



Competence



Trust



Community



Passion

Sustainability as an important principle & part of the overall bank strategy

Sustainable thinking and action have always been an integral part of Oberbank's strategy. We have defined sustainability as a field of action and set ourselves concrete strategic goals (see chapter [Oberbank's sustainability goals for 2025](#), page 6).



Oberbank's sustainability goals for 2025

Our path towards a more sustainable future is clearly mapped out and we are making good progress ...



... in governance:

- Commitment to the 1,5°C goal
- Sustainability is part of the overall bank strategy
- Participation in ESG initiatives
- Sharing views with stakeholders



... in asset management:

- Goal: increasing the volume of sustainable 3BG mutual funds (according to the new ESG analysis process) to more than 1 billion euros by 2025
- As of 2024: 1,103 million euros



... for our customers:

- Goal: retain high customer satisfaction
- As of 2024: NPS of 68.1
- Goal: increase utilisation of the Oberbank electronic mailbox to 90.00 % by 2025
- As of 2024: 92.00 % of customers receive their messages in their electronic mailbox



... for society:

- Commitment to the regionality principle, goal: 95.00 % of our sponsorship budget goes to regional initiatives
- Procurement and purchasing primarily from the region



... in finance and in lending policy:

- Goal: at least 1,5 billion euros in sustainable loans (housing)
- As of 2024: approx. 0,93 billion euros
- Decarbonisation of the loan portfolio
- Impact Reporting: published annually for green bond and sustainable accounts
- Goal: 50.00 % of all new issues conform to ESG criteria (green/social bonds)
- In 2021, the first green covered bond (250 million euros) was issued.



... for our employees:

- Next generation goal: 80.00 % managers from within our organisation
- As of 2024: 93.00 %
- Gender balance goal: 30.00 % female managers
- As of 2024: 28.51 % women in management positions



... for the environment:

- Goals 2025: climate neutrality in scope 1 and scope 2, carbon footprint per employee < 1 tonne
- As of 2024: 0.86 tonnes of CO₂ equivalents per employee

For more information on **Oberbank's decarbonisation strategy**, see page [12](#).

Sustainability at Oberbank: Ratings & highlights 2024



Innovations in sustainable products and lending

Oberbank Sustainable Lending Framework was expanded in 2024 to include sustainable retail lending.

Expansion of the sustainable product range for retail customers: be green mobility (instant retail loan) and be green living (retail loan)

Expansion of the sustainable product range for corporate customers: be green invest loan/leasing



Sustainability award FERONIA

In 2024, the **Upper Austrian Sustainability Award FERONIA** was awarded for the second time by Oberbank, OÖ Nachrichten and the Province of Upper Austria.



Decarbonisation strategy

Development of a decarbonisation strategy: first sector-specific climate protection target formulated for Oberbank's commercial real estate portfolio by 2030.



GREEN BRANDS

Oberbank was awarded the **Green Brand Austria 2024/2025** seal of approval for its sustainability efforts.



Sustainability reporting

The **Sustainability Report 2024** was **voluntarily** created and audited in accordance with the **European Sustainability Reporting Standards (ESRS)**.



Very high customer satisfaction

The **net promoter score (NPS)** was increased. As of 31 December 2024, it was 68.1 (2023: 65.7).¹

Awards and ratings

ISS ESG Corporate Rating

Oberbank was awarded "Prime Status" by ISS ESG² and was given a rating of C+. The last rating update took place in 2023, making Oberbank AG one of the **TOP 10** of around 280 rated banks in the Public and Regional Banks sector (as of 28 December, 2023). The highest transparency level of ISS ESG "**very high** (80-100 %)" was achieved too.



MSCI ESG Rating

MSCI ESG Research is one of the world's largest providers of ESG ratings. The MSCI ESG Rating reflects a company's resilience to long-term ESG risks. Along a scale of AAA-CCC, key issues in the areas of environment, social and governance are assessed on the basis of the company's business model.

¹ The NPS measures how many consumers would recommend a product or service to others (range between plus 1000 and minus 100).

² <https://www.issgovernance.com/esg/ratings>

As of 2024, Oberbank received an MSCI ESG Rating of **AA**. With the improvement from A in 2023 to AA, Oberbank ranks among the global leaders.



The use by Oberbank of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Oberbank Bank AG by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

CDP Rating

The CDP rating is considered the gold standard of environmental transparency for listed companies. A score from A to F is awarded. In 2024, Oberbank AG once again achieved a great result: a rating with a score of **B-**.

The former Carbon Disclosure Project (CDP) is a non-profit organisation founded in 2000 that operates as the world's largest international platform and database for the disclosure of company-relevant environmental and climate data (e.g. greenhouse gas emissions, climate risks, reduction targets). The data collected enables investors, companies and governments to make informed decisions to minimise environmental risks.



EMAS

The Eco-Management and Audit Scheme (EMAS) is a voluntary tool for any company that wants to improve the environmental performance of its operations. Following an audit by an accredited body, Oberbank AG has been certified in December 2022. In future, the implementation of the regulation will be reviewed once a year by an external audit, which was also **successfully completed** in 2024.



GREEN BRANDS

The GREEN BRANDS organisation is an international, independent and autonomous brand assessment organisation and awards the GREEN BRANDS seal of approval in international cooperation with independent institutions and companies in the environmental protection, climate protection and sustainability sector. The GREEN BRANDS seal of approval is a registered and protected EU guarantee mark for ecological sustainability with an independent, transparent and neutral test procedure.



Oberbank was awarded the **Green Brand Austria 2024/2025** for its sustainability efforts.

Pro Ethik seal

Oberbank was awarded the **Pro Ethik seal** of the Austrian Advertising Council and, in accordance with the Code of Ethics of the Austrian advertising industry, undertakes to comply with certain quality criteria that go beyond its statutory obligations. This confirms Oberbank's efforts in the field of responsible marketing.



Sustainability topics³ and SDG⁴

All measures and activities under Oberbank's sustainability strategy are designed to contribute to the sustainable development of our environment and our society. In addition, we are thus contributing to the achievement of the United Nations' Sustainable Development Goals (SDG).

Corporate governance

Our strategy and business policy are designed to take the concerns of all stakeholders – customers, employees, shareholders and others – into account in a well-balanced approach.



Compliance

Oberbank does not tolerate any conduct which could be likely to cause harm of any kind to itself, its employees, its stakeholders or the general public.



Sustainable lending policy

Our lending policy, including the integration of sustainability risks, is one of Oberbank's greatest levers for contributing to the sustainable development.



Sustainable product portfolio

Sustainable products enable retail and corporate customers to make a contribution to greater sustainability.



Customer satisfaction

We value our customers' opinions, and we take complaints seriously.



Employees

For its employees, Oberbank's sustainability strategy focuses on the topics of fair employer, employee development, work-life balance, occupational health and safety.



Asset Management

Sustainable investment products enable our customers to consider the protection of the environment, climate and ethical values in their investments.



Our investments

Oberbank may also use its own investments to exert an influence on the protection of the environment, the climate and ethical values.



Operational ecology and sustainable procurement

We are committed to taking ecological and social aspects into account in our own operations and purchasing activities and to conserving resources.



³ These sustainability topics are internally identified topics, not the topic standards / sub-topics from the materiality analysis.

⁴ Sustainable Development Goals

Membership and industry initiatives

UN Global Compact

The United Nations Global Compact is the worldwide largest initiative on corporate social responsibility (CSR) and sustainable development. As a participant in the industry initiative, Oberbank is committed to supporting the ten universal principles addressing human rights, labour standards, environmental protection and the fight against corruption, as well as the 17 Sustainable Development Goals. The goals addressed by OBERbank can be found in the chapter [Sustainability topics and SDG](#), page 9.



respACT

The Austrian business council for sustainable development is a corporate platform for responsible business and thus an important hub between international sustainability organisations, public institutions and companies.



ÖGUT

The Österreichische Gesellschaft für Umwelt und Technik is an independent non-profit organisation that has been committed to the sustainable development of the economy and society for more than 30 years.



PCAF

The Partnership for Carbon Accounting Financials is a global initiative whose members work together to develop a standard for the financial industry to measure and disclose the greenhouse gas emissions of their loans and investments.



TCFD

The Task Force on Climate-related Financial Disclosures develops recommendations for climate-related disclosures in the financial sector to promote transparency and industry-wide comparable, high-quality reporting of information in the areas of governance, strategy, risk management, metrics and targets



Oberbank's in-house sustainability organisation

The topic of sustainability is organised as follows at Oberbank:

- The **ESG Unit** is the first point of contact and hub for various sustainability topics within the group.
- There is at least **one Sustainability Officer** in each department to anchor the topic of sustainability in all areas.
- The **Sustainability Steering Committee** (Management Board, department heads and group head of the ESG Unit) ensures the implementation of the sustainability strategy and approves measures.
- Since march 2023, the Supervisory Board has had a **Sustainability Committee**, which supports the Supervisory Board in the monitoring, implementation and ongoing development of Oberbank's sustainability strategy.
- The **Asset-Liability-Management Committee** is responsible, among other things, for managing the proceeds from sustainable bonds. The Chief Risk Officer chairs the meeting, which is also attended by all responsible department heads.

Oversight		
Oberbank AG Supervisory Board		
Sustainability Steering Committee		
Management Board		
Board of Directors		
Dr. Franz Gasselsberger, MBA Mag. Florian Hagenauer, MBA Martin Seiter, MBA Mag. ^a Romana Thiem Mag.^a Isabella Lehner, MBA Management Board Member responsible for sustainability		
Strategy and Steering		
Asset-Liability-Management Committee	ESG Unit	Sustainability Steering Committee
Management of the proceeds from sustainable bonds	Sustainability hub	Full Management Board & department heads
Implementation		
Employees of the ESG Unit Sustainability team in the Corporate & International Finance department Sustainability Officers of the central departments All employees when working on projects and brainstorming		

CO₂ balance and decarbonisation

Decarbonisation

Oberbank began **developing a decarbonisation strategy** for its entire portfolio in 2023. Since financed emissions (Scope 3.15) account for over 99 % of total emissions at a financial institution, this is where the greatest leverage for decarbonisation lies. Oberbank therefore committed itself to the Science Based Targets Initiative (SBTi) and thus to the calculation and submission of climate protection targets for the year 2030 in accordance with the SBTi methodology. 2024 decarbonization targets were calculated on the basis of the SBTi methodology and evaluated accordingly. It was determined that the SBTi target-setting method is not a suitable target-setting method for Oberbank. For this reason, Oberbank decided to move away from the SBTi methodology and choose an alternative target-setting method.

Nevertheless, the bank remains true to its goals: decarbonization targets are to be set for the vast majority of the loan portfolio in the course of 2025 and anchored in a comprehensive decarbonisation strategy. This strategy is a key component in making a measurable contribution to achieving the Paris climate targets and meeting regulatory requirements.

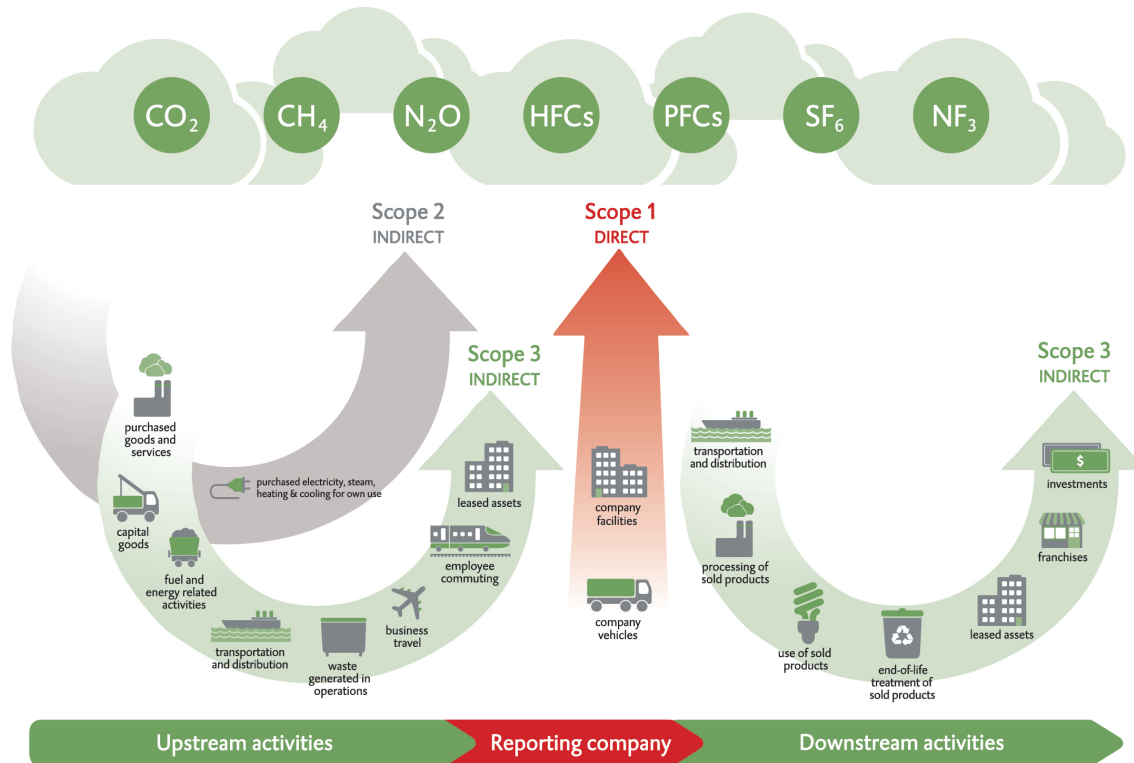
Despite turning away from SBTi, decarbonisation targets are to be set for the vast majority of the loan portfolio in the course of 2025 and written down in a decarbonisation strategy with appropriate measures. The decarbonisation strategy is a central building block for Oberbank on its way to making a measurable contribution to achieving the Paris climate targets and meeting the regulator's requirements.

In 2024, an initial sector-specific climate protection target was formulated for the commercial real estate portfolio by 2030 (see table below). The target is based on the decarbonisation scenarios of the CRREM (Carbon Risk Real Estate Monitor) project and is provisionally defined as a target corridor. In the course of 2025, a fixed target value within this corridor is to be defined following further analyses. The target is supported by a newly formulated credit policy that provides for certain threshold values for energy efficiency classes when purchasing, building or renovating commercial real estate.

Sector	Exposure (in € million)	financed emissions (t CO ₂ e)	Intensity (t CO ₂ e/ € million)	Reference scenario	base year	Value in base year (kg CO ₂ /m ²)	Target value (kg CO ₂ /m ²) (2030)	relative reduction
Commercial real estate	4,283.1	124,636	29	CRREM	2023	39.52	20-25	37-49 %

Greenhouse gas emissions according to the Green House Gas (GHG) Protocol

According to the GHG Protocol, greenhouse gas emissions (GHG emissions) can be categorised into three different impact areas or scopes.



Oberbank Group GHG emissions in scope 1, 2 and 3 (in CO₂ equivalents in tonnes)⁵

Oberbank has set itself the **goal of being climate-neutral in scope 1 and 2 by 2025 and reducing the CO₂-footprint per employee to less than one tonne**, which was already achieved in 2024.

		2024	2023
Scope 1		1,455	1,495
Scope 2	market-based	882	1,234
	location-based	1,894	2,313
Scope 1+2	market-based	2,337	2,729
	location-based	3,349	3,808
	per employee (market-based)	0.86	1.04
Scope 3	Scope 3.6 (business travel)	1,074	428
	Scope 3.7 (commuting)	2,655	1,551
	Scope 3.15 (financed emissions)	5,433,533	5,341,514
Scope 1+2+3	market-based	5,439,598	5,346,223
	location-based	5,440,610	5,347,302

⁵ In this table, transmission errors in the overview table "Greenhouse gas emissions Scope 1, 2 and 3 (t CO₂e)" in the Annual Financial Report 2024 have been corrected, which is why the values reported for 2024 in Scope 3 and overall differ.

Indirect greenhouse gas emissions: scope 3

Since 2022, we have been collecting data on indirect greenhouse gas emissions that occur along the value chain (scope 3 emissions).

Employee mobility⁶



In order to be able to calculate the CO₂ emissions caused by the mobility behavior of employees (commuting and business trips), an annual survey has been conducted at all Oberbank group⁷ locations since 2022. With the exception of the in-house vehicle fleet, these CO₂ emissions are allocated to Scope 3. The CO₂ emissions caused by commuting in 2024 amounted to 2,654.65 t CO₂e. Business trips caused 1,073.68 t CO₂e.

Financed emissions⁸

Oberbank AG has been a member of the Partnership for Carbon Accounting Financials (PCAF) since October 2021. The PCAF methodology allows for a globally standardised calculation and disclosure of greenhouse gas emissions resulting from lending and investments. These greenhouse gas emissions are categorised as scope 3 category 15 (according to the GHG Protocol). In 2024, the financed emissions amounted to 5.4 million tons of CO₂e.

For the year 2024, the emissions financed by Oberbank AG were calculated for the following six asset classes:

- Listed equity and corporate bonds
- Business loans and unlisted equity
- Mortgages
- Commercial real estate
- Sovereign debt
- Project finance

⁶ **Emission factors for employee mobility:** predominantly using emission factors provided by the Austrian Federal Environment Agency (exceptions: for mopeds and motorcycles: emission factors from the UK Department for Environment, Food and Rural Affairs; for tram, light rail and underground transport: emission factors from the German Federal Environmental Agency; for vehicles with hybrid and electric motors: emission values calculated relative to fossil-fueled cars from the Austrian Environment Agency's "Life Cycle Assessment of Passenger Cars" 2021.

⁷ IFRS group; including Oberbank AG and Leasing

⁸ **Emission factors for financed emissions:** For each borrower or investee (excluding project finance), the financed emissions were determined either on the basis of published company emissions - if available - or using emission factors per economic sector (t CO₂e/million euros) from the PCAF Emission Factor Database. Building emissions were also calculated on the basis of the emission factors for buildings (t CO₂e/m²) from the PCAF Emission Factor Database. For project financing, the quantities of electricity generated were assessed using emission factors from the Umweltbundesamt Germany.

Sustainable banking operations

We are aware of the importance of environmental protection and take on our responsibility. Oberbank strives for a high level of environmental compatibility in all its activities and processes.

Energy efficiency

- Professional energy management team with an external partner since 2007
- Effective space management (location analyses, consolidations, reductions)
- Efficient cooling of technical rooms, elimination of servers in the branches, adjustment of the running times of ventilation systems, heating and advertising elements



Renewable energy

- **Electricity from renewable sources:** In Austria and Germany, Oberbank has been using 100.00 % green electricity since 2020, in the Czech Republic since 2021.
- **Investment in new systems:** gradual acquisition of photovoltaic systems (2024: 16 PV systems), expansion of e-mobility incl. e-charging stations (2024: a total of 51 e-charging stations installed)
- **Moving away from oil and gas:** We are encouraging landlords to switch from conventional to renewable energy sources for their heating systems.



Resource conservation in mobility, internal processes and procurement

- **Climate-friendly business trips and vehicle fleet:** The proportion of vehicles with electric/hybrid drive on the Austrian market is to be increased to 30.00 % by 2025 and to 50.00 % by 2030. By the end of 2024, 66 electric vehicles and 4 hybrid vehicles were already in use in the fleet. This represents 22.50 % of the total fleet across all Oberbank markets.
- **Optimizing internal processes** - reducing courier services: In Austria, courier services were reduced to once a week to the branches and five times a week to the head office in 2024. In Germany, most courier services were switched to the postal services.
- **Sustainable procurement:** When selecting suppliers, environmental and social impacts are considered.
- The **company kitchen** has switched to mandatory menu bookings in order to avoid food waste. In addition, a secondary distribution channel was set up in 2024 by selling unused menus to the company's own employees after the canteen closes.
- The introduction of the **deposit bottle system** was developed in 2024 and will be implemented in 2025.

"Green Location" Oberbank Danube Forum

The Oberbank Danube Forum (event location at the Oberbank headquarters in Linz) is certified with the Austrian Ecolabel "Green Location" (Ecolabel no. 200).



Sustainability in line with the EU taxonomy

The EU taxonomy defines economic activities that are considered sustainable. Delegated regulations set out detailed classification systems that can be used to determine whether an economic activity is sustainable or not.

Green asset ratio (GAR)

When calculating the GAR, the share of sustainable financing of a group of customers defined in the directive is compared with the bank's business volume as defined in the EU taxonomy.

Summary of key figures according to Article 8 of the Taxonomy Regulation⁹ (as of 31 December 2024)

		Total environ- mentally sustainable assets (in € million)	% KPI based on Turnover	% KPI based on CapEx	% coverage (over total assets)	% of assets not included in the numerator of the GAR	% of assets not included in the denominator of the GAR
Main KPI	Green Asset Ratio (GAR) stock	208	0.94 %	1.12 %	77.54 %	62.15 %	22.46 %
		Total environ- mentally sustainable activities (in € million)	% KPI	% KPI	% coverage (over total assets)	% of assets not included in the numerator of the GAR	% of assets not included in the denominator of the GAR
Additional KPI							
	GAR (flow)	35	0.92 %	0.91 %	94.92 %	84.32 %	4.92 %
	Trading book	0	0.00 %	0.00 %			
	Financial guarantees		0.00 %	0.00 %			
	Assets under management	2	0.01 %	0.01 %			
	Fees and commission income ¹⁰						

⁹Cells shaded in green should not be reported.

¹⁰"Fees and commissions income" shall only apply starting 2026.

ESG risk management

Sustainability risks (also referred to as ESG risks) for businesses

- Environmental risks
 - Physical risks such as extreme weather events fuelled by climate change as well as major (financial) damage and
 - Climate-related transition risks due to changes in policy (e.g. CO₂ levies) or technology (e.g. e-mobility) can pose a threat to businesses.
- Social risks (social and labour issues)
- Governance risks (corporate management)

Sustainability risks of corporate customers in the rating and credit decision process

- The consideration of ESG risks in the lending decision process is largely automated.
- Where customers are presenting a high or very high **ESG risk**, the extent to which new lending contributes to reducing the ESG risk is scrutinised.
- When assessing the creditworthiness of our customers, sustainability risks are included in the customer rating via the assessment of ESG-relevant soft facts (physical risks for the company's purpose and assets, transition risks).

Sustainability risks in Oberbank's aggregate loan portfolio

Oberbank's loan portfolio is exposed to below-average sustainability risks (as of 31 December 2024).

Distribution of Oberbank AG's receivables volume by ESG risk classes¹¹

ESG risk class	2024	2023
High	0.41 %	0.43 %
Medium	9.74 %	10.21 %
Low	89.85 %	89.36 %

¹¹ ESG risk classes defined internally by the institute

Strictly excluded business (Exclusion criteria)

Oberbank distances itself from industries, companies and business practices that, in its view, could result in unacceptable impacts on the environment, social aspects and governance (ESG).

Scope of the exclusion criteria

The following exclusion criteria based on sustainability aspects are mandatory for new customer business **(financing and account business)** as well as for new fields of business that existing customers may enter into, and they are not subject to any option for approval.

In the **asset management**, the following exclusion criteria do not apply, but rather special Minimum Standards tailored specifically to asset management.

In case of new investments by Oberbank **(non-trading portfolio)**, the following exclusion criteria must be fully observed. Compliance with the exclusion criteria in the area of own investments is also laid down in Oberbank's investment policy.

Private individuals are not covered by the exclusion criteria, but some transactions by private and corporate customers – for example in the betting and gambling, adult entertainment and weapons sectors – require approval from the Management Board under money laundering law, unless their transactions are already excluded due to the exclusion criteria. In the Know Your Customer (KYC) process, private customers are therefore also subject to numerous checks.

Within a group, those companies whose business activities violate the above exclusion criteria are excluded or not financed. The other companies in the group remain eligible for financing.

General exclusion criteria

Oberbank does not enter into business relationship and/or will distance itself from companies if labour law and human rights violations (including the employment of children), illegal business practices or controversial environmental behaviour are known or become known in the course of the business relationship.

Criterion	Example
Labour rights violations	<p>When at least one of the five fundamental principles of the <u>International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work</u> is violated:</p> <ul style="list-style-type: none"> • Freedom of association and the recognition of the right to collective bargaining • Prohibition of forced and compulsory labour • Prohibition of child labour • Prohibition of discrimination in the workplace • Health and safety in the workplace
Human rights violations	<p>When human rights are violated in the meaning of nationally and internationally recognised legal bases (e.g. interference through political arbitrariness, torture, restriction of privacy and freedom of expression, human trafficking, systematic interference with religious freedom or projects that demonstrably disregard the rights of the local population)</p>
Illegal business violations	<p>Products or activities that are considered illegal under applicable laws, other provisions of the respective national legal system or international conventions and agreements (e.g. money laundering, fraud, corruption and bribery, financing of terrorism, etc.)</p>
Controversial environmental behaviour	<p>Controversial environmental practices that violate applicable environmental laws and agreements and are incompatible with general sustainable values and the preservation and promotion of biodiversity (e.g. systematic behaviour leading to contamination or pollution, projects such as the construction or operation of large dams with a major negative impact on the environment and biodiversity, or encroachment in ecosystems and protected areas)</p>
Unethical behavior	<p>When companies come to light due to extreme political views (e.g. right-wing extremism or populism, National Socialist ideology, terrorism) or if there are suspicions, serious allegations or justified concerns in this regard (e.g. media coverage, reports from supervisory and regulatory authorities, public databases and registers) or if there is a legally binding conviction (e.g. under the Prohibition Act or terrorism offenses of the Criminal Code)</p>

Sector-specific exclusion criteria

Oberbank considers the following economic activities and industries to have an increased ESG risk potential and excludes them.



Nuclear energy



**Illegal substances
(narcotics)**



Harmful substances



**Gems and conflict
materials**



Fishing



**Trade in protected
animals or export
leather, animal testing**



**High volume fracking
and extraction of oil
sands, crude oil**



Coal



**Controversial and heavy
weapons**



Embryo research



**Pornography (adult
entertainment)**



Mining



Betting and gambling

For detailed information and examples see the Oberbank website at <https://www.oberbank.com/strategy-and-guidelines>.

Exclusion criteria for countries

Criterion	Excluded are:
FATF list	Countries on the <u>black, dark grey or grey list</u> of the Financial Action Task Force on Money Laundering (FATF)
EU list of high-risk countries	Countries on the <u>EU list of high-risk countries</u> set out in the Regulation (EU) 2020/855
Climate protection	Countries that have not ratified the 2015 Paris Climate Agreement (<u>Ratification of the Paris Climate Agreement</u>)
Freedom of the press and media	Countries with a “very serious situation” or “difficult situation” according to the <u>"Reporters Without Borders"</u> press freedom ranking
Sanctions	Countries subject to UN-, US- or EU-sanctions

Sustainable financing

Oberbank strives to make a measurable contribution to achieving the goals of the Paris Climate Agreement and is therefore working on a strategy for decarbonising its loan portfolio (see chapter [CO₂ balance and decarbonisation](#), page 12). Both the loans we grant to private individuals and our corporate financing are to become more sustainable.

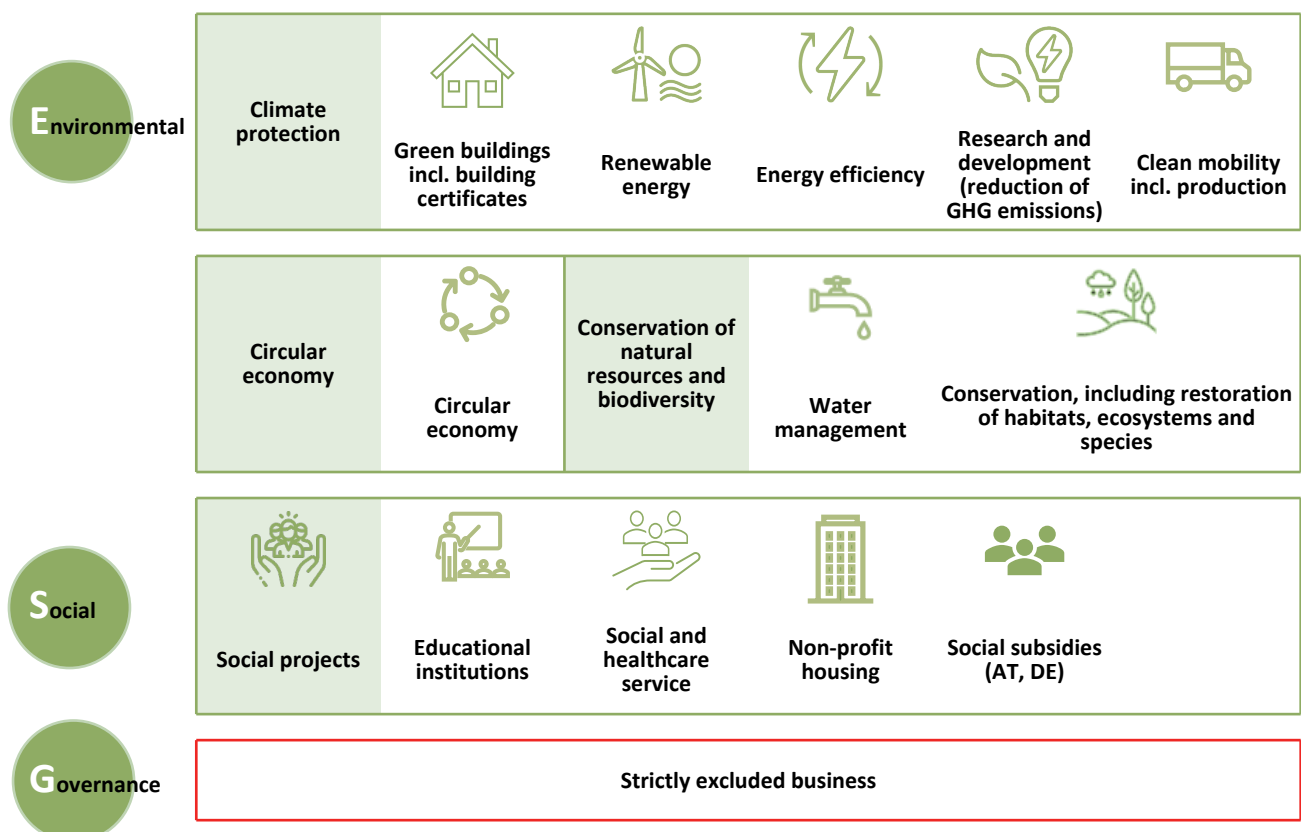
Sustainable corporate financing

Sustainable Lending Framework

In addition to the taxonomy review, the Oberbank Sustainable Lending Framework forms the basis for analysing the sustainability of retail and corporate loans. It is based on the assessment criteria of the EU taxonomy and the Oberbank exclusion criteria (see chapter [Exclusion criteria](#), page 18).

The aims of this framework is to define clear sustainability criteria and thus positive criteria for investment and project financing in the corporate customer sector. In 2024, the framework was supplemented by further criteria and lending in the retail customer segment. With the Oberbank Sustainable Lending Framework, an Oberbank Sustainable Finance Pool is being created, which, among other things, forms the basis for existing or future issues (e.g. of green bonds).

For the current Sustainable Lending Framework, see the website at: <https://www.oberbank.com/strategy-and-guidelines>



Sustainable lending in accordance with the Sustainable Lending Framework¹²

	2024		2023	
	Number	Amount (in € million)	Number	Amount (in € million)
Green building (commercial)	237	872	188	735
Renewable energy	425	181	229	110
Energy efficiency	8	3	2	1
Clean mobility	2,583	78	2,123	68
Sustainable research and development	5	3	0	0
Circular economy	18	30	6	16
Conservation of natural resources and biodiversity	4	1		
Educational and vocational training	1	3	1	4
Social and healthcare services	12	62	12	62
Non-profit housing	0	0	0	0
Social subsidies	10	4	10	6
Total	3,303	1,237	2,571	1,002
of which refinanced ¹³	477	285		
of which freely financed	2,826	952		

Note on the table: The category “Conservation of natural resources and biodiversity” was introduced in 2024, so no comparative values are available from 2023.

In addition, the following sustainable financing was granted:

ESG-linked loan and promissory note loan

An ESG-linked loan was developed in 2023, in which individual sustainability targets, such as the reduction of CO₂ emissions or occupational accidents, are agreed with the respective company. Alternatively, sustainability ratings or an ESG certificate from recognized providers can also be used as a basis. If the targets are achieved, the loan interest rate is adjusted to the benefit of the customer.

In 2024, Oberbank subscribed to ESG-linked promissory note loans with a volume of 21.5 million euros in the large corporates segment.

Subsidised lending scheme “OeKB Exportinvestkredit Green”

- Lending option for new or replacement investments by exporting companies in Austria, if they reduce the burden on environment and make a sustainable contribution to environmental improvement
- In 2024, Oberbank issued a total of 4 Exportinvest Green lendings with a volume of 73.3 million euros (2023: 68.4 million euros).

¹² Lending commitments per framework category as of 31 December 2024. These include investment and lease financing in all markets.

¹³ Refinanced means that some of the financing comes from development banks such as the European Investment Bank (EIB), the Kreditanstalt für Wiederaufbau (KfW) or the Österreichische Kontrollbank (OeKB).

EIB's "Green" refinancing scheme

- Oberbank is one of only a few Austrian banks to offer its corporate customers customised "Green" refinancing from the European Investment Bank (EIB) since 2022.
- This means: **low-interest loan and lease financing for environmentally relevant investments.**
- In the first step, a refinancing volume of 100 million euros was available.
- A second tranche of 100 million euros has been available since April 2024.

Sustainability vote in lending for corporate customers

- In the fall of 2024, Oberbank introduced the "sustainability vote". Alongside the customer's credit rating, this is a key decision-making criterion in lending.
- The focus is on decarbonisation and how customers deal with this topic and whether the lending contributes positively to the transformation and thus to our decarbonisation goals.
- The vote will initially be introduced for all loan decisions subject to supervisory board approval, but will be gradually expanded following an evaluation phase in 2025.

Goals 2025: sustainable corporate finance

In order to focus on projects that comply with the Oberbank Sustainable Lending Framework, the following goals were set for all Oberbank markets in 2024:

- **New production corporate customers** (according to Oberbank Sustainable Lending Framework)¹⁴
 - Goal 2024: 319 million euros
 - Status as of 31.12.2024: 323 million euros (101.20 % achievement)
 - Goal 2025: Despite the ongoing challenging economic environment, the goal for sustainable corporate financing was increased to 366 million euros for 2025.
- **Sustainability dialogs**
 - Goal for all markets in 2024: 9,286 sustainability dialogs
 - Sustainability dialogs completed in all markets in 2024: 8,344 (89.90 % achievement). Due to strong customer interest, sustainability meetings were held with 2,812 additional customers for whom no goal were set.
 - Due to the lower impact of the regulatory requirements, the small corporates customer segment was excluded and the target for 2025 was adjusted to 5,629 sustainability meetings.
- **Energy performance certificate rate**
 - As part of the decarbonisation of the real estate portfolio, a goal was set for 2025 for obtaining energy performance certificates (share of energy performance certificates obtained in new real estate financing):
 - AT market: 60.00 %
 - DE market: 40.00 %
 - This measure is planned for all Oberbank markets and will be gradually expanded in line with technical possibilities, experience and market specifics.

¹⁴ New production is based on the approved commitment. Only the portion utilized is included in the balance of the Sustainable Lending Framework key figures.

Sustainable retail financing

Housing loans

- Using a valuation logic developed with the consultancy Drees & Sommer, the energy efficiency of housing loans in Austria was assessed on the basis of the properties' energy performance certificates.
- Based on this valuation logic, a volume of approximately 0.927 billion euros in sustainable housing loans was identified in Austria as of 31 December 2024. This corresponds to a share of 35.83 % of the total housing loans volume in the Austrian core market (2023: 1.034 billion euros / 39.05 %).

Other options for sustainable retails financing

- Loans under government-subsidised financial aid schemes: subsidies for construction, refurbishment, alternative energies and other subsidies for e.g. noise protection or installation of elevators
- Housing accounts and financing for refurbishment measures



be green mobility

This instant retail loan has been available since January 2024. This product, which can be taken out at any Oberbank branch, finances the following: hydrogen cars, e-cars, e-motorbikes, e-bikes, cargo bikes, bicycles and scooters.



be green living

This retail loan for renovation, purchase and construction of properties in Austria has been available to our retail customers since March 2024.

Outlook 2025: be green energy

The retail loan for the installation of renewable energy in private homes, e.g. the installation of new PV systems, collectors, ecological heating and water treatment systems, will be introduced in 2025.

Sustainable products

Different, because with Oberbank you can achieve great things even with small bits.

For retail customers in Austria

be(e) green account (current account), be(e) green student account, be green bonus-savings account

- For the projects financed by means of these deposits, economic, ecological and social criteria are taken into account.
- Awarded the Austrian Ecolabel for sustainable financial products
- With each new be(e) green account or be(e) green student account opened, Oberbank contributes to the preservation of the bee population by planting large areas of flowering plants.

Austrian Ecolabel for sustainable financial products

The Austrian Ecolabel was awarded by the Federal Ministry for Climate Action, Environment, Energy, Mobility, Infrastructure and Technology (BMK) for the products be(e) green current account, be green bonus-savings account, be green savings account, be(e) green account VKK, be(e) green student account, be(e) green zu Firmenkonto and be green fixed rate saving account, because the projects financed by means of current and savings deposits take into account ecological and social criteria as well as economic criteria.



The Austrian Ecolabel guarantees that these criteria and their implementation are suitable for selection of appropriate projects. This has been verified by an independent body. The award of the Ecolabel does not represent an economic evaluation and does not allow any conclusions to be drawn about the future performance of the financial product.

Sustainable accounts

	2024	2023
Sustainable current accounts	83,508	65,704
Share of sustainable accounts (in %)	46.59 %	36.75 %
Deposit volume of sustainable accounts (in € million)	575.8	470.3
Sustainable online savings accounts	36,178	36,463
Share of sustainable online savings accounts (in %)	29.60 %	33.70 %
Deposit volume of sustainable online savings accounts (in € million)	629.7	779.6

Note on the table: The database for retail current accounts includes accounts in the Austrian and Czech markets. The database of online savings accounts includes accounts in the Austrian market.

For corporate customers

Investment subsidies for sustainable projects

Based on its many years of experience, Oberbank offers its customers a broad range of subsidised loans for environmentally relevant investments beyond the area of traditional investments. Depending on the program, favorable subsidised loans, subsidised guarantees, subsidised equity or non-repayable grants can be made available.

be green invest loan/leasing

In order to support corporate customers in financing their sustainable investments, a low-interest loan product was launched in the 4th quarter of 2024 to finance investments and projects in accordance with the Oberbank Sustainable Lending Framework (see page 21). The following investments are included, e.g.

- Conversion of the energy supply to renewable electricity or green hydrogen
- Sustainable logistics by road or rail
- Recycling projects and circular economy
- Energy-saving replacement machines
- Research projects for the decarbonisation of products and processes

Sustainability dialogue and in-depth sustainability dialogue

Since 2022, Oberbank's corporate customers have been able to participate in the sustainability dialogue, in which Oberbank discusses the topic of sustainability (environmental, social and governance) with its corporate customers. The sustainability managers of the Corporate & International Finance department are available for further topics and are invited to attend on an ad hoc basis.

Sustainability check for companies

Together with the consultancy firm Terra Institute, Oberbank provides all interested companies (customers and non-customers) with a free sustainability check to assess the status quo and tips on ESG issues: <https://www.oberbank.at/nachhaltigkeits-check>



For securities customers

Our sustainable investments enable sustainable returns.

- We offer a number of options for investing in sustainable products.
- The basis is a clearly structured **ESG analysis process** that takes exclusion criteria, MSCI ESG ratings and regulatory requirements as well as sustainable product characteristics into account. Detailed information on this can be found in the integrated Sustainability Report on the Oberbank website at <https://www.oberbank.at/strategie>.
- Our carefully curated range of products (related to equities, bonds and mutual funds) comprises both our own and third-party products.
- **Sustainable funds**
 - In close coordination with 3 Banken Generali, a large number of funds comply with the ESG analysis process, e.g. Oberbank Vermögensmanagement nachhaltig, Oberbank Premium Strategie ausgewogen nachhaltig, 3 Banken Nachhaltigkeitsfonds, 3 Banken Mensch & Umwelt Aktienfonds and 3 Banken Mensch & Umwelt Mischfonds.
 - In 2024, the product range was expanded to include the 3 Banken Verantwortung & Zukunft equity fund, the first Article 9 product as defined by the Disclosure Regulation (EU) 2019/2088 (SFDR).
- **Sustainable asset management**
 - Individual Portfolio Management sustainable (iPM sustainable): The iPM sustainable offers a customized investment under the aspect of sustainability, which is oriented towards the investor's personal return expectations and risk appetite. A special focus is placed on sustainable investment products.
 - Asset management funds - Oberbank Premium Strategy Balanced Sustainable and Oberbank Asset Management Sustainable: The asset management products are designed as actively managed, mixed investment funds. The investment instruments are selected on the basis of the ESG analysis process.

Governance, compliance and data protection

Oberbank acts in accordance with applicable regulations and also sets its own standards for compliance with ethical principles.

High standards at Oberbank

- Commitment to the Austrian Corporate Governance Code (**ÖCGK**)
- **Code of Conduct**: Code of Conduct for employees, Code of Conduct for suppliers
- **Tax ethics and tax honesty**: These commitments and the action of Oberbank with respect to taxes are part of the Code of Conduct for employees.
- **Whistleblowing reporting platform**: for reporting incidents, suspected incidents or complains in connection with discrimination, harassment or other violations of law. This fulfills the requirements of Directive (EU) 2019/1937.
- **Protecting customer data and IT security** are important issues to us, which we fulfil with care. 3 Banken IT GmbH is certified in accordance with the recognised ISO/IEC 27001:2013 standard.
- **IT tools** and **automated processes** ensure compliance with regulatory requirements.
- Internal **guidelines** and **training for all employees** (e.g. web-based training)

Compliance¹⁵



BWG compliance (regulatory compliance management)

The continuous tracking of regulatory changes and developments and ensuring their timely implementation allow sustainable project, resource and budget planning at Oberbank.



Prevention of money laundering and terrorist financing

Group-wide strategies and procedures, that are continuously refined, ensure that high standards of money laundering and terrorism prevention are maintained in all Oberbank markets.



Sanctions management

Ensuring compliance with sanctions since 2022 by a specially established team in response to developments in sanctions law triggered by the war in Ukraine.



Anti-fraud management

Measures based on the PREVENT - DETECT - RESPOND principles. In 2024, potential losses on the customer side in the amount of approximately 1,8 million euros were prevented in the area of fraud prevention.



Anti-corruption management

Violations of anti-corruption regulations are not tolerated by Oberbank and will be punished accordingly. In 2024, there were no confirmed incidents of corruption.



Securities Compliance

Securities trading, securities services and investment actions of Oberbank are continuously monitored to prevent malversations under stock exchange law.

¹⁵ Supplement to the Sustainability Report 2024, content from the Compliance chapter in the Annual Financial Report 2024.

Employees of Oberbank

We want to take the journey into a more sustainable future together with our employees. Oberbank wants to be a fair employer that promotes equal opportunities, offers opportunities for personal and professional development and creates an attractive working environment.

Diversity and equal opportunities

As a fair employer, diversity and equal opportunities are important to us. Age, gender, nationality, beliefs or other factors have no influence at all on staffing choices at Oberbank. This commitment is reflected, for example, in our "**Chance 2030**" (Opportunity 2030) project or the signing of the "**Diversity Charter**".

Gender Balance

The upcoming generational change at Oberbank will be used to achieve a balanced gender ratio among managers. The **female management ratio** in 2024 was **28.51 %** (goal 2025: 30.00 %, goal 2030: 40.00 %).

On March 6, 2025, Oberbank was named **Diversity Champion** by the Boston Consulting Group - we are in first place and thus the most diverse listed company in Austria!

Attractive employer

Oberbank is pleased about the high level of **employee satisfaction** from the last survey and the high recommendation rate as an employer (92.00 %) on the online platform kununu. Oberbank is among the top 5.00 % of the companies rated there.

Oberbank is among the **top 1.00 % of Austria's top employers**. This was the result of a meta-study involving more than 40,000 companies. In 2024, Oberbank was awarded the "**Leading Employer**" seal for the second time in a row.



Work-life balance

- **Flexible working time models:** part-time, flexitime, part-time parental leave, part-time employment during parental or educational leave, part-time reintegration, part-time educational leave and mobile working.
- **Work-life balance:** Oberbank's "Kinkis Nest" day nursery has been operating at the head office in Linz since 2021. Oberbank also offers children's vacation weeks in the Upper Austrian central region during the summer vacations as well as financial support for childcare.



Aktie Gesundheit (Health Equity): Promoting health holistically

Oberbank has been promoting the health of its employees for years with a wide range of offers that go far beyond basic benefits. The "Aktie Gesundheit" (Health Equity) initiative has established itself as a comprehensive health promotion program at Oberbank. In addition to sports and nutrition programs, the prevention of physical and mental illnesses is also of great importance.

Oberbank's efforts in the area of health promotion have been confirmed by the certification and renewal award of the quality seal for workplace health promotion (BGF) since 2013.



Employee Assistance Program (EAP)

This program is intended to take account of any psychological and stress-related burdens and offer support through free access to counselling in a professional and private context. Since February 2023, employees in all Oberbank markets have been able to take advantage of occupational psychological counseling. A special feature of EAP is that managers can also turn to the agency for coaching in critical management situations. The offer was very well received in 2024.

Employee participation scheme: Employees as shareholders

Every year, since 1994, Oberbank has organised a drive offering Oberbank share at preferential conditions to employees and under which employees receive bonus shares free of charge in addition to ordinary shares acquired against payment. As a result, our employees are among the **core shareholders of the bank**.

Oberbank Sozialstern (Social star)

In 2024, the Oberbank Sozialstern (Social star) was awarded for the second time at a ceremony to three employees who take responsibility for society and the environment through their voluntary work. The winning projects were supported with prize money of up to 3,000 euros.



Photo credit: Oberbank AG

Social and cultural commitment

We use our strong roots to give something back to society.

Improving financial literacy

Oberbank holds **lectures and workshops** at schools and universities and cooperates with Johannes Kepler University in Linz and the Salzburg University of Applied Sciences (FH Salzburg) on an ongoing basis for academic theses and projects in the area of sustainability.

In 2024, for example, Oberbank accompanied a project work on the topic of “Analysis of the survey of sustainability needs in investment advice in the EU area (focus on Germany/Austria)” by students of the Lucerne University of Applied Sciences and Art.

Furthermore, Oberbank is also working to strengthen the financial skills of society at large through numerous presentations and events for customers as well as regular newsletters and online magazines such as Marktkommentar, #jetztvermögen, #jetztwohnen and #jetztunternehmen.

Donations and sponsorships

- Sponsoring in a range of fields, with sports and culture as cornerstones
- Focus on Oberbank regions and long-term support
- In 2024, 434 commitments were issued in response to sponsorship requests at the Linz headquarters (2023: 425).
- Examples of **sponsoring in 2024**
 - Sports: Oberbank Linz Danube Marathon, Oberbank Brucknerlauf, ULC Linz Oberbank, TSV Ottensheim Ladies, SV Guntamatic Ried, Oberbank Steelvolleys Linz-Steg, Gala Night of Sports
 - Culture: in addition to numerous events, including the St. Florian Boys' Choir, concerts as part of the Salzkammergut Festival Weeks in Gmunden, Ohrenschmaus literature prize, Blindenmarkt Autumn Days cultural festival and anniversaries of Linzer Veranstaltungsgesellschaft mbH (LIVA)
 - Public institutions such as the City of Linz Music School, the MINTality Foundation and the Agenda Austria think tank.
- Examples for **donations 2024**
 - In the social sector, Oberbank supported for example Bewegung Enkeltaugliches Österreich (ETÖ), Caritas, Licht ins Dunkel, Volkshilfe, Rettet das Kind OÖ, Verein Elijah, volunteer fire brigades, Christmas campaigns by Kronen Zeitung and BezirksRundschau OÖ, associations for the blind, animal welfare organisations and the Linz/Urfahr-Umgebung hospice movement.

Oberbank Art Advisory Board

Oberbank has a long tradition of involvement with art. Since 2011, the Oberbank Art Advisory Board has been responsible for the professional management of the art collection, including the selection, purchase and maintenance of works of art. It is also responsible for expanding the art collection. The collection includes works by Maria Moser, Anselm Glück, Lena Göbel, Christian Ludwig Attersee and Brigitte Kowanz, among others. On **5 December 2024**, Oberbank presented its **first art forum** and was able to win over the successful Upper Austrian artist Maria Moser.

Sustainability Award FERONIA

In 2024, Oberbank, together with OÖ Nachrichten and the state of Upper Austria, presented the FERONIA sustainability award for the second time, recognizing sustainable and climate-conscious companies, initiatives, associations and schools based in Upper Austria. A jury with broad sustainability expertise in the areas of environment, social affairs, art and culture, consisting mainly of independent jurors and representatives of the sponsoring organisations, selected the winners.

At the FERONIA Gala on March 14, 2024, the Sustainability Award was presented in four categories (Sustainable Through & Through, Sustainable Products and Services, Diversity of sustainability and Sustainable learning and teaching).



In 2025, the Sustainability Award FERONIA will again be presented to sustainable and climate-conscious companies, initiatives, associations and schools in the region of Upper Austria. The Sustainability Award is also planned for 2026.

Detailed information on FERONIA can be found on the OÖNachrichten website at <https://www.nachrichten.at/wirtschaft/feronia/bewerben/>.

Public information

Oberbank AG

Untere Donaulände 28, 4020 Linz

Phone: +43 /(0)732/7802

Fax: +43/(0)732/785810

BIC: OBKLAT2L

Bank sort code: 15000

OeNB ID number: 54801

Companies Register: FN 79063w, Linz Regional Court

UID: ATU22852606

Oberbank ordinary share: ISIN AT0000625108

Internet: <https://www.oberbank.com>

E-mail: esg@oberbank.at

Project management and editing

ESG Unit

Editorial deadline

April 2025

Photo credits

Cover: Barbara Wellmann

Social prize: Oberbank AG

For more information, please refer to our integrated Sustainability Report 2024 available on the Oberbank website at <https://www.oberbank.com/sustainability>.

Oberbank



Further information: oberbank.at/nachhaltigkeit