

Group Responsible Financing Policy

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1 General

Erste Group was founded with a clear purpose: to promote and secure prosperity for all people in the region. This mission continues to guide the Group's strategy, which integrates key Environmental, Social, and Governance (ESG) themes as essential drivers of long-term success and inclusive growth.

As a major financial institution in Central and Eastern Europe, Erste Group plays a critical role in financing the transition of the real economy. Achieving the transition to a low carbon economy requires coordinated efforts across the financial system and the broader economy. Erste Group is committed to enabling this transformation by supporting clients in their own climate journeys.

The Group is committed to science-based decarbonisation pathways and to the goals of the Paris Climate Agreement. Sustainable finance is not only a strategic priority but a key enabler of the green transition. Erste Group is providing targeted financial solutions to help clients implement climate strategies, seize green opportunities, and manage climate-related risks. Ongoing engagement with clients remains central to a shared and successful decarbonisation journey.

1.1 Objective

The Group Responsible Financing Policy (the Policy) outlines industry-specific ESG exclusion and phase-out criteria, including thresholds and guidelines for determining transaction eligibility to prevent ESG related credit and reputational risk. It also defines non-financial risk profiles that trigger enhanced risk management support. Additionally, the policy describes assessment procedures for specific sectors and subsectors to ensure informed decision-making aligned with our commitment to providing responsible financing services.

1.2 Scope

In Scope	Not in Scope
Products & Services within Corporates / Markets Business Line	Products & Services within the Retail Business Line (excluding Defense Transactions)
Defense Sector Transactions across all client segments, including micro clients within the Retail Business Line	Single payment transactions, including those processed via SWIFT
On & Off Balance Sheet Financing*	Lending Transactions below €1 million within an existing approved limit
Economic activity in question > 5% of total group revenue	Transactions in which we act solely as an intermediary

* On Balance Sheet Financing refers to credit exposures that are fully recorded on EG's balance sheet – including but not limited to traditional lending products, such as Term Loans, Revolving Credit Facilities, and others.
Off Balance Sheet Financing refers to transactions without recognition of the exposure on EG's balance sheet – including but not limited to guarantees and letters of credit.

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All products and services within the Corporates and Markets areas of Erste Group are in scope of this Policy. This is defined by:

- i) **Corporate segments** - Large Corporates, Small and Mid-Cap Enterprises, Public Sector, Corporate Real Estate; and
- ii) **Markets' Segment and Financial Institutions** together with all corresponding product units (e.g. 0196 1606 Group Transaction Banking, 0196 0369 Group Markets Origination & Funding, etc.),

Out of Scope Definitions

The following categories are explicitly out of scope of this Policy:

- Retail Business Line Products – All products and services within the Retail Business Line are out of scope, with the exception of Defense Transactions involving micro clients.
- Lending transactions below € 1.000.000, provided they fall within an already approved credit limit – except where the transaction involves the defense sector.
- All transactions classified under "Responsible Investments", including those managed by Erste Asset Management, are not covered by this Policy.
- Transactions in which the bank acts solely as a passive intermediary, without taking financial risk or active involvement in structuring, underwriting, or executing the deal, are considered out of scope. This includes, but is not limited to the following categories:
 - Trade Finance – Advisory and Notification Roles (e.g. acting as an advising bank on letters of credit, handling documentary collections without assuming payment or credit risk)
 - Capital Markets – Administrative Functions (e.g. service as an agent, or similar administrative role in transactions)

In Scope Definitions

A client, company, or transaction is considered in scope of this Policy if any of the following conditions are met:

- Material Economic Activity – the relevant economic activity, as defined in the respective chapters of the Policy, constitutes a material portion of the customer group's total revenue. An indication of materiality for the purposes of this Policy is defined by the materiality threshold of 5% of total group turnover, unless explicitly states otherwise in the specific chapters.
- Defense Sector Transactions – all transactions involving the defense sector are in scope, regardless of transaction volume or business line.

In the event of provisions of the Group Responsible Financing Policy contradicting local legislation, local legislation will prevail.

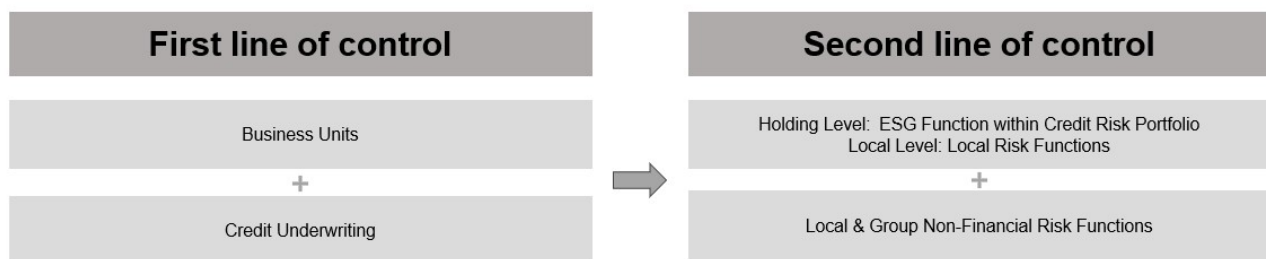
2 Overview of Functional Roles and Responsibilities

2.1 Group Functional Roles

2.1.1 Policy Owner

The Policy Owner refers to the team responsible for the implementation and oversight of the policy within the organization. At Holding Level, the Policy Owner is represented by the ESG Function within Credit Risk Portfolio, which is also responsible for the Policy's content and alignment with Erste Group's financing principles.

2.1.2 First and second line of control



Business Units comprise by

- i) All **Corporate segments** – Large Corporates, Small & Mid Cap Enterprises, Public Sector, Commercial Real Estate, as well as
- ii) **Markets' Segments and Financial Institutions** together with all corresponding product units

First Line of Control

Business, in collaboration with Credit Underwriting, constitutes the first line of control. Business acts as the deal originator, being directly or indirectly connected to the transaction in question and holds day-to-day responsibility for making financing decisions in line with the Policy. Ahead of being transferred to the second line of control, Credit Underwriting serves as an additional reviewer, verifying the plausibility of the information provided by Business and ensuring alignment with Policy principles.

Second line of control – Credit Risk, Non-Financial Risk

At Holding Level, the second line of control is fulfilled by the ESG Function within Credit Risk Portfolio. The ESG Function within Credit Risk Portfolio holds ultimate ownership of the Group Responsible Financing Policy, and is responsible for the content, implementation, and oversight of the Policy with support of local Risk Functions within local entities.

3 Responsible Financing Policy Process

An assessment shall be initiated at the earliest convenience when a transaction or target transaction falls within, or potentially falls within, the scope of this Policy. In case of uncertainty, Business or Non-Financial Risk Team must promptly consult the respective Policy Owner for clarification.

3.1 Criteria Categories

To ensure clarity and consistency in application, the policy distinguishes between two categories of criteria:

- Exclusion Criteria

Refers to transactions that fall under the Policy's hard exclusions. These are predefined areas – where no risk acceptance through a Non-Financial Risk (NFR) decision is permitted.

- Non-Eligibility Criteria

Refers to transactions that do not fall within the pre-approved risk appetite outlined in the Policy. While these transactions are not automatically excluded, they require further assessment and may be escalated through the defined escalation procedure, as detailed in Chapter 3.3 of this Policy

3.2 Process Steps

The following steps shall be applied:

1. Assess whether the transaction falls within the scope of the Group Responsible Financing Policy.
2. Evaluate Policy Alignment
 - Aligned Transactions: Proceed without further intervention.
 - Non-Aligned Transactions: Either discontinue or escalate for review under the Group Non-Financial Risk Management framework.
 - Excluded Transactions: Activities prohibited by the Policy (e.g., controversial weapons or those exceeding defined thresholds) are categorically ineligible for approval.
 - Defense-Related Micro Clients: Financing is permissible only if fully compliant with the principles outlined in the Policy; non-compliant cases cannot be approved.

3.3 Non-Financial Risk – Country Index

The Non-Financial Risk Country Index (NFR-CI) bundles several internationally accepted indices measuring the status of the covered country based on legal, political and economic standards. A predetermined procedure by Group Non-Financial Risk Management function assesses a final score for the Defense Industry, the Energy Sector, Biodiversity and the Gaming Sector for each country. This is used as an input for the decision grid (see chapter 4.3.2 Defense Sector – Decision Grid). If no value is available in the NFR-CI for a country, the local Non-Financial Risk Management Function – or, if not implemented, the Group Function – shall be consulted.

4 Defense Sector

4.1 Defense Sector – Objectives

Our Approach

Erste Group recognizes the adverse impact of controversial, such as nuclear weapons on the environment, health of society, and humanitarian principles. Erste Group acknowledges responsibility to society and maintain a clear stance against financing such weapons. Other parts of the defense industry are only considered for financing within well-defined rules.

At the same time, Erste Group acknowledges that in recent years, a rapidly shifting geopolitical landscape – marked by increased security threats, armed conflict on European soil, and growing concerns over strategic dependencies – has fundamentally reshaped the strategic importance of the defense sector in Europe. These developments have elevated expectations on financial institutions to play a role in supporting the continent's collective security, industrial resilience, and defense readiness, as outlined in the EU White Paper on Defence Readiness 2030). However, this must be done responsibly and with full adherence to law, humanitarian principles, and our internal risk and ESG standards. Erste Group aims to balance its role as a responsible financial institution with the growing need for security investment in Europe.

Context of EU Policy Change

In March 2025, the European Commission issued the EU White Paper on Defence Readiness 2030. The paper sets out a strategic framework for greater resilience, industrial readiness, and strategic autonomy on our continent. Furthermore, it acknowledges the critical role of financial institutions in enabling this transformation – particularly in allocating and mobilizing capital for defense innovation, enhancing defense production and capacity, supporting dual-use technologies, and strengthening the EU's defense industrial base.

4.2 Defense Sector – Scope

In Scope Definitions

- Transactions with producers or dealers of weapons and firearms
- Transactions with producers or dealers of components & spare parts of weapons or firearms
- Transactions with producers or dealers of dual use products
- Transactions in connection with the acquisition of products mentioned above
- Transactions in connection with storage, import and export of products mentioned above
- General Purpose Financing

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Out of Scope Definitions

- Hunting & Sporting weapons and firearms
- General corporate banking relationships – defined as current accounts, deposits, and payments services that are not directly connected to the sale, purchase or transport of non-eligible products or services within the defense industry.

In Scope	Not in Scope
Transactions with producers or dealers of weapons and firearms	Hunting & Sporting weapons and firearms
Transactions with producers or dealers of components & spare parts of weapons or firearms	
Transactions with producers or dealers of dual use products	
Transactions in connection with the acquisition of products mentioned above	General corporate banking relationships – defined as current accounts, deposits, and payment services that are not directly connected to the sale, purchase or transport of non-eligible products or services within the defense industry.
Transactions in connection with storage, import and export of products mentioned above	
General Purpose Financing ^{3,4}	

³ Refers to funding provided to a borrower without a designated or restricted use of proceeds, including but not limited to instruments such as Revolving Credit Facilities, Working Capital Loans, and Investment Loans.

⁴ Assessment for General Purpose Financing is conducted at client level and should be performed with annual review. For this assessment disclosures such as but not limited to weapons produced and end-users as reported in annual reports or other available documentation should be taken into consideration.

4.3 Defense Sector – Guidelines

As a financial institution, Erste Group's commitment to ethical conduct is the foremost priority. Accordingly, Erste Group has developed a rigorous assessment, ensuring strategic alignment with the EU White Paper on Defence Readiness 2030 by evaluating:

- (1) Weapon Type Restriction – Transactions involving controversial weapons – including but not limited to biological, chemical, nuclear weapons, cluster munitions, and fully autonomous weapons systems operating without meaningful human control – are strictly excluded from banking services as defined in Chapter 4.3.1. of this Policy
- (2) Geographical Scope Requirements – Banking services shall only be provided where the counterparty and end-users are based in
 - European Union (EU) Member States
 - Erste Group Home Markets & Extended Erste Group Home Markets
 - NATO Member States with NFR-CI from level 1 to 5
 - EU Strategic Defense Partners with NFR-CI from level 1 to 5

Not Eligible for new financing in the defense sector if any of the following are met:

- Transactions directly or indirectly associated with human rights violations, including but not limited to activities involving forced labor, unlawful surveillance, or the suppression of civil liberties are not eligible for financing. Erste Group refers to UN Guiding Principles of Business and Human rights for reference.
- The beneficiary of the transaction and/or the destination of the underlying goods is in a country that:
 - i. is subject to a United Nations, European Union or any other relevant national weapons embargo,
 - ii. does not meet our Non-Financial Risk – Country Index Criteria
 - iii. in the event of compliance-related concerns— such as those related to Anti-Money Laundering, Counter-Terrorism Financing, sanctions and export controls, or anti-bribery and corruption—the transaction may proceed under standard risk governance

Please note that even within countries classified under NFR-CPI levels 1–5, specific regions may be subject to restrictions or full blocks—such as the currently restricted areas in Ukraine—based on evolving risk assessments and geopolitical developments.

- The parties involved in the transaction shall have no convictions related to non-compliance with national arms trade legislation or international sanctions on weapons, nor any convictions for corruption, illegal taking of interest, misappropriation of public funds for weapons, or engagement in economic activities within sanctioned territories.
- For defense-related transactions involving micro clients – financing will only be considered if the transaction fully complies with the principles outlined in this chapter. Transactions that do not meet the defined criteria are not eligible for risk acceptance under the Non-Financial Risk Decision Process.

The following criteria must be fulfilled regarding all transaction partners:

- All transactions shall be conducted exclusively with parties who have successfully completed and passed Anti-Money Laundering Checks, as well as Know Your Customer (KYC) screenings and are able to provide adequate documentation for each armament-related transaction.

4.3.1 Weapon Categorization

As part of the initial assessment, the defense product involved in the transaction must be clearly classified. Erste Group defined five distinct defense categories, as follows:

- Controversial Arms
- Large & Small Arms represent active military products
- Passive Arms – Non-lethal protective equipment, as well as defensive military goods designed to provide protection
- Neutral Arms – Goods used for disarmament, disabling or reduction of military capabilities
- Dual Use Goods, Technologies and Components requires contextual evaluation and must be assessed in conjunction with the associated end-product to determine its operational role.

In case where a defense product comprises multiple components or sub-systems, the classification shall be based on the most aggressive or combat-relevant feature present.

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Furthermore, Erste Group qualifies Fully Autonomous Weapon Systems ("human-out-of-the-loop") as controversial – as defined by the International Committee of the Red Cross (ICRC):

"Autonomous Weapon Systems that, once activated, can select and engage targets without further intervention by a human operator."

Furthermore, in the context of EU regulatory standards, in particular the Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088), "controversial weapons" are defined as "anti-personnel mines, cluster munitions, chemical weapons and biological weapons". This is reflected in the graphic below.

The graphic presented below is intended as a guided framework for clustering weapon types. However, the list is non-exhaustive, meaning not all weapon types are reflected within the graphic.

	Controversial Arms	Assessment
Active Arms	Biological Weapons	No provision of banking or financial products and services
	Chemical Weapons	
	Anti-personnel & land mines	
	Cluster munition	
	Nuclear weapons	
	Weapons containing depleted uranium	
	Fully Autonomous Weapons Systems ("human-out-of-the-loop")	
	Large and Small Arms	EU & (Extended) Erste Home Markets, NATO (NFR CI 1-5), EU Defense Partners (NFR CI 1-5)
	Battle Tanks	
	Armored Combat Vehicles (unless used by police forces)	
	Large-caliber artillery systems	
	Combat aircraft	
	Artillery Systems	
	Unmanned combat aerial vehicles	
	Attack helicopters	
	Warships	
	Missiles/Missile Launchers	
	Revolvers	
	Self-loading pistols	
	Rifles	
	Carbines	
	Sub-machine guns	
	Assault rifles	
	Light machine guns	
	Heavy machine guns	
	Grenade launchers	
	Portable Anti-tank guns	
	Recoilless rifles	
	Portable anti-tank missile launchers	
	Rocket systems	
	Mortars of calibers < 75mm	
Passive Arms	Passive Arms	all NFR CI 1-7
	Non-lethal protective equipment, defensive military goods designed to provide protection	
	Helmets	
	Bulletproof vests	
	Combat and Army Uniforms	
Neutral Arms	Military equipment which cannot be categorized as active	
	Neutral Arms	all NFR CI 1-9
	Goods used for disarmament, disabling or reduction of military capabilities	
	Mine detectors	
	Bomb Squat Robots	
	Weapon Tagging and Tracking Systems for decommissioning of arms	
	Radiation Detectors for detecting nuclear materials in disarmament inspections	
	Dual-Use Goods, Technologies and Components	Assessed in conjunction with associated end product
	Ammunition	
	AI technologies	
	Cyber warfare	
	Infrastructure	
	Drones and Anti-Drone Systems	
	Infrastructure Equipment	
	High-precision machine tools	
	Satellite communication systems	
	High performance cameras and sensors	

4.3.2 Defense Sector – Decision Grid

As outlined in Chapter 3.4 – Non-Financial Risk Country Index (NFR-CI), the decision grid serves as a key tool to assess transaction eligibility. It enables streamlined processing for certain transaction types without requiring further escalation, based on two core criteria: the weapon categorization and the NFR-CI¹ ²rating of the destination country.

NFR-CI End-User	Risk Profile	Controversial Arms	Large & Small Arms	Passive Arms	Neutral Arms
all	EU & (Extended) Erste Home Markets	X	✓	✓	✓
1-5	NATO & EU Strategic Defense Partners	X	✓	✓	✓
1-4	Low	X	X	✓	✓
5-7	Medium	X	X	✓	✓
		X	X	✓	✓
		X	X	✓	✓
8	High	X	X	X	✓
9		X	X	X	✓
10	Sanctions & Embargos	X	X	X	X

5 Energy Sector

5.1 Energy Sector – Objectives

Erste Group supports the energy sector in its essential role of ensuring energy security and driving economic development across Central and Eastern Europe, while sensibly managing the environmental and social impacts. The transition to a low-carbon economy is advanced through increased support for renewable energy and energy efficiency projects across the region.

Sustainable financing solutions are provided to energy clients to support their transition and alignment with long-term climate goals. While fossil energy sources may still play a role under national energy and climate plans (NECPs), the Group applies robust assessment frameworks and tracks progress against clear decarbonisation targets. These efforts contribute to a secure, resilient, and sustainable energy future.

Erste Group supports the energy sector in its key roles of providing energy security and developing the economies in CEE but also in sensibly managing the environmental and social impacts of energy sector projects. It is emphasized that in the mid- to long-term, economic, social and environmental well-being are not mutually exclusive, but inherently linked to each other. Therefore, Erste Group implements principles for the energy sector for a better management of the environmental and climate risks, as well as energy security and social impacts of actual energy change.

The Energy Sector Principles are based on accepted industry principles, seen by various stakeholders as representing best practice, and are aligned with Erste Group's long-standing commitment to the Paris Agreement (COP21). Erste Group recognizes the strategic importance of renewable energy and energy efficiency projects.

5.2 Energy Sector – Scope

The following economic activities and business cases are in scope:

- The exploration, production, transportation, storage, distribution, waste management, trading and refining of oil & gas (including processing of other hydrocarbons), solid fossil fuels and nuclear fuel cycle activities (mining, processing, conversion, enrichment, as well as back-end activities, such as decommissioning and reprocessing of spent fuel)
- Production, transportation, storage, distribution of biofuels and other sustainable fuels;
- The generation of power and/or heat/cold by means of fossil-fired power plants (such as oil, gas and coal-fired power plants), nuclear power plants and power plants based on renewable energy sources (hydro, wind, thermal solar, photovoltaic solar, geothermal, biogas and biomass energy);
- The transmission and distribution of power or heat/cold generated by such power plants;
- The production of technical components (i.e. semi-finished and finished products, incl. spare parts) for plants of the energy sources referenced above. Financing of production of components in general is not in scope; the components shall only be considered in scope when the components can be assigned to only a specific type of power plant (e.g. transformers for a nuclear power plant or transformers for a gas thermal power plant).
- Projects in connection with the phase-out/closing of power plants (nuclear, thermal, hydro, etc.).
- Services related to the above-mentioned activities (e.g. maintenance, construction of access road to a power plant).

5.3 Energy Sector – Guidelines

Erste Group will provide banking services to the energy sector only if such projects or transactions:

- Are in compliance with national and international environmental laws (www.ecolex.org is regarded as the most comprehensive information source).
- Comply with EU Taxonomy's Do No Significant Harm (DNSH) criteria for protection of biodiversity and ecosystems as described in Chapter 6 – Biodiversity.

Additional sector specific guidelines and criteria shall be applied to the following energy sources. For the avoidance of doubt, potential projects / activities and transactions that qualify as "environmentally sustainable" within the meaning of the EU Taxonomy are always considered eligible for financing by Erste Group.

5.4 Fossil Fuels (Oil & Gas)

Key risks identification

- Oil and gas have a severe impact on environmental degradation creating significant risks and impact on biodiversity, water quality and marine resources caused by exploration and harbors the risk of human rights violations through forced expropriation and the risk of violations of workers' rights;
- Oil and gas burning for power generation contributes to high exposure to climate change through GHG emissions;
- Associated activities are exposed to secondary reputational and litigation risks.

Policy objectives

Erste Group is committed to not expand its exposure of oil and gas exploration financing unless it is crucial for energy independence from Russia and is indispensable for national energy security within Europe. Erste Group does not finance extraction methods in unconventional sectors and generally projects within the Arctic region.

Eligible at client level:

- The corporate has established an Environmental Action Plan that comprehensively addresses all issues identified in the Environmental Impact Assessment (EIA)⁽⁶⁶⁾ – including, but not limited to, contingency measures for oil spills and the prohibition of continuous venting of associated gas into the atmosphere. In addition, the plan must include clearly defined mitigation actions aimed at preventing, minimizing, or offsetting adverse environmental impacts throughout the project lifecycle; and
- No more than 20% of the corporate's turnover is derived from activities classified as unconventional extraction methods, as defined in Chapter 5.4.1.
- The client is committed to respecting human and labour rights in the conduct of its business; and has implemented a stakeholder engagement plan that provides for a consultation process with communities that might be affected where applicable.

Eligible at deal level:

- Have no material adverse effects on protected natural habitats, critical freshwater resources or marine reserves as defined in Chapter 6 – Biodiversity;
- Are not mainly located in areas of high risk (i.e. areas of conflict or of geological and environmental hazards);
- Are not dedicated upstream and midstream projects in unconventional extraction sectors such as fracking activities. No financing of oil and gas exploration and greenfield development (upstream and midstream activities directly linked to exploration activities); exceptions allowed for the segment of natural gas in the event of the project supporting the independence from Russia and is indispensable for national energy security within Europe.

5.4.1 Definition of Unconventional Methods**5.4.1.1 Oil Sand / Tar Sand**

Oil Sands (or Tar Sands) refer to a type of unconventional petroleum deposit consisting of a mixture of sand, water, clay, and bitumen, which is a thick, tar-like form of crude oil. Unlike conventional oil which can be pumped directly from reservoirs, bitumen found in oil sands is too viscous to flow on its own and requires specialized extraction methods.

The extraction and processing of oil sands is energy-intensive and has significant environmental concerns, including high greenhouse gas emissions, high water use, and land disruption.

Exclusion Criteria:

No banking services will be provided if the transaction is related to an oil sand / tar sand project or if more than 20% of the relevant client's turnover is derived from activities classified as unconventional methods.

5.4.1.2 Arctic Oil & Gas

The Arctic region is one of the last pristine natural places left on the planet. It has shallow, biologically productive seas and vulnerable ecosystem. Arctic seas are serving as an important feeding source for the fragile communities of whales, seabirds and other wildlife. The region covered by AMAP is, essentially the terrestrial and marine areas north of the Arctic Circle (66°32'N), and north of 62°N in Asia and 60°N in North America, modified to include the marine areas north of the Aleutian chain, Hudson Bay, and parts of the North Atlantic Ocean including the Labrador Sea.

Arctic Oil & Gas activities are defined as the exploration, drilling, production and transportation of Oil & Gas (including LNG) performed in and impacting the Arctic region.

Exploration and industrial activities are harmful for the living and feeding conditions of the fragile wildlife of the Arctic region and can result in environmental degradation and decreasing biodiversity. Remote proximity, extreme weather conditions and lack of infrastructure means a delayed mobilization of mitigating measures for industrial accidents, therefore causing far more severe impacts to the Arctic ecosystem.

Exclusion Criteria:

Erste Group does not want to be exposed to the risks of environmental degradation in the vulnerable ecosystems of the Arctic region and will therefore refrain from any financing of projects, assets or cash flows directly related to Arctic Oil & Gas activities. This restriction applies also to financing of maintenance or supply chain dedicated directly to the Arctic Oil & Gas activities.

5.4.1.3 Hydraulic Fracturing

Hydraulic Fracturing (Fracking) produces significant amounts of methane, a potent greenhouse gas that contributes to climate change, especially if there are leaks during extraction. Fracking requires significant volumes of water, which can strain local water resources. Chemicals used in fracking could potentially contaminate nearby groundwater sources if not properly managed. The injection of wastewater into deep wells after fracking has been linked to minor earthquakes, a phenomenon known as induced seismicity. Additionally, the infrastructure required for fracking, including roads, drilling pads, and pipelines disrupts local ecosystems and wildlife habitats.

Exclusion Criteria:

No banking services will be provided if the transaction is related to fracking or if more than 20% of the relevant client's turnover is derived from activities classified as unconventional methods.

5.5 Thermal Coal

The thermal coal sector is a significant contributor to rising temperatures of the planet and hence has a responsibility towards society and future generations in terms of environmental preservation, human rights and human health. Thermal Coal remains a critical energy pillar in several EU countries, driven not only by its established infrastructure and affordability, but also by the recent geopolitical shifts that have underscored the urgent need for energy security. In the wake of the ongoing crisis stemming from reduced access to Russian oil and gas, many countries are prioritizing energy independence and diversification of their energy mix. In this context, thermal coal continues to serve as a reliable base-load energy source, particularly in regions, where alternative solutions are still in development or constrained by infrastructural challenges.

Starting in 2025, Erste Group's Thermal Coal clients are required to submit transition plans for formal review. As part of our decision-making process, Erste Group closely monitor the progress and alignment of National Energy and Climate Plans (NECPs), as required by the European Commission. These plans are of paramount importance, as they provide a clear roadmap for each country's energy transition, outlining critical milestones for decarbonization, renewable energy adoption, and the phase-out of fossil fuels. For us as a Financial Institution, NECPs serve as a key indicator of governmental commitments and regulatory direction, allowing us to assess the long-term viability of coal-related assets within the context of a nation's broader climate strategy. They help us to evaluate the credibility of client transition strategies and ensure that our financing aligns with both national and EU-wide climate objectives, as well as our own targets.

Erste Group pursues a clearly defined coal exit approach that balances responsibility for climate action with the need to ensure energy security in the CEE region. Many of the CEE markets still heavily rely on fossil fuels, and the transition to renewable energy requires both time and substantial investment. Erste Group recognizes the urgency of contributing to the decarbonization of the energy sector while at the same time ensuring that households and businesses have continuous access to affordable energy. Against this background two-step exit are set out:

- From **2030** onwards, Erste Group will no longer finance coal mining,
- And from **2035** Erste Group will refrain from financing power or heat generation from coal.

The extension period is exclusively available to clients of Erste Group which hold an existing relationship at the time of transaction decision. Eligibility is contingent upon the demonstration of credible and actionable transition efforts that are fully aligned with the National Energy and Climate Plan (NECP) of their respective country, as outlined in Chapter 5.5.1 Thermal Coal – Decision Grid for Extension Period.

Not Eligible for new financing in the coal sector if any of the following are met:

- Direct financing of thermal coal-asset specific investments or cash flows related to thermal coal mining, thermal coal processing, coke processing or thermal coal-based power generation (electricity, heat, steam). The extension, refurbishment and servicing of existing plants (improvements on security and ESG matters) are not in scope of the exclusion.
- Direct financing of petroleum coke (petcoke) - a high carbon by-product of oil refining used primarily as industry fuel – is not eligible.
- Indirect financing through the supply chain dedicated directly to assets of thermal coal mining or thermal coal fired power plants, especially, but not limited to machinery and engineering support for power plants, and industrial facilities burning or processing coal;
- Power, heat, and steam production for industrial processes using coal as the predominant energy source, although there are industrial scale alternatives;
- Corporate financing of companies or groups of companies which extend their thermal coal mining or thermal coal-based power generation (installed) capacities;
- Corporate Financing shall not be granted to:
 - **New clients** with revenue exposure to the thermal coal sector.
 - **Existing clients** whose coal transition plan do not meet the 2030 phase-out target and are not granted an extension period as per Chapter 5.5.1 – Thermal Coal – Decision Grid for Extension Period
- Trade finance of thermal coal as commodity, financing of stocking and processing of thermal coal.

Eligibility criteria for new financing activities in the coal sector:

- Financing clients using or producing coal for industrial processes, such as steel, aluminum, cement, bricks, ceramics, glass, etc. (metallurgical coal) as there are no industrial scale alternatives;
- Thermal coal used in other applications, such as filtration, cleaning or other specialized products like activated carbon, carbon fiber or silicon metal;
- Corporate Financing may be granted to:
 - **Existing clients** provided they have submitted a credible coal transition plan by end of 2025, including a commitment to phase out coal by 2030, or in case an extension period is granted in accordance with the decision grid outlined in Chapter 5.5.1 of this Policy
- Financing of safety maintenance, improvement of environmental parameters, procurement of technologies/services, essential repair work, but not investments in a significant extension of the service life (replacement of complete functional units, boilers, etc.), with a maximum duration until the due date in 2030 for district heating units, unless extension period is granted in accordance with the decision grid outlined in Chapter 5.5.1 below;
- Financing of suppliers, except for direct financing of projects to expand physical coal capacities (no new capacities), provided the buyer complies with the 2030 phase-out plan;
- Climate-aligned activities related to clients operating in the coal sector – such as, but not limited to, renewable energy projects or climate adaption measures within midstream operations- may be eligible for financing. This reflects our commitment to supporting their contribution to climate protection and the transition to low-carbon energy.

5.6 Nuclear Energy

Erste Group has a very restrictive approach concerning projects in the nuclear energy industry. Due to the long radioactive half-life of nuclear waste and the difficulties involved in its final storage, it is not in Erste Group's interest to see nuclear energy capacities extended. Erste Group acknowledges that countries in the region that Erste Group is active in, have declared that they currently must rely on nuclear power to ensure energy security. However, Erste Group will only finance - if at all - any projects related to nuclear power plants if these projects are of indispensable importance to a country's energy security.

Non-eligible projects and transactions:

- All transactions related to expanding nuclear power plant projects (not EU Taxonomy aligned) and all related projects (e.g. access roads, security systems for new nuclear plants), as well as components, spare parts required for the operation of the new power plant if these projects are not considered to be of indispensable importance to its national energy security by a country.
- Projects relating to the mining of uranium, as well as the conversion, enrichment, processing and storage of nuclear fuel.

Eligible projects and transactions:

- Transactions concerning existing and operational nuclear power plants that are considered to be of indispensable importance to the national energy security by a country:
 - if they increase the safety standards (incl. better security systems against accidents or violent attacks) of the respective power plants;
 - if they relate to the acquisition of spare parts, vital components and necessary maintenance which are required for the operation of those plants, with the rationale that without the replacement of the respective parts and the related maintenance works a safe and adequate functioning of the respective plant could not be ensured;
 - if they concern projects and related costs for decommissioning existing nuclear power plants, while ensuring the highest safety standards.
- Projects related to new nuclear power plant projects and related investments are eligible only:
 - if they meet the criteria of Commission Delegated Regulation (EU) 2022/1214, including those that they ensure no significant harm is done to other environmental objectives;
 - if they are considered to be of indispensable importance to the national energy security by a country.
- The decommissioning, reprocessing, storage of domestic nuclear waste.

In addition, eligible transactions need to comply with certain safety, legal and security standards which can be ascertained based on the assessment of the country (Energy NFR-CI) where the respective project or transaction will take place. Nuclear deals are only deemed eligible for countries within Erste Group Home Markets and EU countries with an Energy NFR-CI from Country Index 1 to 5, all others are deemed non-eligible.

5.7 Renewables

Increasing the share of renewable energy across the different sectors of the economy is a key building block to reaching the goal of reducing greenhouse gas emissions. Erste Group's ambition is to gradually increase the share of renewables in the total energy credit portfolio.

5.7.1 Biofuels / Biomass

Erste Group will provide financing, advisory or any other banking services if such projects or deals

- clearly identify the type of the biomass (agricultural/forest);
- ensure that production of digestate covers monitoring and contingency plan (to minimize methane leakage at the facility) and produced biogas is used directly for the generation of electricity or heat or upgraded to bio-methane for injection in natural gas grid or used as vehicle fuel or feedstock in the chemical industry;
- have no significant negative impact on environment (e.g. biodiversity), food supply security and biodiversity;
- have no adverse effects on the sustainable use of soils, critical natural habitats such as rain forests or other territories outlined in Chapter 6 of this Policy or critical freshwater resources;
- do not substantially increase water usage compared to the previous usage of the area from which biomass originates.

5.7.2 Hydro Power and other Renewables

Erste Group will provide banking services – as defined in the introduction – only if the related transactions or projects meet the following criteria:

- comply with the World Commission on Dams (WCD) Framework in the case of hydro plants and international conventions such as the European Union Water Framework Directive and Art 4 Directive (EU) 2000/60/EC);
- comply with the EU Taxonomy's Do No Significant Harm (DNSH) criteria for protection of biodiversity and ecosystems (for more details, refer to Chapter 6 below)
- includes an impact assessment prior to construction of the project to assess all its potential impacts on the status of water bodies within the same river basin and on protected habitats and species directly dependent on water, considering in particular migration corridors, free-flowing rivers or ecosystems close to unimpaired conditions; and includes all technically feasible and ecologically relevant mitigation measures have been implemented to reduce adverse impacts on water as well as on protected habitats and species directly dependent on water (evidence is provided by documentation of environmental impact assessment or other official documentation).

For Small Hydro Power Plant Projects, the following minimum standards are to be met (current and future projects):

- Technical due diligence conducted by an independent consultant - taking into account the following aspects: project location (protected and forest areas), residents within the proximity of construction site, land use permit, cultural heritage within 1 km of the site, installation of oil-based transformers, capacity of the energy generation, location of the site within fish or wildlife migration areas etc.;

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- Due Diligence of Environmental and Social Impact Analysis (ESIA) or in the absence of a legal obligation for ESIA, an ESIA report shall be prepared by a third-party consultant, including a site visit by the third party;
- Water quality and sedimentation measurements are conducted annually. Semi-annual monitoring of all projects, as well as annual site visits by an internal/external specialist.

5.8 Energy Sector – Decision Grid

For the purpose of the Decision grid, energy sector deals are categorized into three main energy source groups:

- i) Nuclear,
- ii) Fossil fuels,
- iii) Renewable and others.

The potential project or transaction must comply with both the relevant Policy principles for the energy source in question and certain safety standards, which can be determined on the basis of the assessment of the country in which the project or transaction is to be carried out.

The following country ratings signal the eligibility of a deal, provided that all other principles mentioned in chapter 5.3 of the Policy are met:

- Nuclear: Erste Home Markets or EU countries with Energy Non-Financial Risk – Country Index between levels 1 to 5 and limitations as stated for non-eligible cases (see Chapter 5.6 of this Policy)
- Fossil fuels: no geographical limitation; non-eligible criteria as per Chapter 5.4 of this Policy
- Renewables and other: no geographical limitation; non-eligible criteria as per Chapter 5.7 of this Policy

6 Biodiversity

Erste Group recognizes that biodiversity is foundational to the stability of ecosystems and the global economy. Climate Change, as well as the degradation of natural systems and environments present material risks to the financial sector, including credit, operational, and reputational exposures. Erste Group acknowledges its role in identifying, assessing, mitigating and managing biodiversity-related risks and impacts within our financing and investment activities. By integrating biodiversity-related factors into our responsible financing practices and decision-making processes, Erste Group aims to support the protection of ecosystems and contribute to a more resilient, sustainable future for our planet.

Erste Group carries out a comprehensive analysis of biodiversity risks in relation to transactions in scope of this Policy and conducts due diligence on clients to understand their impact on, and vulnerability to, climate-related and environmental risks. The assessment is carried out using the tools "ENCORE" and the "WWF Biodiversity Risk Filter". These tools enable the connection between economic activities and their impacts, including potential harm to biodiversity.

For the avoidance of doubt, potential projects / activities and transactions that qualify as "environmentally sustainable" within the meaning of the EU Taxonomy are always considered eligible for financing by Erste Group.

6.1 Land and soil management

Key Risk Identification

Soil is an essential, non-renewable resource for agriculture, providing the basis for the production of food, fibre, and other resources for a circular bioeconomy. Soil also supports biodiversity, plays a central role in carbon sequestration and storage, and provides a number of other ecosystem services, such as water regulation and nutrient cycling.

Policy objective:

Erste Group will not provide financing, advisory and any other banking services to entities that:

contribute to degradation of land by adopting intensive practices (intensive tillage practices - (e.g. more than 3 tillage/year except cover crops - that disturb the earth's structure and contribute to degradation like deforestation overgrazing, intensive cultivation and construction work on/of land under special protection such as e.g. rainforests or the last remaining virgin forests in Europe);

damage biodiversity as a consequence of practicing monocultures (agricultural or forestry land on which only one crop species is cultivated for more than 5 consecutive years);

practice land abandonment and neglect, especially use agricultural land for other purposes, with the exceptions permitted by the law.

Non-eligible projects / deals

Unless they qualify as "environmentally sustainable" within the meaning of the EU Taxonomy, Erste Group will not finance any activities or projects located in or which have a material impact on:

- UNESCO World Natural Heritage Sites
- Wetlands of International importance on the Ramsar List
- IUCN-listed protected areas (category I and II areas, or
- Natura 2000.

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Prior to approval of financing for large-scale high-impact project, the corporate must submit a comprehensive assessment detailing the project's environmental and social implications. A project may be considered for financing only if it demonstrably complies with internationally recognized environmental and social standards – including the IFC Performance Standards, EBRD Performance Requirements, and the Equator Principles – and is supported by a positive Environmental Impact Assessment (EIA) conducted in accordance with Directive 2011/92/EU. The EIA must confirm that appropriate mitigation measures are in place, with particular attention to impacts on protected areas. The corporate is responsible for providing documented evidence of compliance and mitigation as part of the financing application.

The Environmental Impact Assessment (EIA) Directive, also known as Directive 2011/92/EU, is an EU-wide legal framework that requires certain public and private projects to undergo a formal environmental assessment process, before receiving development consent. The aim is to ensure that environmental factors are identified early, considered transparently, and integrated into decision-making.

This policy applies primarily to clients and projects subject to mandatory Environmental Impact Assessments (EIAs) under Directive 2011/92/EU. The directive targets large-scale developments with potentially significant environmental effects, such as intensive agricultural operations, major land-use changes, or projects located in ecologically sensitive areas.

Financing may be considered in alignment with this policy if both the project and the client fully comply with all regulatory and legal requirements under the EIA framework, and no material environmental concerns are identified.

In the agricultural sector, additional considerations apply regarding subsidy frameworks, particularly those governed by the EU's Common Agricultural Policy (CAP) and relevant national funding programs. Projects that are EIA-obligated and simultaneously benefit from agricultural subsidies must demonstrate full compliance with both environmental and subsidy-related regulations. Financing is permissible in such cases, provided regulatory alignment is ensured.

6.2 Deforestation

Land clearance for commercial agriculture and plantations is by far the largest cause of loss, often driven primarily by land speculation rather than the absolute need for food production.

Erste Group will make use the existing principles set out in the EU Biodiversity Strategy for 2030 (which echoes the ambition of the European Green Deal and shall advise financing, do advisory work or provide any other financing services to entities that ensure that the result of practicing their activity is not causing any form of degradation of ecosystems as per the impact assessment according to Directive 2011/92/EU , including the removal of a forest or stand of trees from land that is then converted to non-forest use

Exclusion Criteria:

- Erste Group will abstain from financing direct or indirect projects / activities involving deforestation of primary forests and tropical rainforests, and of removal of high conservation value (HCV2) forests ([HCV Approach](#) | [HCV Network](#)). Forest-owning forestry companies, including forest-owning pulp and paper companies operating in high-risk areas - as defined in the Forest 500 High Risk Country List by NGO Global Canopy - must have Forest Stewardship Council (FSC) or Programme for Endorsement of Forest Certification Schemes (PEFC) certification;

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- Erste Group will abstain from entering new transactions with companies that grow and/or trade palm oil unless they are members of the Roundtable on Sustainable Palm Oil (RSPO) and have a corresponding RSPO certification;
- Erste Group will abstain from entering new transactions with companies that grow soy in the Amazon Basin and/or trade soy from the Amazon Basin unless they are certified by the Round Table on Responsible Soy (RTRS).

6.3 Water quality and reuse in agriculture

While Europe is largely considered as having adequate water resources, water scarcity and drought is an increasingly frequent and widespread phenomenon in the European Union. The main overall objective of EU water policy is to ensure access to good quality water in sufficient quantity for all Europeans, and to ensure the good status of all water bodies across Europe.

Exclusion Criteria

- Projects that do not protect surface waters from chemical pollution and discharged water, and therewith do not comply with the quality parameters as indicated in the national regulations (heavy pollution);
- Projects that are non-compliant with EU-Directive 2006/118/EC on the protection of groundwater against pollution and deterioration.

6.4 Commodity Certification Guidelines

As part of the commitment to sustainability, it is crucial for Erste Group to evaluate the environmental, social and governance impact of the commodities Erste Group finances. Key commodities are widely traded and consumed globally. However, these commodities come with significant ESG risks, particularly regarding deforestation, labor rights, and environmental degradation. Below, Erste Group outlines key certifications to consider when assessing ESG compliance of these commodities. Erste Group's assessment focuses on transactions directly linked to commodity trading clients, prioritizing engagements within the core commodity value chain.

Palm Oil

Palm Oil is a versatile and highly demanded commodity, but its production has been linked to significant deforestation, loss of biodiversity, and human rights violations. To mitigate these risks, Erste Group prioritizes financing palm oil production that adheres to rigorous sustainability standards.

- RSPO (Roundtable on Sustainable Palm Oil): The RSPO certification ensures that palm oil is produced sustainably, with measures to prevent deforestation, promote biodiversity, and uphold worker's rights. The RSPO also sets standards for transparency and traceability across the supply chain.
- ISCC (International Sustainability and Carbon Certification): This certification is crucial for palm oil that claims to reduce carbon emissions and follows environmental and social sustainability practices. ISCC addresses climate change by focusing on carbon footprint reduction, biodiversity preservation, and supply chain transparency.
- Rainforest Alliance: Rainforest Alliance certified palm oil is produced in a way that protects ecosystems and the rights of workers. This certification promotes integrated landscape management and climate adaption strategies to enhance biodiversity and community well-being.

Coffee & Cocoa

The coffee and cocoa industry faces several ESG challenges, including deforestation, poor labor conditions, environmental degradation, and the effects of climate change on coffee-growing regions. To ensure that our financing supports sustainable coffee production, Erste Group considers certifications that focus on both environmental and social impacts.

- **Fair Trade Certified:** This certification ensures fair wages and working conditions for farmers and workers, while promoting sustainable farming practices. Fair Trade also supports community development and focuses on eliminating exploitative labor practices, especially for smallholder farmers.
- **Rainforest Alliance:** Like palm oil, coffee that carries the Rainforest Alliance seal is produced using methods that conserve biodiversity, protect forests, and support sustainable farming practices. The certification also emphasizes improving the livelihoods of coffee farmers, particularly in the face of climate change.

6.5 Biodiversity – Decision Grid

For the purpose of the decision grid, the impact of a project on biodiversity should be assessed using in the following steps:

- i) **Location of project** (Links regarding protected areas as outlined in Chapter 6.1);
- ii) Compliance with the **EU Taxonomy's Do No Significant Harm (DNSH) criteria** for protection of biodiversity and ecosystems:
 - a. Completion of an **Environmental Impact Assessment (EIA)** or screening
 - i. For projects / activities in the EU, in accordance with Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment;
 - ii. For projects / activities in third countries: in accordance with equivalent applicable national law or international standards requiring the completion of an Environmental Impact Assessment (EIA), for example, the IFC Performance Standard 1: Assessment and Management of Environmental and Social Risks;

Implementation of the required mitigation and compensation measures for protecting the environment;
 - b. Conduct of an appropriate **assessment**, where applicable, where project sites /operations are located in or near biodiversity-sensitive areas (including the Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas, as well as other protected areas)
 - i. for projects / activities in the EU: in accordance with Directive 2009/147/EC on the conservation of wild birds and Council Directive 92/43/EEC on the conservation of natural habitats and wild fauna and flora ;
 - ii. for projects / activities in third countries: in accordance with equivalent applicable national law or international standards, that aim at the conservation of natural habitats, wild fauna and wild flora, and that require to carry out

1. a screening procedure to determine whether, for a given activity, an appropriate assessment of the possible impacts on protected habitats and species is needed;
 2. such assessment, where the screening determines that it is needed, for example IFC Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources; Implementation of the required mitigation measures to ensure that the project will not have any significant effects on the conservation objectives of the protected area ;
- c. Dedicated **DNSH criteria** for certain economic activities set out in the Climate Delegated Act and Environmental Delegated Act;
- i) All projects and transaction involving deforestation must be supported by a rigorous assessment provided by the client, evaluating potential adverse impacts on High Conservation Value 2 (HCV2) forests. These forests are critical for maintaining essential ecosystem services and landscape-level ecological functions. The client is responsible for submitting comprehensive documentation that demonstrates the assessment has been conducted in accordance with recognized environmental standards.
 - ii) For water compliance with EU-Directive 2006/118/EC on the protection of groundwater against pollution and deterioration.

The potential project or transaction must comply with the relevant Policy principles and can be determined on the basis of the assessment of the country in which the project or transaction is to be carried out.

7 Gaming & Gambling Sector

Erste Group has no specific business focus on the gaming industry. The exposure is maintained as marginal part of the Erste Group portfolio. Erste Group implements this Policy to govern its business activities in this sector as well as to service its clients and society in a responsible manner. Erste Group recognizes that the sector provides entertainment services to society, but at the same time, this sector is also vulnerable to the risk of losses in sensitive customer segments. Therefore, Erste Group applies a very selective financing policy and engages only with service providers, which can ensure best-in-class management of risks of social damages. Erste Group will engage only with reputable and transparent companies in the European Economic Area, Erste Group Home Market or the UK ("extended EEA") where the gaming industry is strongly regulated and which are subject to supervision and comply with responsible gambling principles, as well as adhere to extended EEA-wide AML and CTF standards.

The best-in-class gaming service providers must comply with many aspects of the responsible gaming criteria contained in a dedicated responsible gaming scorecard which provide Erste Group with the necessary comfort for addiction prevention and addiction cure policies. Erste Group considers lottery services, particularly state – owned lottery services, or clearly connected to humanitarian causes – less harmful and preferable for financing activities.

The parameters described in this Policy are based on those accepted by the industry and by various other stakeholders as representing best practice and are consistent with Erste Group's longstanding commitment to sustainable and socially responsible business conduct and its aim to mitigate potential reputational and other non-financial risks.

7.1 Gaming Sector Scope

- **Gaming and gambling service providers**, licensed gambling industry, internet gambling industry, sports betting, providers of hard- and software related to the gambling industry, providers of payment processing with respect to gambling.
- **Gaming and gambling services**, wagering of money or something of material value on an event with an uncertain outcome with the primary intent of winning money or material goods, partially prohibited by national law. Includes dice games, card games, gaming machines and lottery; the main characteristic is the random course of events.
- **Gaming-related service providers**, business activities which are solely or mostly related to gaming business, operators of casinos, lotteries, sports betting, producers of gaming software and hardware, operators and vendors of gaming machines, providers of payment processing with respect to gambling etc.
- **Payment service providers** money flows – either physically or virtually represented by a set of relevant data – to or from a client bank account held by a bank in Erste Group.

The NACE Code 9200 Gambling and Betting is typically addressing gaming-related sectors and treat the client as gaming-related subject to this Policy.

Key risk identification

Any involvement with the business area of gaming and gambling poses risks to Erste Group, namely through reputational risk and a wider risk to society:

- Risk of vulnerable players being prone to addiction leading to financial extortion, social exclusion and follow-up crime.
- Due to the large amounts of money processed by gaming-related clients potentially registered in weakly regulated jurisdictions, the sector is prone to the risk of money laundering and other criminal activities.

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- Potential illegal gaming and gambling is prone to risks of macroeconomic losses (e.g. tax evasion).

Policy objective

Erste Group is willing to consider supporting the Gaming and Gambling sector strictly on a highly selective basis with a clear objective to provide financing only for leisure activities. All engagements must align with Chapter 7.2 of the financing criteria and ensure that no socially adverse risks are assumed by the financed entities.

7.2 Financing Criteria

A detailed KYC and AML-Due Diligence process is mandatory as the first step of the on-boarding process, in line with the Group Policy Anti-Money Laundering, Know Your Customer and Counter Terrorist Financing.

7.2.1 Service providers/companies not eligible for new financings or any other banking services within the Gaming and Gambling sector:

- Service providers failing to comply with the Erste Group Compliance Questionnaire;
- Service providers in any dispute with local or European law enforcement, or bodies supervising the Gaming and Gambling sector activities that might have an impact on the license;
- Service providers with severe controversy issues connected to gaming and gambling activities;
- Service providers who hold client funds beyond the minimum deposit amount required for the management of their clients;
- Services providers not complying with the minimum level of standards defined by the Erste Group Responsible Gaming Score Card - with a special focus on addiction awareness measures, addiction prevention measures, addiction countermeasures, underage gaming prevention, training for staff, advertisement restrictions.
- Due diligence is to be conducted by the Deal Originator in order to obtain sufficient comfort on the points above.

A company not scoring a minimum in Underage gambling and betting, Limits, Playing with credit and a minimum of (83 for Lotteries, 115 for Gambling, 105 for Betting) in the Total Score, does not qualify for a Risk Acceptance by a NFR decision.

When fulfilling a Responsible Gaming Score Card for service providers for whom, due to the nature of the job, some questions from the Score Card cannot be answered, it is necessary to answer the question with a best result of 3 points and put Not applicable in the comment.

If the service provider is equally engaged in all three activities (lottery / gambling / betting) based on turnover, then it should be pragmatic and evaluate the activity through an activity that has the strictest rules. If one activity is less than 10% of the turnover, an assessment is not required.

When fulfilling a Responsible Gaming Score Card for pure service providers such as gaming software and hardware manufacturers, gaming machine operators and suppliers, gambling-related payment processing service providers, etc., the "main client" for whom it provides services/products has to be assessed.

7.2.2 Service providers/companies eligible for new financing in the Gaming and Gambling sector

- National lotteries or private operators of lotteries with humanitarian causes, subject to a minimum Score Card Result;
- Other gaming operations reaching the best 3 Score Card Results of the national market (excluding national lotteries or private operator lotteries with humanitarian causes).

7.2.3 Service providers/companies eligible for banking services and operations (beyond financing) in the Gaming and Gambling sector:

- Services providers reaching a score above the minimum level of standards defined by the Erste Group Responsible Gaming Score Card - with special focus on addiction awareness measures, addiction prevention measures, addiction countermeasures, underage gaming prevention, training for staff, advertisement restrictions.
- Service providers not breaching the criteria (1-4) listed in chapter 7.2.1.
- Considering the sensitive nature of the gaming and gambling sector, these clients are not serviced by the relationship management of the branches.

When assessing the Responsible Gaming criteria for a Group of Connected Clients (GCC), only one Responsible Gaming Score Card should be provided, covering all the operations for the respective GCC (and, geographically, as a minimum all countries in the Erste Group Extended Home Market).

8 Abbreviations

AMAP – Arctic Monitoring And Assessment Programme

AML – Anti-Money-Laundering

AML-DD – Anti Money Laundering Due Diligence

C&M – Corporates and Markets

CEE – Central-and Eastern Europe

COP21 – (21st Conference of the Parties - UN-Climate Change Conference in Paris).

CRO - Chief Risk Officer

CTF – Counter-Terrorism Financing

EBRD – European Bank for Reconstruction and Development

EEA – European Economic Area

EG – Erste Group

ESIA - Environmental and Social Impact Analysis

ESG – Environment, Social and Governance

FATF - Financial Action Task Force

GHG – Greenhouse gases

ICRC – International Committee of Red Cross

IUCN – International Union for Conservation of Nature

IFC – Industry Foundation Classes

KYC – Know Your Customer

LNG - Liquefied Natural Gas

NECP – National Energy and Climate Plan

NFR – Non-Financial Risks

NFR-CI – Non-Financial Risk - Country Index

ROCC – Regional Operational Conduct Committee

RSPO - Roundtable on Sustainable Palm Oil

RTRS - Round Table on Responsible Soy

SASB – Sustainability Accounting Standards Board

UN – United Nations

WCD – The World Commission on Dams