

Good Bank ESRS Limited

Illustrative Sustainability
Statement in accordance
with European Sustainability
Reporting Standards (ESRS)

For reporting period 1 January 2025 to
31 December 2025



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Foreword

Welcome to the first edition of 'Illustrative Sustainability Statement of Good Bank ESRS (International) Limited' (referred to as 'the Bank'), which has been developed to assist entities in meeting the requirements of the European Corporate Sustainability Reporting Directive (CSRD), focusing on the disclosure requirements in the current set of European Sustainability Reporting Standards (ESRS) effective as of 1 January 2024.

The CSRD, including the ESRS, has been established to require entities in the European Union (EU) to disclose information regarding their material impacts, risks and opportunities in relation to environmental, social, and governance sustainability topics. The ESRS are intended to enable users of the sustainability statement to understand an entity's material impacts on people and the environment and the material effects of sustainability topics on an entity's development, performance and position. Although various entities have previously reported voluntarily under the Taskforce on Climate-related Financial Disclosures (TCFD), the Global Reporting Initiative (GRI) or other similar frameworks, the introduction of the ESRS brings a new focus and expectation to these disclosures. At the time of writing, the ESRS is under revision by EFRAG which aims to structurally revise the standards as part of the EU Omnibus initiative. Amended standards are potentially applicable from FY 2026 or later.

Many 2024 ESRS sustainability statements have been published in the EU, and entities have invested tremendous effort to publish ESRS-compliant and externally assured sustainability statements. However, significant variation in reporting practices among first-time adopters was observed. It is expected that sustainability-related financial disclosures prepared in accordance with the ESRS will evolve as familiarity with the requirements improves and reporting practices mature. As such, the disclosures illustrated in this publication will also evolve and mature in future editions of this or related publications.

Sustainability-related impacts, risks and opportunities are rapidly reshaping the global business environment, compelling entities to adapt their current business strategies and models and to enhance the transparency of their sustainability reporting. As a result of the EU Green Deal, financial institutions are expected to direct capital to achieve the sustainable transition of the economy and ensure the stability of the European economy. To achieve this objective, various regulators such as the European Banking Authority and the European Central Bank are issuing additional requirements and guidelines related to climate, social and governance topics. Banks need to consider these regulatory requirements in the preparation of their sustainability statement to the extent that they impact or relate to climate, social and governance topics. Areas of the CSRD report where regulatory reporting requirements are already considered relevant relate to the Environmental section, for the climate resilience assessment and climate related risk assessment. The regulatory climate risk assessment also brings relevant input for the CSRD double materiality assessment to identify financial risks associated with climate.

As the urgency to address sustainability challenges grows, stakeholders expect companies to provide clear, actionable and comprehensive disclosures on how they impact sustainability topics and how sustainability-related topics affect their development, performance and position. In this context, connectivity of the information disclosed in the sustainability statements and the consolidated financial statements is important. Banks should include sufficient information to enable users to understand to what extent the impacts, risks and opportunities and other uncertainties disclosed in the sustainability statements may have an effect or are connected to information disclosed within the financial statements.

This publication provides illustrative examples of the sustainability-related disclosures by a bank applying ESRS in its second year, focusing on *ESRS 2 General disclosures*, *ESRS E1 Climate change*, *ESRS S1 Own workforce* and *ESRS G1 Business conduct*. The illustrative example provided in this publication is designed to support banks in navigating these requirements and to demonstrate how sustainability-related information can be effectively communicated to stakeholders.

We trust this publication will prove useful when preparing your sustainability statement.

Laure Guégan

EY EMEA Global Corporate Reporting Services Leader

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1. Introductory notes

1.1. Background to this document

This publication contains an illustrative sustainability statement for Good Bank ESRS (International) Limited (the parent) and its subsidiaries (the Bank) for the year ended 31 December 2025 and is prepared in accordance with the ESRS as published in the Commission Delegated Regulation 2023/2772 of 31 July 2023. The Bank is a fictitious, publicly listed financial institution with a banking license. The parent entity is incorporated in the fictitious EU member state of Euroland¹. The judgements applied and conclusions reached are based on the fictitious specific circumstances of the Bank. No judgements or conclusions can be reached or inferred from the details of the disclosed information in this illustrative report. The presentation currency of the Bank is the euro (€).

This publication illustrates an entity that is in its second year of application of the ESRS.

Objective

The reporting requirements of the ESRS are extensive and have triggered a significant increase in the scale and scope of sustainability reporting for many companies.

Organizing this information into a coherent sustainability statement, especially where it covers new topics not previously disclosed, can pose a challenge for preparers.

How to use this illustrative sustainability statement

This document is a practical example of disclosure for illustrative purposes only. Users of this publication are encouraged to use this document to inform them as to how they might prepare their own disclosures to comply with the requirements of the ESRS. The assessments and judgements made in preparing the Bank's disclosures are specific to the fictitious facts and circumstances of the Bank and its value chain. Therefore, a company applying the ESRS may need to include additional or different disclosures, and the content of those disclosures will be based on the facts and circumstances of that specific company and its value chain. Additionally, this publication aims to provide extensive illustrations, which may result in the inclusion of detailed information. Therefore, companies should assess the materiality of the information to be included, ensuring it remains concise while meeting the necessary disclosure requirements.

References have been included throughout the document to denote the ESRS disclosure requirements to which illustrative disclosures correspond. The notations include the ESRS reference, the disclosure requirement, and the individual paragraph reference, including sub-paragraphs, as appropriate. For example, ["[ESRS-2_BP-1_5b\(ii\)](#)"], refers to the disclosure requirement within ESRS-2, BP-1, paragraph 5b(ii): "for consolidated sustainability statements...where applicable, an indication of which subsidiary undertakings included in the consolidation are exempted from individual or consolidated sustainability reporting pursuant to Articles 19a(9) or 29a(8) of Directive 2013/34/EU".

Commentary boxes in yellow are part of the Bank's illustrative sustainability statement and have been included to explain the Bank's methodology to calculate or measure the specific data points required by the ESRS.

In addition, commentary boxes in light grey have been included to provide context where specific disclosures have been made in respect of the Bank's particular circumstances. These commentary boxes also indicate where illustrative disclosures have not been provided or where there is a choice of disclosure options.

This illustrative sustainability statement is designed to provide a view of what a sustainability statement could look like and to highlight key considerations relating to the structure and format of different sections of a sustainability statement. It is the responsibility of the reporting entity to ensure that its ESRS disclosures are compliant with the applicable legal and jurisdictional requirements and that they accurately represent the existing sustainability commitments and achievements.

1.2. Introduction to CSRD and ESRS

CSRD

The CSRD entered European Union (EU) law in January 2023, requiring companies operating in the EU to disclose information on the sustainability-related risks and opportunities they face and the impacts they have on society and the environment. It was developed as part of the European Green Deal, aiming to increase the scope and standardization of sustainability reporting among companies. EU countries need to implement the

¹ The fictitious name used in this publication is not associated with any existing brands, companies or countries.

CSRD in their jurisdiction by transposing the CSRD into national law. At the time of writing, the CSRD has not been legally implemented in all member states. Entities in a member state that implemented the CSRD into national law should review the transposed CSRD in the member state in which they report, where available, as this may require the application of additional considerations and/or reporting requirements. This document has been prepared on the basis that CSRD has been transposed in Euroland, without amendment.

The practical application of the CSRD requirements is staggered, with large and listed companies that are already subject to the Non-Financial Reporting Directive (NFRD) coming into scope for reporting periods beginning in 2024.

The CSRD replaces and expands upon the earlier NFRD, replacing the existing requirements with more prescriptive requirements that apply to a much wider range of companies. It is designed to address the growing demand for reliable and comparable sustainability information from investors, consumers and other stakeholders. In-scope companies need to publish a sustainability statement that meets the requirements of the ESRS, as part of their management report.

ESRS

ESRS are the reporting standards against which companies in scope of the CSRD must report, they are developed by EFRAG. The first 12 ESRS were adopted as delegated acts by the European Commission in July 2023 and were published in the Official Journal in December 2023. This includes two general 'cross-cutting' standards (*ESRS 1 General Requirements* (ESRS 1) and *ESRS 2 General Disclosures* (ESRS 2)) and ten topical standards, covering a range of environmental, social, and governance (ESG) topics. These standards apply to all companies, regardless of the sectors in which they operate.

Preparation of the illustrative sustainability statement

In the development of these illustrative ESRS disclosures, the implementation guidance provided by EFRAG and the European common enforcement priorities for 2024, as issued by the European Securities and Markets Authority (ESMA) has been referred to. These sources offer insights and recommendations on best practices for sustainability reporting, which have been instrumental in shaping the structure and content of the illustrative sustainability statement.

EU Omnibus: proposed substantive changes

The EU Omnibus Package was published on 26 February 2025, and it proposes substantive amendments to the CSRD, aimed at simplifying reporting requirements². Under the proposed changes, the existing ESRS will be revised and streamlined to reduce the number of mandatory data points with a focus on prioritizing quantitative data over narrative disclosures, clarifying provisions and improving consistency with other legislation. In addition, previously expected sector-specific standards will no longer be introduced. The EU Omnibus Package has yet to be finalized through the EU legislative process.

On 11 July 2025, the European Commission adopted a "Quick Fix" Delegated Regulation extending European Sustainability Reporting Standards (ESRS) phase-in reliefs for Wave 1 undertakings, completing the first Omnibus package. Disclosures on anticipated financial effects and specific disclosures on Own Workforce (S1) are phased in for an additional two financial years. All Wave 1 undertakings may now also defer all disclosures on Biodiversity and ecosystems (E4), Workers in the value chain (S2), Affected communities (S3), and Consumers and end-users (S4) for financial years 2025 and 2026. Please refer to [EU adopts Quick Fix to extend ESRS phase-in reliefs in 2025-2026](#) for more details on the "Quick Fix" Delegated Regulation.

The illustrative sustainability statement presented in this document has been prepared in compliance with the reporting requirements in force at the time of preparation, being the first set of ESRS as issued in July 2023, including the application of the additional phase-in provision related to anticipated financial effects provided by the above-mentioned "Quick Fix" Regulation.

Double Materiality Assessment

The Double Materiality Assessment (DMA) is a mandatory exercise that all reporting entities must undertake in order to comply with the ESRS. Double materiality is a central concept underpinning any sustainability statement in accordance with the ESRS, recognizing the importance of considering the materiality of sustainability topics from two perspectives, as outlined by the EFRAG Guidance:

1. **Financial materiality:** A sustainability topic is material from a financial perspective if it generates risks or opportunities that affect (or could reasonably be expected to affect) the undertaking's financial position,

² [EU Omnibus Package](#)

1. Introductory notes

financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term.

2. **Impact materiality:** A sustainability topic is material from an impact perspective when it pertains to the undertaking's material actual or potential, positive or negative impacts on people or the environment over the short-, medium- and long-term. A material sustainability topic from an impact perspective includes impacts connected with the undertaking's own operations, its upstream and downstream value chain, including impacts through its products and services, as well as through its business relationships.

Double materiality requires companies to report on how they assess and manage both the financial implications of sustainability-related issues and their broader material impacts on society and the environment as part of their core business strategies and reporting practices.

In addition, the DMA requires entities to disclose how they engage with all relevant stakeholders in their value chain, such as employees, customers, suppliers, communities, regulators, and Non-Governmental Organizations. This is a change from traditional mandatory financial reporting, promoting a more comprehensive and integrated approach to disclosures and broadening the focus to emphasize the importance of sustainability, stakeholder engagement, and long-term value creation.

Conducting a DMA is a critical first step in preparing a sustainability statement in accordance with the ESRS. It determines the material impacts, risks, and opportunities (IROs) that a reporting entity must consider when meeting all disclosure requirements in the ESRS that are applicable to the reporting entity. This step is crucial, as the rest of the report will be shaped by the material IROs identified at this stage.

Reporting entities should consider the list of sustainability topics included in *ESRS 1, Appendix A, Application Requirement 16 Sustainability matters to be included in the materiality assessment* when performing their DMA as well as circumstances specific to the entity.

Each year, reporting entities will need to revisit and reassess their materiality determinations to ensure that their disclosures remain relevant and responsive to the latest sustainability impacts, risks or opportunities. This ongoing process ensures that entities continue to reflect current emerging trends, regulatory changes, and stakeholder concerns in their disclosures.

In the case of this illustrative sustainability statement, the DMA process has been simulated to create an illustrative list of IROs.

Assurance

The CSRD mandates that all sustainability-related disclosures, including the DMA, are subject to assurance. Limited assurance is required at present, and it is expected that the proposed changes under the Omnibus package would remove the requirement to move to reasonable assurance in future years.

1.3. Disclaimers

Second year disclosures

The illustrative sustainability statement presented in this document provides an example of a second-year sustainability statement and has been written to reflect the specific fictitious set of facts and circumstances of the Bank. An entity applying the ESRS will need to include additional and/or different disclosures based on the facts and circumstances of that specific entity, such as size, geographical presence, and the nature of the entity's operations. This set of disclosures is not exhaustive and should not be construed as definitive or applicable to all entities or circumstances.

Scope of the illustrative sustainability statement

The illustrative sustainability statement presented in this document is designed to represent potential reporting practices under the ESRS. The document is intended to serve as an example for banks that are preparing to comply with the disclosure requirements of the ESRS and should not be construed as comprehensive or definitive guidance.

It is important to note that while this illustrative sustainability statement focuses on the ESRS, there are several other sustainability regulations and frameworks that may impact reporting practices in the future.

Users of this illustrative sustainability statement should exercise their own judgment in determining the applicability of any specific information or other voluntary and mandatory frameworks to their own reporting context. Readers are encouraged to stay informed about the latest regulatory updates and to prepare for the integration of additional sustainability reporting requirements as they are enacted.

1. Introductory notes

This publication provides illustrative examples of the disclosures required in the application of the first set of the ESRS, focusing on ESRS 1, ESRS 2, *ESRS E1 Climate change* (ESRS E1), *ESRS S1 Own workforce* (ESRS S1), and *ESRS G1 Business conduct* (ESRS G1). For the purpose of illustration, disclosures in accordance with other topical standards have been omitted in this publication even if the Bank identifies the relevant topics as material.

In addition, this illustrative sustainability statement focuses only on the ESRS requirements and does not include the disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) or any other requirements of the CSRD. Furthermore, this sustainability statement uses XXX to illustrate a placeholder for figures.

References

In the context of these illustrative disclosures, the Bank refers to the entity's consolidated financial statements ("financial statements") to demonstrate how certain sustainability-related information may be presented and integrated with financial data. A complete set of financial statements has not been developed. In practice, when preparing sustainability-related disclosures, reporting entities will be expected to provide a comprehensive set of financial statements that is aligned with the sustainability information disclosed in accordance with the ESRS requirements. The references made here are solely for the purpose of illustration and should be viewed as examples of connectivity between sustainability-related disclosures and financial reporting. Readers should ensure that they refer to their own financial statements and tailor their sustainability-related disclosures accordingly to meet their specific reporting obligations.

Application date

This illustrative sustainability statement applies the ESRS that were in issue as of July 2023 and effective for annual periods beginning on or after 1 January 2024, for an entity in its second year of application. The illustrative sustainability statement makes use of the additional phase-in provision related to anticipated financial effects provided by the above mentioned "Quick Fix" Regulation, although some quantifications are illustrated. It is important to note that this illustrative sustainability statement will be required to be updated as standards are issued and/or revised. Users of this publication are advised to monitor any changes in requirements of the ESRS.

Assurance

The illustrative sustainability statement presented in this document has not been subject to assurance and no illustrative assurance statement has been included.

Good Bank ESRS (International) Limited Sustainability Statement

2. General information

Commentary on the ESRS sustainability disclosures

References to the ESRS data points in this sustainability statement are included for illustrative purposes only. They are not obligatory components of a sustainability statement prepared in accordance with the ESRS.

Guidance in the ESRS that relates to the structure of the sustainability statement

The guidance on how to present the information required by the ESRS is primarily found within ESRS 1. The key requirements are:

- The sustainability statement must be in a **dedicated section of the management report**.
- It must be **readable by both a human and a machine**, with a view to enabling disclosures to be digitally tagged, in line with the electronic reporting format required by the Accounting Directive.
- It needs to have **four sections**, in the following order:
 1. General information - ESRS 2 disclosures as well as all disclosures linked to ESRS 2 disclosure requirements*
 2. Environmental information - ESRS E1- E5 disclosures and Taxonomy disclosures
 3. Social information - ESRS S1- S4 disclosures
 4. Governance information - ESRS G1 disclosures
- **Any entity-specific disclosures** should be reflected in the **section that preparers deem most relevant**. When defining its entity-specific disclosures, an entity may adopt transitional measures for the first three years of ESRS application. This can be achieved by complementing its disclosures, prepared based on the topical ESRS, with an appropriate set of additional disclosures to cover sustainability topics that are material for the entity in its sector(s), using available best practice and/or available frameworks or reporting standards, such as IFRS industry-based guidance (as derived from SASB Standards) and GRI Sector Standards.
- Connections and **overlaps with other areas of corporate reporting**, specifically monetary and other quantitative data in the consolidated financial statements, **should be explained by reference to the relevant section within the consolidated financial statements**.
- **A list of the disclosure requirements should be included**, showing **where in the statement** they can be found. This includes:
 1. The list of disclosure requirements complied with in preparing the sustainability statement (ESRS 1.52)
 2. Appendix B List of EU legislation datapoints
 3. Incorporation by reference table pursuant of ESRS 1.122 and ESRS 2 BP-2-16

** Disclosure requirements related to ESRS 2 SBM-3, which cover the details of the material impacts, risks and opportunities and how they interact with the reporting entity's strategy and business model, can be reflected within the General Information section or alongside related topical disclosures.*

Executive summary

The Bank is committed to embedding sustainability at the core of its business strategy, serving over XXX million customers across Europe and employing more than XX,XXX people. The Bank's 2025 ESRS Sustainability Statement demonstrates how its purpose, *Banking with Purpose, Investing in Tomorrow*, is realized through:

- **Strategic Pillars**
 - Climate Leadership: Net zero by 2050 (own operations by 2030); sectoral targets for financed emissions
 - Responsible Finance: €XX billion in “sustainable finance”³ supporting clients' transition
 - Inclusive Growth: XX% women in management, TOP 10 inclusive employer, and advancing digital and financial inclusion
- **Materiality-Driven Action & Accountability:** Climate change, equal treatment and opportunities for all as well as business conduct are central to the Bank's risk management framework. Sustainability is overseen at Board level, integrated into risk management, and linked to executive incentives.
- **Outlook:** The strategy is dynamic, evolving with stakeholder expectations and regulatory requirements. The Bank is committed to transparent reporting, continuous improvement, and long-term value creation.

2.1 Basis for preparation

2.1.1 BP-1 General basis for preparation of sustainability statements

The sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS, EU 2023/2772) as incorporated into Euroland's local law.

Consolidation

The sustainability statement has been prepared on a consolidated basis [ESRS-2_BP-1_5a] and encompasses the parent company, Good Bank ESRS (International) Limited, and all its subsidiaries (collectively, the 'Bank'). It is prepared for the period 1 January 2025 to 31 December 2025. The scope of consolidation is the same as for the Bank's Consolidated Financial Statements [ESRS-2_BP-1_5b(i)] (please refer to 'Note X.2 Basis of consolidation' in the consolidated financial statements).

Commentary on the ESRS sustainability disclosures

The ESRS require that a consolidated sustainability statement must disclose, where applicable, an indication of which subsidiaries included in the consolidation are exempted from individual or consolidated sustainability reporting pursuant to Articles 19a (9) or 29a (8) of Directive 2013/34/EU [ESRS-2_BP-1_b(ii)]. In this illustrative sustainability statement, none of the Bank's subsidiaries are required to publish a sustainability statement. Therefore, this disclosure has not been illustrated [ESRS-2_BP-1_b(ii)].

Upstream and downstream value chain [ESRS-2_BP-1_5c]

The sustainability statement covers value chain information relating to the Bank's direct and indirect business relationships in the upstream and downstream value chain. The entire value chain was considered during the impacts, risks and opportunities (IROs) assessment, which is outlined in the statement of material IROs in section 2.4.2. For specific information on Bank's value chain please see section 2.3.1.

Omission of information

The Bank has not omitted information corresponding to intellectual property, know-how or the results of innovation [ESRS-2_BP-1_5d], nor has the exemption for disclosing information on impending developments or matters in the course of negotiation been used [ESRS-2_BP-1_5e].

³ As defined in the Bank's Sustainable Finance Framework Section 2.3.1

Commentary on the ESRS sustainability disclosures

[ESRS-2_BP-1_5e](#) requires undertakings based in an EU member state to state if they have used the exemption from disclosing impending developments or matters in the course of negotiations, as provided for in articles 19a (3) and 29a (3) of Directive 2013/34/EU.

For the purpose of this illustrative sustainability statement, Euroland allows this exemption. This datapoint is not relevant for undertakings based in an EU member state that does not permit this exemption.

Phased-in provisions

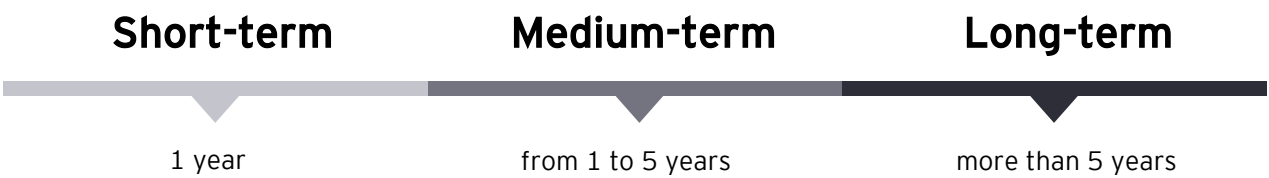
The Bank has elected to apply phase-in provisions for the breakdown of total revenue by significant ESRS sectors [[ESRS-2_SBM-1_40b](#)] and the list of additional significant ESRS sectors [[ESRS-2_SBM-1_40c](#)] in line with ESRS 1 Appendix C (“List of phase-in disclosures requirements”).

Additionally, the Bank elected to apply the phase-in provision for anticipated financial effects (ESRS E1-9) and only provided specific disclosures related to anticipated financial effects. This phase-in provision was initially applicable for the first year of application, but it has now been extended for two additional years (until 2027) under the ‘Quick Fix’ Regulation.

2.1.2 BP-2 Disclosures in relation to specific circumstances

Time horizons

In preparing its sustainability statement, the Bank has applied the following forward-looking time horizons as defined in ESRS 1:



These timeframes are consistent with the Bank’s existing sustainability objectives, including the long-term net-zero ambition.

Commentary on the ESRS sustainability disclosures

This illustrative sustainability statement adheres to the time horizons as defined in ESRS 1 section 6.4. In the event that the undertaking deviates from the ESRS defined medium- or long-term time horizons, it must disclose [[ESRS-2_BP-2_9a, b](#)]:

- a) Its definitions of medium- or long-term time horizons; and
- b) The reasons for applying those definitions.

Value chain estimation

The following table contains the metrics that include value chain data estimated using indirect sources.

Metric	Section	Basis of preparation	Level of accuracy	Planned actions to improve accuracy
Scope 3 GHG emissions Category 15 Financed Emissions [ESRS-2_BP-2_10a]	3.6.2	In line with the Partnership for Carbon Accounting Financials (PCAF) Part A, the Bank has used activity and economic data to estimate the greenhouse gas emissions associated with lending/ investing activities using data to the extent possible from primary sources and recognized secondary sources. (please refer to more details in section 3.5.3) [ESRS-2_BP-2_10b].	When the company-reported counterparty data (primary data) is not available at the reporting date, the prior year data is used as a basis for estimation. The use of secondary data sources, such as emission factors and industry-average data results in less accurate information than if only primary sources were used. The accuracy of the resulting financed emissions calculations is captured by the average PCAF data quality score, calculated and disclosed for each sector. The details of the level of uncertainty are described in section 3.6.2 [ESRS-2_BP-2_10c].	The Bank will invest in better data collection and reporting systems, engage with clients to obtain more actual data and rely less on secondary data sources, and will participate in industry initiatives to refine the methodologies for calculating financed emissions, which will improve the future reporting of financed emissions. [ESRS-2_BP-2_10d].

Sources of estimation and outcome uncertainty

The following table contains metrics that are subject to a high level of measurement uncertainty:

Metric	Sources of measurement uncertainty	Assumptions, approximations and judgments applied
Scope 3 GHG emissions Category 15 Financed Emissions [ESRS-2_BP-2_11a]	Whilst the estimation methods are aligned with prevailing industry practice, it is acknowledged that dependence on external data sources, specifically the availability of high-quality counterparty emissions data and the resulting metrics are inherently subject to measurement uncertainty as the majority of counterparty emissions data is subject to a 1-year data lag or are generalized estimates rather than precise, counterparty specific values. [ESRS-2_BP-2_11b(i)].	Please refer to section 3.5.3 [ESRS-2_BP-2_11b(ii)].

Commentary on the ESRS sustainability disclosures

The above table is not intended to be a complete list of metrics that are subject to a high level of measurement uncertainty. In addition, the list is also not intended to be a complete list of all sources of measurement uncertainty.

The metrics used by the Bank have not been validated by another external body, unless specifically mentioned in the topical ESRS sections devoted to respective metrics [ESRS-2_MDR-M_77b].

Changes in preparation or presentation of sustainability information

No changes were made in the preparation and presentation of sustainability information compared to the previous reporting period [ESRS-2_BP-2_13a].

Commentary on the ESRS sustainability disclosures

In this illustrative sustainability statement, there were no changes in the preparation or presentation of sustainability information.

If changes in the preparation and presentation of sustainability information occur compared to the previous reporting period(s), the undertaking must [ESRS-2_BP-2_13]:

- Explain the changes and the reasons for them, including why the replaced metric provides more useful information.
- Disclose revised comparative figures, unless it is impracticable to do so. When it is impracticable to adjust comparative information for one or more prior periods, the undertaking shall disclose that fact; and
- Disclose the difference between the figure disclosed in the preceding period and the revised comparative figure.

Reporting errors in prior periods [ESRS-2_BP-2_14a]

No reporting errors in prior periods were identified.

Commentary on the ESRS sustainability disclosures

In this illustrative sustainability statement no errors were identified in prior period reporting and, as such, information about the correction of errors is not disclosed.

If prior period errors are identified, the undertaking must disclose [ESRS-2_BP-2_14]:

- The nature of the prior period material error;
- To the extent practicable, the correction for each prior period included in the sustainability statement; and
- If correction of the error is not practicable, the circumstances that led to the existence of that condition.

Disclosures stemming from other legislation or generally accepted sustainability reporting standards and frameworks [ESRS-2_BP-2_15]

This sustainability statement does not contain information arising from other legislations or generally accepted sustainability reporting standards and frameworks.

Commentary on the ESRS sustainability disclosures

This illustrative sustainability statement does not contain information arising from other legislation or generally accepted sustainability reporting pronouncements.

If such information is included, that fact should be disclosed and where there is partial application of other reporting standards or frameworks, the precise reference to the paragraphs of the standard or framework applied must be provided.

Incorporation by reference [ESRS-2_BP-2_16]

To enhance the readability of the sustainability statement the Bank incorporates certain information by reference to another section of the Management Report. The table below provides a list of the disclosure requirements which are incorporated by reference:

ESRS	ESRS disclosure requirement	Data Points	Information	Section of the Management Report
2	GOV-1	21	Information about the composition and diversity of the members of the administrative, management and supervisory bodies.	XXX
2	GOV-1	23 (b)	Information on how the administrative, management and supervisory bodies' skills and expertise relate to the Bank's material impacts, risks and opportunities.	XXX
2	IRO-2	56	List of disclosure requirements complied with in preparing the sustainability statement and table of all datapoints that derive from other EU legislation.	Appendix A
G1	GOV-1	5 (b)	Expertise of the administrative, management and supervisory bodies on business conduct matters.	XXX

Commentary on the ESRS sustainability disclosures

The above-mentioned elements incorporated by reference are not included in this illustration.

Please note that disclosures incorporated by reference must meet the requirements of ESRS [ESRS-1_120], as follows:

- (a) Constitute a separate element of information and be clearly identified in the document concerned as addressing the disclosure requirement;
- (b) Be published at the same time as the management report;
- (c) Be in the same language as the sustainability statement;
- (d) Be subject to at least the same level of assurance as the sustainability statement;
- (e) Meet the same technical digitalization requirements as the sustainability statement.

In addition, entities that are planning to meet any disclosure requirements through incorporation by cross-reference should be mindful that the conditions as listed in [ESRS-1_119](#) are met and should consider the implications this could have in relation to the scope of assurance required over ESRS disclosures. If the statement or section of the statement to which the disclosures refer is not currently subject to at least limited assurance, those disclosures will need to be factored into the scope of assurance, in addition to the ESRS sustainability statement.

This illustrative sustainability statement does not apply the phase-in provision that allows undertakings with fewer than 750 employees on average during the financial year to omit the information required by *ESRS E4 Biodiversity and ecosystems* (ESRS E4), *ESRS S1, ESRS S2 Workers in the value chain* (ESRS S2), *ESRS S3 Affected communities* (ESRS S3), or *ESRS S4 Consumers and End-users* (ESRS S4).

2.2 Governance

2.2.1 GOV-1 The role of the administrative, management and supervisory bodies

The table below illustrates the Bank's governance structure, highlighting the relationship between its Board of Directors (the Board), the Bank Executive Committee (the Executive Committee), and supporting levels. Note that it has a primary focus on governance in relation to sustainability and, therefore, does not capture the Bank's full governance structure.

Governance Structure [ESRS-2_GOV-1_AR4] [ESRS-2_GOV-1_22a] [ESRS-2_GOV-1_22b]

Level of governance	Responsibility	Committee Name	Chair	Description
Board of Directors	The Board is responsible for the overall leadership through setting strategy, ensuring regulatory compliance, and overseeing the Bank's operations. The Board is organized into several committees to provide effective oversight and more hands-on leadership.	Board Risk Committee	Independent Non-Exec Director	Oversight of the risk management framework, ensuring that risks are appropriately identified, assessed, managed, and mitigated, including through the integration of sustainability risks into the framework. Oversight of financial crime prevention as well as monitoring and oversight of political influence and lobbying activities.
		Board Sustainability Committee	Chief Executive Officer	Oversight of sustainability strategy, policy, and target setting. Reports to the Board on the progress of the Bank's sustainability strategy, including target setting, sustainability product development, and community and industry engagement.
		Board Remuneration Committee	Independent Non-Exec Director	Review and approval of executive compensation and incentive plans including sustainability-linked remuneration. Oversight of employee protections and benefits, such as pay equity and alignment of incentive schemes with shareholder interests.
		Board Audit Committee	Independent Non-Exec Director	Oversight of the integrity of the Bank's financial and sustainability disclosures to ensure regulatory compliance, transparency and accuracy.
		Board Nominations Committee	Board Chairman	Oversight of corporate governance framework to align it to best practice, covering areas such as board composition, suitability skills, and diversity.
Bank Executive Committee	Management-level committees are responsible for high-level decision making, providing oversight for the implementation of strategies and policies alignment to strategy.	Executive Risk Committee	Chief Risk Officer/ Chief Security Officer	Bank-wide risk management including the review and approval of risk management framework, climate risk, appetite and strategy.
		Executive Disclosure Committee	Chief Financial Officer	Execution of financial, sustainable and other reporting for the Bank, ensuring consistency and compliance with standards.
		Executive Reputational Risk Committee	Chief Compliance Officer/ Chief Operational Officer	Execution of reputational risks such as regulatory, conduct and greenwashing.
		Executive Sustainability Committee	Chief Sustainability Officer	Execution of sustainability strategy, policy and disclosure. Reports to the Board on progress against the Bank's sustainability strategy.

The role of the Board

The Board as a whole, led by the chairperson, is responsible for oversight of sustainability-related matters, which includes approving strategic direction, validating targets and ensuring effective risk management [ESRS-2_GOV-1_22a].

Sustainability is a standing agenda item in the quarterly Board meetings. The Board is provided with quarterly reports which highlight relevant sustainability topics based on the Bank's priorities and risk levels [ESRS-2_GOV-2_26a]. In 2025, this included discussion of the output of the DMA and material impacts, risks and opportunities (IROs), as well as focused reviews of Diversity, Equity and Inclusion (DEI) policies, progress against net-zero targets and community impacts [ESRS-2_GOV-2_26c].

Board Sustainability Committee

More specifically, the Board Sustainability Committee (the Sustainability Committee), chaired by the CEO, was established to oversee the Bank's approach to sustainability. This includes supervising the definition of long-term objectives, the development, approval and implementation of the Sustainability Strategy (see section 2.3.1), and the setting and monitoring of targets. All formal sustainability-related targets must be approved by the CEO, and on a quarterly basis the Sustainability Committee receives a dashboard of key performance

indicators relating to those targets. Any areas of concern in relation to progress are added to the agenda for the next committee meeting and escalated to the wider Board as required [ESRS-2_GOV-1_22d].

Other Board committees

Given the pervasiveness of sustainability topics, all of the Board Committees (Risk, Sustainability, Remuneration, Audit and Nominations Committees) have a role to play in relation to the management of sustainability-related IROs [ESRS-2_GOV-1_22a].

The Board as a collective governance body is ultimately responsible for the management of IROs, as well as broader strategic priorities. The table above also highlights some of the key sustainability topics that are within the remit of each individual committee [ESRS-2_GOV-2_26b].

Management roles and responsibilities

The Chief Sustainability Officer (CSO), as a member of the Executive Committee and chair of the Executive Sustainability Committee (the Sustainability Committee), is ultimately responsible for the execution of the sustainability strategy and for developing and guiding the initiatives which underpin it [ESRS-2_GOV-1_22c(i)].

On a day-to-day basis, the CSO and Sustainability Committee members are supported by a network of committees and working groups, each playing a specific role in the implementation, management and monitoring of the strategies and objectives defined by the Board of Directors and the Executive Committee.

Below is the list of the main management-level committees and working groups which focus on sustainability topics:

- Climate Risk Committee
- Employee Growth and Diversity, Equity, and Inclusion SteerCo
- Sustainability Reporting Working Group
- Sustainability Strategy Working Group
- Sustainable Finance Working Group
- Corporate Social Responsibility SteerCo
- Human rights and Supply Chain SteerCo

Each of these groups has an executive who is responsible for updating the wider Executive Committee on their respective topic areas and keeping senior leadership informed about how the Bank is addressing its material IROs [ESRS-2_GOV-1_22c(ii)]. The Executive Committee, in turn, provides updates to the Board at their quarterly Board meetings. Ad-hoc reporting is conducted as needed in response to any emerging risks and significant events [ESRS-2_GOV-2_26a].

Term of Reference

Responsibilities for IROs are reflected in the respective Terms of Reference - policies and documents that outline the structure, purpose and responsibilities of the bodies. These documents clearly outline the objectives of each body and their individual responsibilities in respect of sustainability, including their roles in identifying, managing, and reporting on sustainability IROs, as outlined above. The Terms of Reference are live documents, which are reviewed regularly (at least annually) to reflect any changes (e.g., resulting from updating the DMA results) [ESRS-2_GOV-1_22b].

Sustainability-related expertise

All Board and Executive Committee members have knowledge of sustainability, which is self-attested annually. In addition to the comprehensive inductions upon appointment, the members have annual mandatory training to continue their development and maintain their knowledge in key focus areas for the Bank, where the topics are determined by strategic priorities including identified material IROs [ESRS-2_GOV-1_23a] [ESRS-2_GOV-1_AR5]. In 2025 these topics included a spotlight on biodiversity and greenwashing, sustainability regulatory development including ESRS, and corporate governance including cybersecurity [ESRS-2_GOV-1_23b].

When required or deemed relevant, the Board and the Executive Committee may also receive assistance from internal or external subject matter experts (SMEs), including knowledge workshops and expert insights on topics, before discussion in committees [ESRS-2_GOV-1_23a] [ESRS-2_GOV-1_AR5].

Detailed profiles, background and qualifications of the Board and various Committee members are listed in the Corporate Governance section of the management report [ESRS-2_GOV-1_21c].

Controls and procedures applied to the management of impacts, risks and opportunities

The management of IROs, including metrics and tracking progress towards sustainability targets, is integrated into the internal risk management system. The system is based on the Three Lines of Defense model, which is described in more detail in the Risk Management section of the management report.

Findings from risk assessments and internal controls are regularly updated and incorporated into the Bank's policies and procedures, supporting a proactive approach to addressing sustainability-related topics [ESRS-2_GOV-1_22c(iii)].

G1 GOV-1 Business conduct

The role of the Bank's governance bodies in overseeing business conduct is embedded within the Bank's enterprise risk management framework. The Board holds ultimate responsibility for overseeing the Bank's approach to business conduct, including ethical standards, anti-corruption measures and compliance with applicable laws and regulations.

The outcomes of business conduct evaluations, including those related to anti-corruption, whistleblowing, and compliance, are regularly reported to the appropriate governance bodies. The Executive Reputational Risk Committee reviews, among others, the effectiveness of the Bank's Code of Conduct, whistleblower mechanisms, and training programs. The Chief Compliance Officer (CCO) reports directly to the Executive Reputational Risk Committee and provides regular updates on business conduct risks, incidents, and mitigation strategies. The CCO also leads the cross-functional Business Conduct Working Group, which includes representatives from various departments (Legal, Human Resources, Procurement). These collaborative actions aim to provide a holistic and proactive approach to responsible business conduct, with cross-functional accountability embedded across governance, operations, and supply chain management [G1-GOV-1_5a].

The expertise of the administrative, management and supervisory bodies on business conduct topics is outlined in the Corporate Governance section of the management report [ESRS-G1_GOV-1_5b].

2.2.2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The administrative, management, and supervisory bodies, including the relevant Committees, receive quarterly updates through comprehensive business and operational risk reporting on all sustainability matters (including material impacts, risks, and opportunities as well as the implementation of due diligence, and the results and effectiveness of policies, actions and metrics and targets adopted to address them) [ESRS-2_GOV-2_26a]. The Board and Executive Committees consider sustainability impacts, risks and opportunities as part of their oversight of the Bank's strategy. This includes evaluating how these factors influence major transactions and the overall risk management process. The bodies assess potential trade-offs associated with sustainability impacts, facilitating decisions that balance short-term operational needs with long-term sustainability goals [ESRS-2_GOV-2_26b].

In 2025, the Board considered all material IROs as part of the review of the materiality assessment. An overview of material IROs is included in this sustainability statement in section 2.4.1. Additionally, the following material impacts, risks, and opportunities were given special attention during the reporting period: [ESRS-2_GOV-2_26c]

- Reducing Financed Emissions: decarbonization levers including supporting clients' transitions and portfolio steering
- Operational Footprint Reduction: strategies to reduce operational emissions such as improving energy efficiency
- Diversity, Equity and Inclusion: programs to increase the percentage of women in leadership positions and to promote an inclusive workplace culture.

Commentary on the ESRS sustainability disclosures

The examples listed above are illustrative and do not represent a complete list of all material impacts, risks, and opportunities that could be addressed by the Board. There are many other potential topics that could be discussed in relation to sustainability, and the above disclosure serves as an example rather than an exhaustive list.

2.2.3 GOV-3 Integration of sustainability-related performance in incentive schemes

The Bank aims to provide competitive and fair compensation to all employees and executives. Full details of remuneration policies including the breakdown of individual director’s remuneration package can be found in the Remuneration section of the annual report on page <XX>. The below section focuses specifically on the incorporation of sustainability-related targets and performance in executive compensation, applicable to executive directors on the Board and members of the Executive Committee⁴ [ESRS-2_GOV-3_29].

The Board Remuneration Committee (the Remuneration Committee) oversees the annual review and approval of executive compensation to ensure alignment with the Bank's strategic objectives, ethical standards and regulatory requirements. The Remuneration Committee reviews all remuneration policies for effectiveness and oversees that all incentive schemes undergo rigorous risk assessments. This includes regular monitoring and reviewing through ongoing internal audits, employee training and transparent communication [ESRS-2_GOV-3_29e].

The Directors' Remuneration Policy was approved at the AGM held on 1 May 2023 and applies for three years from that date.

The total executive compensation package consists of a fixed and a variable element:

Executive total remuneration components

Fixed	Base salary	Determined based on an individual’s role, skills and experience.
	Non-cash benefits	Perks including medical insurance, life insurance, company car, retirement contributions.
Variable	Discretionary bonus	Performance-based component contingent on short-term criteria, paid out annually.
	Long-term incentive plan (LTIP)	Performance-based component, tied to the achievement of multi-year goals, paid out at the end of a three-year period.

Sustainability factors are incorporated into the long-term incentive plan (LTIP), to align leadership priorities with the long-term success of the company and further incentivize executives to act in the best interests of all stakeholders. The Bank has a long-term perspective towards sustainability, therefore, remuneration packages have been built with higher sustainability weighting on LTIPs than annual bonus, to emphasize on building strategy and performing actions which ensure a long-term perspective.

Long-term incentive plan (LTIP)

The LTIP is designed to align executive compensation with the Bank’s long-term strategic objectives and wider stakeholder interests. The calculation of LTIP awards is based on a combination of financial and non-financial performance metrics, with specific criteria defined for each of the Bank’s strategic pillars of financial resilience, customer centricity and sustainability shown in the LTIP breakdown table below [ESRS-2_GOV-3_29a, 29b]. XX% weighting of the total LTIP is assigned to the sustainability pillar, which is further broken down to correspond to the three overarching ambitions and underlying targets in the Bank’s sustainability strategy set as part of a broader Bank strategy set in 2023. A planned strategy update is due in 20XX at which point the KPIs will be assessed against the revised strategy [ESRS-2_GOV-3_29c].

⁴ Non-executive members of the Board do not receive any variable compensation.

LTIP breakdown [ESRS-2_GOV-3_29d] [E1-GOV-3_13]

Ambition [ESRS-2_GOV-3_29b]	Proportion of variable remuneration	Objective	Performance measure
Achieving net zero by 2050 [E1-GOV-3_13]	▪ (XX%)	<ul style="list-style-type: none"> ▪ Achieving net zero across operations by 2030 ▪ Achieving net zero across the value chain by 2050 ▪ Supporting clients' transition 	<ul style="list-style-type: none"> ▪ Performance against achieving net-zero target in operational emissions by 2030. ▪ Performance against target of reducing financed emissions by XX% by 2050. ▪ Progress towards target of €XXX billion in "sustainable finance" by 2030.
Promoting inclusivity	▪ (XX%)	<ul style="list-style-type: none"> ▪ Promoting inclusivity across the Bank ▪ Promoting inclusivity in wider society 	<ul style="list-style-type: none"> ▪ Achievement of XX% of women in management. ▪ Maintaining (or improving) position as top 10 inclusive employer within the financial services sector by Top Employers Institute. ▪ Progress towards reaching XXX customers via financial literacy programs by 2025.
Responsible governance	▪ (XX%)	<ul style="list-style-type: none"> ▪ Driving best-in class business conduct ▪ Protecting customers, people and information 	<ul style="list-style-type: none"> ▪ Reaching Bank's Net Promoter Score by XX% by 2027. ▪ XX% completion of mandatory annual security awareness training on cyber for all employees. ▪ XX% completion of mandatory anti-bribery and corruption training for all employees and high-risk third parties. ▪ XX% of compliance with conflict-of-interest policy requirements for all employees and high-risk third parties.

Commentary on the ESRS sustainability disclosures

Information about incentive schemes and remuneration policies for members of administrative, management, and supervisory bodies for listed entities is typically found in the Remuneration Report [ESRS-2_GOV-3_29; ESRS 2 AR7] section of the Management Report. It is common practice to incorporate in the sustainability statement detailed information prescribed by GOV-3 disclosure requirement by reference to that other section of the Management Report [ESRS-1_119].

2.2.4 GOV-4 Statement on due diligence

Achieving sustainable business practices is a complex journey that requires careful and continuous efforts throughout the Bank's operations and value chain. Central to the Bank's daily activities is a comprehensive due diligence process, which is an ongoing series of actions designed to identify, prevent, mitigate and account for how the Bank addresses the actual and potential negative impacts on the environment and people. This process is fundamental to the Bank's business, aiding in the refinement of both strategic and operational aspects.

The Bank aims to adhere to the principles outlined in the *United Nations (UN) Guiding Principles on Business and Human Rights* and the *OECD Guidelines for Multinational Enterprises* in all operations. These international standards provide a framework for responsible business conduct, helping companies to contribute positively to economic, environmental, and social progress.

Following the steps outlined in these UN guidelines, the Bank identifies and assesses adverse impacts in operations and business relationships. Actual and potential negative impacts coming out of these continuous assessments inform the DMA process by identifying key areas of environmental and social impact. Identified impacts are managed accordingly through appropriate measures to mitigate and prevent them, track implementation and communicate transparently. The table below depicts the mapping that explains how and where the application of the main aspects and steps of the due diligence process are reflected in the Bank's sustainability statement [ESRS-2_GOV-4_31, 32].

Core elements of due diligence	Sections in the sustainability statement
Embedding due diligence in governance, strategy and business model	SBM-3, GOV-2, GOV-3,
Engaging with affected stakeholders in all key steps of the due diligence	SBM-2, IRO-1, E1-2, S1-2, G1-1
Identifying and assessing negative impacts on people and the environment	SBM-3, IRO-1
Taking actions to address negative impacts on people and the environment	E1-1, E1-3, S1-4, G1-1
Tracking the effectiveness of these efforts and communicating	E1-4, E1-5, E1-6, E1-9, S1-5, S1-6, S1-7, S1-9, S1-11, S1-13, S1-15, S1-16, S1-17, G1-4, G1-5,

2.2.5 GOV-5 Risk management and internal controls over sustainability reporting

Overview

Internal controls for sustainability reporting are governed by the Bank's Reporting Procedure framework, which covers the end-to-end reporting control processes and systems for all financial and non-financial disclosures.

The central feature of this framework is a three-line-of-defense model applied to all global reporting efforts, in which each level is assigned clear roles and responsibilities with regards to both the disclosure process and the mitigation of the associated risks.

The business and regional functions act as the first line of defense, identifying and managing the risk for which they hold responsibility. Controls, objectives and requirements are outlined in relevant policies, and how key personnel must operate within applicable limits, maintain the required governance structure, and escalate risk issues appropriately. Audit trails and documentation are required at all stages to enable sustainability reporting to be verified [ESRS-2_GOV-5_36a].

In the context of non-financial and sustainability reporting, insight is provided by the Sustainability Reporting Working Group (SRWG), which is responsible for the day-to-day management of the internal control processes laid out in the procedure document. The SRWG reports to the Executive Disclosure Committee monthly, which provides oversight and leadership on both financial and non-financial disclosures.

In 2025, the Executive Disclosure Committee concluded a piece of work to formally integrate sustainability considerations into the risk prioritization methodology outlined in the Enterprise Risk Management Framework (ERMF), which is used to assess and rank the different risks associated with the reporting process, based on predefined parameters. As part of this work, additional considerations have been introduced on matters pertaining to data availability, completeness, integrity and accuracy [ESRS-2_GOV-5_36b].

Sustainability reporting risks

Based on the risk prioritization methodology, the following table lists the primary risks identified in 2025 in relation to the Bank's sustainability reporting and the respective risk mitigation approaches [ESRS-2_GOV-5_36c]:

Identified risks for sustainability reporting

Risk Identified	Risk Mitigation
Completeness and integrity of data	<ul style="list-style-type: none"> Implementation of robust data governance frameworks and regular audits. Established clear protocols for data collection and validation. Annual staff training on data management and best practices. Performance of data reconciliation with reviews in place. Where required, obtaining third-party verification of data sourced.
Accuracy of estimations and assumptions	<ul style="list-style-type: none"> Use of standardized and verified methods. Annual reviews of methods and estimation techniques used. Cross-checks in place for estimates against relevant industry benchmarks or historical data as relevant.

Risk Identified	Risk Mitigation
Availability of upstream and/or downstream value chain data	<ul style="list-style-type: none"> ▪ Timely engagement with key stakeholders to enable data sharing. ▪ Establishing data-sharing agreements with suppliers and partners when sourcing.
Timing of data availability	<ul style="list-style-type: none"> ▪ Established clear deadlines and data submission timelines. ▪ Automated data collection systems. ▪ Multiple key personnel identified for relevant data points.
Compliance risk	<ul style="list-style-type: none"> ▪ Annual policy refresh to align with current regulation. ▪ Annual compliance training for relevant employees. ▪ Implementation of internal audits to ensure compliance with standards.
Management oversight	<ul style="list-style-type: none"> ▪ Clear established governance structures with clearly defined responsibilities, roles and frequency of reviews.
Technology risk	<ul style="list-style-type: none"> ▪ Investment in reliable and scalable reporting technology. ▪ Regular update to maintain software system. ▪ IT support and training provided to all relevant staff.
Resource allocation	<ul style="list-style-type: none"> ▪ Allocate appropriate resources to sustainability reporting functions, ensuring there is appropriate investment in recruiting, training and technology, as required.

The role of Compliance, Internal Audit and Risk Functions

As part of risk monitoring and reporting, assessments are completed by the Compliance and Internal Audit teams which provide: i) findings based on internal reviews of the design and operations of controls; and ii) recommendations.

The Compliance team, acting as a second line of defense, is engaged to review established controls and their limits and policies. The Compliance team, with oversight of the Chief Compliance Officer, tests controls in place against set policies and frameworks and identifies risks to the business which it raises to the board together with recommendations.

The Internal Audit team acts as a third line of defense, performing procedures to assess the design and operation of controls across functions of the business by providing quarterly updates directly to the Board Audit Committee on findings and recommendations.

The Risk team, overseen by the Executive Risk Committee, record within the Risk Register risk findings alongside their rating (significant, major, minor), timelines and remediation approach [ESRS-2_GOV-5_36d].

Executive and Board level oversight

A focus is placed on aligning the controls with those in financial reporting to enhance the consistency of the risk management and sustainability reporting processes. The Executive Disclosure Committee holds responsibility for managing the alignment with oversight from the Chief Financial Officer.

Quarterly meetings are used to discuss sustainability statements, materiality assessments, external assurance matters and updates against significant risks and progress against major and minor risks. Approval is obtained from the Board before the sustainability statement is published [ESRS-2_GOV-5_36e].

2.3 Strategy and business model

2.3.1 SBM-1 Strategy, business model and value chain

Business model

The Bank's lines of business

The Bank provides banking services to both corporate clients and retail customers globally, through three global businesses - Corporate and Investment Banking, Commercial Banking, and Retail Banking. The Bank offers a range of products and services, from general purpose corporate lending to capital markets advisory, individual mortgages and other types of asset finance [ESRS-2_SBM-1_40a(i)].

2. General information

The Bank has operations across Europe and Asia Pacific (APAC). Across these regions, the Bank supports a range of clients and customers from large corporates to small and medium enterprise (SME) businesses and individual retail customers. The table below covers the significant markets the Bank operates in [ESRS-2_SBM-1_40a(ii)], with information on the headcount per region and revenue per region [ESRS-2_SBM-1_40a(iii), 40b].

Region	Headcount (average during period) [ESRS-2_SBM-1_40a(iii)]	Total Revenue [ESRS-2_SBM-1_40a(iii)]
Europe	ZZZ	YYY
Asia Pacific (APAC)	ZZZ	YYY
Total	ZZZ	YYY

Commentary on the ESRS sustainability disclosures

ESRS-2_SBM-1_40b (breakdown of total revenue by significant ESRS sectors) and ESRS-2_SBM-1_40c (list of additional significant ESRS sectors) are subject to phase-in provisions (as mentioned in ESRS 1 Appendix C). The Bank has elected to apply those phase-in provisions.

[ESRS-2_SBM-1_40d] This provision does not, however, extend to paragraph 40(d), which requires a statement indicating that the reporting entity is active in: i) fossil fuels; ii) chemicals production; iii) controversial weapons; and iv) tobacco. The EFRAG FAQs (Question ID 482) state that credit institutions should not refer to the sectors of the financed portfolio for the purposes of ESRS 2 paragraph 40 and should only refer to the sectors in which they directly operate. Accordingly, this requirement has been deemed not applicable to the Bank as it does not directly operate in any of the specified sectors.

The Bank offers companies and institutions around the world a wide range of sustainable products and services as defined in the Bank's Sustainable Finance Framework outlining the Bank's methodology for classifying financing as "sustainable finance", including a list of eligible activities related to climate change mitigation and adaptation (which is made publicly available on the Bank's website). The Bank's "sustainable finance" products can be broadly aligned to two categories:

- 1) **Use of proceeds** - restricted use of proceeds of financing to pre-determined eligible services with monitoring on use of proceeds until proceeds are fully allocated. Examples include green loans and sustainability bonds. These products are aligned to the following industry guidance:
 - Loan Market Association (LMA):
 - Green Loan Principles
 - Social Loan Principles
 - The International Capital Market Association (ICMA):
 - Green Bond Principles
 - Social Bond Principles
 - Sustainability Bond Guidelines
- 2) **Sustainability-Linked** - products which incentivize pre-determined sustainability objectives. The key performance indicators (KPIs) must be material to the clients' ESG-related issues and the associated Sustainability Performance Targets (SPTs) ambitions, with third-party verified reporting on performance against SPTs required on an annual basis. These products are aligned to the following industry guidance:
 - Loan Market Association (LMA):
 - Sustainability-Linked Loan Principles
 - The International Capital Market Association (ICMA):
 - Sustainability-Linked Bond Principles

2. General information

Current significant “sustainable finance” products provided globally across the Bank’s business units are outlined below [ESRS-2_SBM-1_40f]:

	Corporate and Investment Banking (CIB) and Commercial Banking		Retail Banking
	Lending	Capital Markets	Mortgages & Other Secured Lending
Use of Proceeds	Green and Social Loans	Green/Social/Sustainability Bonds	Green Mortgages, Green Retrofit Loans
Sustainability Linked	Sustainability-Linked Loans	Sustainability-Linked Bonds	

The Bank’s sustainability strategy

The Bank’s strategy consists of three pillars, customer centricity, sustainability and financial resilience, which are centered around the Bank’s vision of *Banking with Purpose, Investing in Tomorrow*. The sustainability strategy covers all of the global businesses and markets and is a key consideration that guides all the Bank’s decision-making [ESRS-2_SBM-1_40g].

Sustainability Strategy [ESRS-2_SBM-1_40e]

Ambition	Action
Achieving net zero by 2050	<p><i>The Bank has committed to achieving net zero across operations by 2030 and value chain by 2050, in line with the goals of the Paris Agreement:</i></p> <ol style="list-style-type: none"> Achieving net zero across the Bank’s operations by 2030: <p>Lead by example, reduce the Bank’s direct footprint through reduced energy consumption, transitioning to renewable energy in its own offices and data centers and implement efficiency improvements.</p> <p>In addition to energy, the Bank monitors and actively works to reduce GHG emissions across its operations and reduce the footprint of its mobility and business travel. For example, the implementation of policies to ensure its lease fleets only consist of electric vehicle options.</p> <p>The Bank is actively exploring solutions to eliminate any residual emissions (the remaining 5-10% GHG emissions from the Bank’s operations) from its own operations to meet its net zero target by 2030.</p> Achieving net zero across the Bank’s value chain by 2050: <p>Engage with partners across the Bank’s value chain including suppliers, clients and customers on net zero progress.</p> <p>Phasing-out financing for thermal coal mining to cease all coal financing in OECD countries by 2030, and in the rest of the world by 2040.</p> <p>Collaborate with peers on industry initiatives to enhance tools and methodologies for measuring and managing the Bank’s impact.</p> Supporting the Bank’s clients’ transition <p>A strategic focus on high emitting clients within Corporate and Investment Banking and the provision of advisory services to clients and customers to support them in their transition.</p> <p>Provide €XXX billion in “sustainable finance” by 2030, supporting the transition to the green economy through advancement of products and services across all lines of business:</p> <p>Corporate and Investment Banking - sustainability-linked loans and bonds, sustainability bonds (including green and social).</p> <p>Commercial Banking - sustainability-linked loans.</p> <p>Retail banking - green mortgages, green retrofit loans.</p>
Promoting inclusivity	<p><i>Prioritize inclusivity, both within the Bank and in wider society, recognizing inclusivity as a fundamental element of a sustainable society:</i></p> <ol style="list-style-type: none"> Promoting inclusivity across Bank: <p>Continuing to be recognized as a top 10 inclusive employer in Europe for the fifth consecutive year by the Top Employer Institute.</p> <p>An ambition to reach XX% of management positions being held by women.</p> <p>Have a range of employee networks available globally to build a workplace where everyone can feel comfortable.</p> Promoting inclusivity in a wider society: <p>Commitment to keeping x branches open across European Retail Banking business to ensure customers continue to have access to face-to-face banking support, and within these offer digital training days for people who find accessing their banking products online difficult.</p> <p>Prioritize digital innovation to continue to provide a seamless and simple banking experience for customers and clients.</p> <p>Collaborate with charity partners to work to improve access to financial services for the most vulnerable in society.</p> Committing to integrity, transparency and ethical conduct:

2. General information

Ambition	Action
	<p>Foster a purpose-driven culture at the Bank where all employees are expected to act in line with the Bank's values.</p> <p>Provide all employees with mandatory training on core values and culture and require them to adhere to the Code of Conduct.</p> <p>Promote a clear speak-up culture to ensure all colleagues feel safe to raise instances not in line with the Bank's values.</p>
Responsible governance	<p><i>The Bank will continue and enhance:</i></p> <p>1. Driving best-in class business conduct</p> <p>Continue to provide mandatory training for all employees on topics such as anti-bribery and corruption including anti-money laundering.</p> <p>Maintain established reporting channels including the whistleblowers portal in compliance with the EU Whistleblowing Directive.</p> <p>Maintain transparent collaboration with business partners to prevent and manage risks associated with corruption and bribery.</p> <p>2. Embedding sustainability across the Bank:</p> <p>Work to integrate sustainability factors into wider Risk Management Framework (RMF) to ensure sustainability is embedded in all decision-making at the Bank.</p> <p>Train all employees on sustainability and what it means for their role on an annual basis.</p> <p>Recognize the importance of sustainability from the top-down: the Board has a standing agenda item for sustainability topics, and their remuneration is also linked to progress towards sustainability goals set by the Bank.</p> <p>3. Protecting customers, people and information:</p> <p>Provide high-quality services to customers with a commitment to improve the Bank's Net Promoter Score by XX% by 2027.</p> <p>Prioritize operational resilience and cyber security through external verification of defense systems, which have been accredited in line with ISO 27001 standard for information security management.</p> <p>Provide fraud education to better equip customers to recognize scams.</p> <p>Provide cybersecurity education to prevent phishing and enhance commitment to resolve all phishing cases within x days.</p>

Value chain

Identifying stakeholders

The interests and views of key stakeholders are integral to create long-term value. Effective stakeholder engagement is critical for understanding and meeting the needs and expectations of various groups. Key stakeholders are identified through a value chain mapping exercise, to provide an understanding of the parties involved at each stage, as illustrated in the table below.

The Bank's value chain [ESRS-2_SBM-1_42c] [ESRS-2_SBM-1_AR15]

Upstream activities

SHAREHOLDERS AND BONDHOLDERS	
▶ Institutional investors	Provision of capital to the Bank.
▶ Retail investors	
LIQUIDITY PROVIDERS	
▶ Depositors	Provide the Bank with available funds to meet short-term obligations and maintain operational flexibility.
▶ Small-Medium Enterprises (later SME)	
▶ Corporate clients	
RATINGS AGENCIES	
▶ Credit ratings agencies	Provision of credit and ESG ratings for the Bank, including for clients and customers to support risk assessments for lending.
▶ ESG ratings agencies	
EXTERNAL SUPPLIERS	
Critical suppliers for business continuity, including:	Provision of services that are critical for the operations of the Bank.
▶ Technology providers, such as data centres	▶ HR services
▶ Card networks	▶ Clearing houses
▶ Buildings service providers	▶ Payment system providers
WORKERS IN THE VALUE CHAIN*	
▶ Employees of external suppliers	This group includes workers of suppliers, and their suppliers, that are or could be impacted through the Bank's business relationships.

Business activities

BOARD OF DIRECTORS	
Members of the Bank's governing and oversight committees.	
REGULATORS	
▶ Euroland regulator	Supervision of Sustainable Bank to ensure compliance with the relevant rules and standards
▶ Global regulatory bodies in countries of operations	
GOVERNMENT AND TAX AUTHORITIES	
▶ Authorities across the operational jurisdictions	Taxation and regulation in line with jurisdictional policies
GOOD BANK ESRS GROUP	
Corporate and Investment Banking Commercial Banking Retail Banking	
CLEARING HOUSES	
▶ Global clearing houses	Intermediary between the Bank and the buyer or seller of the product or service
PAYMENTS SYSTEMS	
▶ Global payments systems	Facilitation of transactions between the Bank and client or customer
OWN WORKFORCE	
▶ Employees	Employees and contract workers of the Bank.
▶ Contract workers	

Downstream activities

CLIENTS AND CUSTOMERS	
▶ Clients and customers of sustainable Bank, including intermediaries and governments	Utilisation of the Bank's products and services
DISTRIBUTORS AND BUSINESS PARTNERS	
▶ Distributors, including third party payment processors	Distribution of Sustainable Bank's products and services to facilitate market penetration
LOCAL COMMUNITIES	
▶ Charities and non-for-profit organisations	Groups potentially affected by Sustainable Bank's operations
▶ Local communities	
<i>This Group the wider community that is or could be potentially impacted by the client, including silent stakeholders such as 'nature'.</i>	
WORKERS IN THE VALUE CHAIN*	
▶ Employees of clients	This group includes workers of distributors, including corporate clients or workers in their value chains, that are or could be impacted through the Bank's business relationships.
▶ Employees of Banks clients and the	

* Workers in the value chain: All workers in the Bank's upstream or downstream value chain, who are or can be impacted by the Bank, its products, services and activities, or through business relationships. The nature of the relationship can be either direct or indirect, depending on where in the value chain these workers and their employers are located.

How the Bank creates value

The Bank operates a business model that aims to create value for all stakeholders. The purpose - *Banking with Purpose, Investing in Tomorrow* - is at the heart of everything the Bank does, and feeds into the values of integrity, innovation, responsibility and collaboration. The way the Bank delivers on its purpose and values is through the three business units (Corporate and Investment Banking, Retail Banking and Commercial Banking), all of which align their strategies to the Bank's strategic pillars of customer centricity, sustainability and financial resilience. The table below covers the value creation model for the reporting period.

Value creation model

Capitals	Inputs [ESRS-2_SBM-1_42a]	Outputs [ESRS-2_SBM-1_42b]	Outcomes [ESRS-2_SBM-1_42b]
Financial	<ul style="list-style-type: none"> Financial resources available to operate as a business and provide products and services to clients and customers. Obtained through shareholders and liquidity providers, and through revenue generation. 	<ul style="list-style-type: none"> Financing provided to clients and customers Interest paid to retail banking customers 	<ul style="list-style-type: none"> Earnings per share Return on equity Interest income Interest expense Fee income
Intellectual	<ul style="list-style-type: none"> Intellectual property, brand and other specific knowledge that allows the Bank to operate competitively within the market. Developed by the Bank through ongoing business operations and market presence. 	<ul style="list-style-type: none"> Delivery of new products in line with the Bank's strategy Investment in innovation initiatives through the Digital Lab 	<ul style="list-style-type: none"> Customers onboarded onto digital banking Digital training delivered to customers
Human	<ul style="list-style-type: none"> Employee capabilities, experience and buy-in, which allows the implementation of the Bank's strategy and maintain a robust company culture. Upheld by XXX employees across five global regions. 	<ul style="list-style-type: none"> Salaries and other benefits paid to employees Investment in employee training and skills development 	<ul style="list-style-type: none"> Completion rate and employee engagement score from employee surveys
Social	<ul style="list-style-type: none"> Relationships with all stakeholders that enhance the well-being of the wider society in which the Bank operates, including the local communities. Maintained through ongoing stakeholder engagement approach and community outreach programs. 	<ul style="list-style-type: none"> Impact hours in the local community through a Financial Literacy Program 	<ul style="list-style-type: none"> People engaged with in the local community People accredited under the Bank's Financial Literacy Program
Nature	<ul style="list-style-type: none"> Embedding climate related and biodiversity considerations into financing decisions, promoting "sustainable finance" and supporting clients in their transition towards net zero commitments. 	<ul style="list-style-type: none"> "Sustainable finance" offered to clients Client engagement on environmental issues 	<ul style="list-style-type: none"> Emissions reductions across Scopes 1, 2 and 3 Reduction in operational waste through office consumption reduction initiatives

2.3.2 SBM-2 Interest and views of stakeholders

Listening to the Bank's stakeholders

The Bank interacts with a number of different key stakeholder groups across all parts of the value chain, both through direct business relationships and indirectly through intermediaries and other stakeholders. The Bank engages with key stakeholders to gain a comprehensive understanding of their concerns, expectations, and perceptions on a range of topics. This process helps to align the Bank's strategy with key stakeholders' interests and societal needs and identify material issues that require attention and action on an ongoing basis.

The table below details the key stakeholders engaged on an ongoing basis [ESRS-2_SBM-2_45a]. These stakeholders represent key focus groups for engagement due to their influence on the Bank or the Bank's influence on them, rather than an exhaustive list of all stakeholders.

For information about how the interests and views of different stakeholder groups are taken into account as part of the DMA, please see section 2.4.2 [ESRS-2_SBM-2_45b].

2. General information

Engagement with stakeholders

Stakeholder group [ESRS-2_SBM-2_45a(i)]	Key areas of interest	Engagement channels [ESRS-2_SBM-2_45a(ii)] [ESRS-2_SBM-2_45a(iii)]	Purpose and outcomes [ESRS-2_SBM-2_45a(iv)] [ESRS-2_SBM-2_45a(v)]
Shareholders, Bondholders and Liquidity Providers Shareholders, bondholders and liquidity providers and other investors who provide the Bank with the capital it requires to operate.	<ul style="list-style-type: none"> Financial performance Strategy execution Progress against sustainability ambition 	<ul style="list-style-type: none"> Virtual and in person meetings, as well as conferences, held with capital providers, top shareholders, and bondholders to discuss interim and year end results, as well as at other points in any given year to discuss financial performance, the market outlook and execution of the Bank's strategy. AGM and other annual events held, as well as an investor day to coincide with a three-yearly strategic refresh. 	<ul style="list-style-type: none"> Understanding the needs of shareholders on an ongoing basis ensures the Bank's strategic direction is in line with the expectations of those who provide working capital. Continuous alignment with the views of liquidity providers to drive on growth ambitions. Shareholders are able to elect Board members as their representatives.
Suppliers, Distributors and Workers in the value chain Third-party suppliers and distributors of critical goods and services required to maintain business operations, including workers in the value chain.	<ul style="list-style-type: none"> Responsible supply chain management practices Geopolitical impacts Support in implementing sustainability requirements Employment practices 	<ul style="list-style-type: none"> Quarterly meetings held with key suppliers and distributors, based on spend or criticality to business operations, to discuss matters related to the service or goods provision and how suppliers could further support the Bank. Annual Supplier Survey provides a formalized feedback channel for suppliers each year. Regular supplier and distributor due diligence assessments utilized to understand exposure to companies and sectors at risk of forced labor or other human rights violations. 	<ul style="list-style-type: none"> Engagement with key suppliers and distributors ensures the maintenance of good relationships that is essential for continued service quality and customer service, as well as ensuring compliance with the supplier Code of Conduct. Supplier and distributor due diligence to identify and mitigate the risk of forced labor and other human rights violations within the value chain. Supports the Bank's progress towards net zero, which includes decarbonization targets across the whole value chain.
Governments, regulators and tax authorities Supervisory authorities that set the rules, guidance and expectations for the Group.	<ul style="list-style-type: none"> Strategy execution Interaction and compliance with regulations and guidance Application of sustainability regulation and guidance 	<ul style="list-style-type: none"> Meetings held with governmental representatives to discuss the market outlook and the Bank's position as a Public Interest Entity (PIE). Input and feedback into regulatory discussion and consultation papers to contribute to the development of relevant regulations, both individually and through collaborative industry bodies and networks. 	<ul style="list-style-type: none"> Input into the policy landscape allows the Group to ensure its interests are considered during regulatory development, as well as the interests of clients and customers.
Ratings agencies Firms involved in the Group's rating from a credit and ESG perspective.	<ul style="list-style-type: none"> Financial and ESG performance Public opinion 	<ul style="list-style-type: none"> Meetings held with ratings agencies to discuss areas of focus for ratings improvement or key issues that could potentially affect a rating. 	<ul style="list-style-type: none"> Engagement with ratings agencies is important in order to maintain strong ratings, which are key metrics utilized for investment and sustainability decision making.
Own Workforce All employees and contract workers of the Bank.	<ul style="list-style-type: none"> Remuneration and other benefits Wellbeing Corporate culture and job security Training and skills development 	<ul style="list-style-type: none"> Quarterly <i>Employee Insights</i> survey held to get anonymous feedback on a range of topics, including buy-in to the Bank's strategy, work-life balance and other employee satisfaction and development metrics. A range of employee events held to aid engagement and take feedback, such as townhalls, leadership Q&A sessions, and quarterly offsites at the departmental level. 	<ul style="list-style-type: none"> Continuing to be recognized as an inclusive employer in Europe. An ambition to reach XX% of management positions being held by women. Have a range of employee networks available globally to build a workplace where everyone can feel comfortable.

2. General information

Stakeholder group [ESRS-2_SBM-2_45a(i)]	Key areas of interest	Engagement channels [ESRS-2_SBM-2_45a(ii)] [ESRS-2_SBM-2_45a(iii)]	Purpose and outcomes [ESRS-2_SBM-2_45a(iv)] [ESRS-2_SBM-2_45a(v)]
Clients and customers All clients, customers and end-users of the Bank's products and services.	<ul style="list-style-type: none"> Access to products and services Customer support Availability of sustainable products and services Pricing and value for money 	<ul style="list-style-type: none"> Ongoing interaction with employee councils and trade unions, including ensuring a high percentage of employees are represented by workers' representatives. Meetings held with key corporate clients to discuss service quality, ongoing support and key challenges for firms. Ongoing tracking of retail customer feedback, including net promoter score (NPS), complaints channels, and via relationship managers and branch employees. 	<ul style="list-style-type: none"> Understanding customers' interests and views is essential for ongoing product development and innovation, customer retention and for aligning with the Bank's purpose.
Communities Communities who are affected by the Bank's direct operations or indirect operations through the Bank's value chain.	<ul style="list-style-type: none"> Financial wellbeing Community outreach and support Effects of sustainability issues 	<ul style="list-style-type: none"> Dialogue with Non-Governmental Organizations and charities on an ongoing basis to understand evolving societal issues and the Bank's impact on the communities in which the Bank operates. 	<ul style="list-style-type: none"> Collaboration with local communities via Non-Governmental Organizations and charities allows the Bank to improve access to financial services for the most vulnerable groups and to understand the Bank's impact on wider society on an ongoing basis.

The Bank's most recent strategic review happened in 2023, producing refreshed corporate strategy pillars and the launch of the Bank's new purpose – Banking with Purpose, Investing in Tomorrow. The decision to reframe the Bank's strategy to put purpose at the heart of everything was driven by increased stakeholder interest in a broad range of sustainability topics, in particular, on the part of shareholders and customers. Specifically, availability of more sustainable products and services was raised, and was actioned through the launch of several new products under the Bank's Sustainable Finance Framework, including green mortgages for retail banking clients [ESRS-2_SBM-2_45c(i)].

The administrative, management and supervisory bodies, including relevant committees, are informed on a quarterly basis about the views and interests of affected stakeholders concerning the Bank's sustainability-related impacts. This process includes a review of stakeholder feedback, which is integrated into the identification and assessment of material impacts, risks and opportunities. The Board and Executive Management Team actively incorporate stakeholder insights when overseeing the Bank's strategy, particularly in relation to major transactions and the overall risk management process [ESRS-2_SBM-2_45d]. The Bank's next strategic review is scheduled for 2028, with a similar approach expected to be taken to ensure the interests and views of key stakeholders are incorporated into the Bank's strategic direction [ESRS-2_SBM-2_45c(ii)].

2.4 Material impacts, risks and opportunities

2.4.1 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

In 2025, the Bank reviewed its double materiality assessment (DMA) to determine material IROs for the reporting cycle and identify any changes from prior year. This process is outlined in detail below. The topics and IROs identified as material as a result of this exercise are shown in the table below. The overview illustrates where these IROs are located in the operations and value chain, connecting them to the overarching strategy and business model. A more detailed explanation of material IROs specific to each topic can be found under the SBM-3 section related to each topical standard (please refer to sections [3.1](#), [4.1](#), [5.1](#)). [ESRS-2_SBM-3_48a, 48b, 48c(i), 48c(ii), 48c(iii), 48c(iv); E1.SBM-3_18]

There are no changes to the material impacts, risks and opportunities compared to the previous period [ESRS-2_SBM-3_48h, 48g].

2. General information

IRO Sub-sub-topic	Impacts, risks and opportunities	Category	Value Chain	Time Horizon
ESRS E1 Climate Change				
Climate Change mitigation and adaptation				
Operational carbon footprint (scope 1, 2, and 3 (Category 1- 14))	The Bank negatively impacts the environment through emissions from its own operational carbon footprint, including office use and data centers, mobility and business travel, and upstream value chain involving technology suppliers, card networks and building service providers.	⊖ A	O, U	S, M, L
Climate change - financing	The Bank has a negative impact on climate change due to the financing of companies or activities associated with high emissions or without transition strategies, which puts the decarbonization objectives set by the Paris Agreement at risk.	⊖ A	D	S, M, L
	Financial risk (i.e., credit risk) is affected by climate change risk, mainly through physical and transition risks that may impact the payment capacity of counterparties and the valuation of the collateral used and, therefore, expected credit losses.	⚠ Financial	O, D	S, M, L
	Transition risk arises from financing customers affected by changes in legislation, market, technology and consumer preferences linked to the transition to a low-carbon economy. Additionally, continuing to finance high-emission clients without credible transition plans could also lead to reputational risk.	⚠ Transition		L
	Physical risk arises from climate hazards (i.e., flood risk) affecting immovable property owned (own buildings and data centers) and held as collateral through financing activities.	⚠ Physical		M, L
	A redeployment of capital into “sustainable finance” solutions may allow the Bank to boost revenues and market share by enabling access to new products and markets.	✅	D	S, M, L
ESRS S1 Own Workforce				
Equal treatment and opportunities for all				
Diversity	Failure to foster an inclusive and equitable work environment - for example, due to lack of female representation in executive roles and a gender pay gap - can negatively impact the wellbeing of own workforce especially among vulnerable groups such as women and minorities. Consequently, there is a risk this may result in lower retention rates and higher talent acquisition costs as well as reputational risk and legal exposure (e.g., due to non-compliance with disability and accessibility regulations).	⊖ P ⚠	O	S, M, L
Training and skills development	Structured training and development programs, supported by engagement in industry learning initiatives - for example, digital transformation training on industry trends and best practices - enables employees to adapt to change and be more resilient. Continuous training and development provide employees with new competencies and knowledge that promote personal and professional growth, while also enhancing long-term career advancement - both within and beyond their careers at the Bank.	⊕ A	O	S, M, L

2. General information

IRO Sub-sub-topic	Impacts, risks and opportunities	Category	Value Chain	Time Horizon
Other work-related rights				
Privacy	The risk of violating employees' right to privacy, due to inappropriate or insecure use, collection, or storage of personal employee data can lead to reputational damage, regulatory penalties, and loss of employee trust - for example, insufficient access controls could lead to unauthorized disclosure of sensitive HR information.	⊖ P ⚠️	O	S, M, L
ESRS G1 Business Conduct				
Business conduct				
Ethics and Corporate Culture	The Bank's ability to build an inclusive, transparent company culture that is ethical, fair, lawful and without fear of retaliation enhances employee trust and ethical decision-making, strengthens internal accountability and long-term organizational integrity.	⊕ P	O	S, M, L
Cybersecurity (ENTITY SPECIFIC)	Insufficient cybersecurity governance - including weak oversight, inadequate controls, and poor response protocols - may negatively impact stakeholder trust, data integrity, and digital accessibility. For example, failure to enforce secure data handling may harm customer experience as well as financial inclusion and wellbeing, particularly for digitally dependent and vulnerable user groups.	⊖ P	O	S, M, L
	Data breaches or other security failures could disrupt the Bank's ability to operate, which may lead to financial loss and penalties.	⚠️	O	S, M, L
Corruption and bribery				
Corruption, Bribery and Ethics	Inadequate governance of corruption, anti-bribery, and anti-money laundering - within the Bank and its financing activities - may negatively impact public trust, fair competition, and integrity of financial system. For example, insufficient due diligence or weak internal controls may enable illicit financial flows to fund terrorist and criminal activities and ultimately impact the broader functioning of financial system and society.	⊖ P	O	S, M, L
	Failure by the Bank to adequately manage the risk of bribery and corruption within the entities that it finances and within its own operations may result in financial penalties and reputational damage.	⚠️	O	S, M, L

Legend

Category

⊕ - Positive impact
⊖ - Negative impact

A - Actual
P - Potential

✅ Opportunity
⚠️ Risk

Value Chain

U - Upstream
O - Own operations
D - Downstream

Time horizon

S - short-term
M - medium-term
L - long-term

Resilience of the Bank's strategy and business model

Commentary [ESRS-2_SBM-3_48f]

SBM-3, paragraph 48f, requires reporting entities to provide information about the resilience of their strategy and business model in the context of its material IROs. This disclosure must be a qualitative and, where applicable, a quantitative analysis.

Resilience refers to an organization's ability to anticipate, prepare for, respond to, and recover from any changes or disruptions to their business, and ensure the continued delivery of their core services and operations.

For financial institutions, this means assessing the robustness and adaptability of critical infrastructure, processes and response capabilities against external events, such as market shocks, regulatory changes or operational disruption with a view to testing their ability to maintain service continuity and regulatory compliance under a range of conditions.

For example, this may include an assessment of:

- The integrity of information, data and security systems against the risks posed by cyber threats
- How conditions in the global markets in which the reporting entity operates, e.g., economic fluctuations, geopolitical risks, and changing regulation, may impact its ability to continue its operations
- The assessment of the viability and validity of business and strategic plans, including the reporting entity's long-term goals, such as net-zero ambitions
- The overarching risk management framework

In disclosing how the analysis was conducted, the reporting entity will likely refer to any stress testing they carry out, which is a common regulatory analysis that allows resilience to be assessed under different scenarios, enabling the reporting entity to model the impacts of different shocks and events on key financial metrics—such as capital adequacy, liquidity ratios, and profitability— and gain insight into the reporting entities ability to remain solvent and operational under a range of conditions.

Despite common themes, the precise details of what this analysis entails in practice and how the results are interpreted will be highly specific to the reporting entity's circumstances. The illustrative disclosure below includes some guiding principles and considerations, but preparers may wish to consider disclosing details of existing stress testing programs run as part of risk management and capital planning efforts, including those required by local regulators, as well as any business continuity plans in place.

Importantly, stress testing can be a useful way of gaining insight into response capabilities, such as the ability to mobilize resources or manage liquidity during a crisis. For the purposes of ESRS 2 SBM-3, this is particularly relevant as reporting entities are asked to think about resilience in contexts beyond just market forces but also sustainability-related risks, impacts and influences, such as cyber threats, climate-related events and policy shifts.

The Bank performed a resilience assessment of its strategy and business model. This assessment process involves a comprehensive evaluation of the strategy's and business model's ability to adapt to address material impacts and risks and to take advantage of identified opportunities. The resilience assessment is covered in the sections below regarding the effects of the identified material IRO's on the business model, value chain, strategy and decision making, current financial effects and anticipated financial effects. In addition, the climate change resilience assessment can be found in section [3.3.1](#).

In assessing the resilience of the Bank's business and strategy, specifically in the context of the IROs listed above, a range of information was considered, including:

- The Bank's business and strategic plans in relation to the current and expected market environment across all operating regions and the Bank's climate targets
- The impacts, risks and opportunities identified and the anticipated impact on the financial results and strategic decisions of the Bank
- Current capital position and projections over the period considered
- Liquidity and funding profile
- Results of stress testing analysis conducted under different scenarios

Resilience, including that of the Bank's business strategy, was assessed over the medium and long term, including stress testing scenarios to assess the Bank's ability to withstand risks. The results of the assessment performed are considered in the International Capital Adequacy Assessment Process (ICAAP) with the

integration of identified IROs through the enterprise risk management framework aimed at maintaining the resilience of the Bank's strategy and business model [ESRS-2_SBM-3_48f].

Further details on the use of scenario analysis to assess the resilience of the Bank to climate-related risks is included in section 3.3.

Effects of identified material IROs on the Bank's business model, value chain, strategy and decision making [ESRS-2_SBM-3_48b]

A reciprocal relationship exists between the Bank's strategy and business model and the identified IROs. On one hand, the identified material IROs affect the Bank's strategic direction, and, on the other hand, strategic decisions affect the IROs.

In response to the identified IROs listed above, the Bank adapted its business model and strategy to remain resilient and to capitalize on opportunities. The sustainability strategy, '*Banking with Purpose, Investing in Tomorrow*' plays a key role in addressing environmental IROs. The main aspects of this strategy are outlined in section 2.3.1.

The IROs identified concerning the Bank's own workforce underscore the importance of fostering an inclusive, respectful and safe workplace, alongside ensuring the responsible handling of sensitive information to uphold the privacy rights. The identification of these IROs has increased awareness of the importance of considering potential effects on the workforce in relation to the Bank's strategy, business model, and decision-making. It has also emphasized the importance of staying connected with the workforce.

In addition, the identification of IROs has resulted in the Bank increasing its focus on responsible and ethical business conduct.

Please refer to the different topical sections for more details about the actions resulting from the evolving strategy.

Commentary on the ESRS sustainability disclosures

ESRS-2_SBM-3_49 allows the descriptive information required in ESRS-2_SBM-3_46 about material impacts, risks and opportunities and their interaction with the strategy and business model to be provided alongside the disclosures given under the corresponding topical ESRS. If the undertaking elects this option, it still has to present a statement of material impacts, risks and opportunities alongside its disclosures prepared under ESRS 2.

For the purpose of this illustration, IROs have only been identified for ESRS E1, ESRS S1 and ESRS G1.

Current financial effects [ESRS-2_SBM-3_48d]

Analysis was conducted to evaluate whether any of the IROs identified had a material financial effect on the Bank's financial position during the current reporting period. The assessment also took into consideration the likelihood that any IROs would lead to a material adjustment to the reported values of assets and liabilities in the next financial reporting period.

By considering the Bank's strategy to manage risks and opportunities, the analysis involved mapping each of the identified IROs to the possible financial impact they could have and evaluating the extent to which any of these impacts had materialized over the current reporting period.

The Bank performed a credit risk assessment of physical and transition risks due to climate change using scenario analysis on portfolios identified as more sensitive to climate physical risk and transition risk.

The Bank's loan exposures that are sensitive to, and at material risk of, acute and chronic physical risks (collateralized and non-collateralized) are €X million (2024: €X million). Exposures related to high emitting sectors sensitive to transition risk being €X million (2024: €X million) [ESRS-E1-9_68(a), 68(b)].

Based on this assessment, the Bank has raised a management overlay in the Expected Credit Loss (ECL) attributable to climate transition policies of €X million (2024: €X million), and separately climate physical risk of €X million (2024: €X million) to the total climate related ECL of €X million at the end of 2025 (2024: €X million) (please refer to Note XX in the consolidated financial statements). The estimation of climate risk on ECL carries a degree of uncertainty regarding both the magnitude of potential losses and the ongoing developments in climate transition policies.

Anticipated financial effects [ESRS-2_SBM-3_48e]

This report includes information related to the exposure affected by material physical and transitional climate related risks in section 3.7. The Bank applies the phase-in provision and provides qualitative information and, to

the extent possible, quantitative information related to the potential financial effects, and will expand the information in the next reports to provide full coverage of the Regulation.

An analysis was conducted to evaluate whether any of the material risks and opportunities identified is anticipated to have a material financial effect on the Bank's financial position, financial performance and cash flows over the short-, medium- and long-term. To comply with the requirements, the Bank uses the information disclosed in the Pillar 3 ESG report according to the 'Implementing Technical Standards on prudential disclosures on ESG risks' defined by the European Banking Authority.

With reference to the Bank's risk management strategy, the analysis involved mapping each of the identified IROs to the possible financial impact they could have and evaluating the period of the effect [ESRS-2_SBM-3_48d]. In line with the current financial effects, the anticipated financial effects mainly relate to climate-related risks (please refer to section 3.7 for more details on the anticipated financial effects).

Commentary on ESRS sustainability disclosures

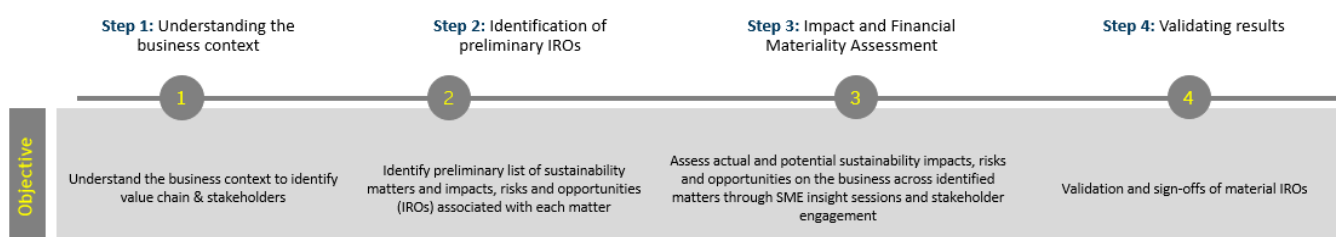
For the Bank, the illustration of the anticipated financial effects in the short, medium- and long-term was only provided for climate-related risks (see section 3.7).

A similar approach could apply to other sustainability-related risks and opportunities. However, this publication does not provide an exhaustive list of all sustainability-related risks and opportunities defined.

Financial institutions preparing ESRS sustainability disclosures will need to consider the relevant assessments and data available within the organizations to prepare the disclosure requirements under the ESRS. This may also include the assessments as required by regulators such as the Pillar 3 ESG report according to the 'Implementing Technical Standards on prudential disclosures on ESG risks' defined by the European Banking Authority, as included in the illustrative example above.

2.4.2 IRO-1 Process to identify and assess material impacts, risk and opportunities

Overview of the process



The Bank's DMA was conducted to identify and evaluate the sustainability-related IROs within the Bank's operations and across its value chain, that are material from an impact, a financial, or both perspectives and therefore provide the basis for the content of this sustainability statement. This assessment was conducted in four steps, as shown in figure 2 above, starting with the mapping of the Bank's value chain and identification of key affected stakeholders. A preliminary list of IROs across a broad range of sustainability topics was gathered using various data sources which were then refined and scored by subject matter experts against both impact materiality and financial materiality parameters, in line with the EFRAG guidance.

The DMA is a recognized means of identifying the material sustainability topics relevant to the Bank, and it plays a role in informing the strategic agenda of the Bank and enabling the provision of transparent and clear information to stakeholders. A review of this process will be conducted ahead of the next reporting cycle, to integrate any emerging or changing expectations, guidance, new sources of information and data, and any lessons from the second year of implementation. This may include, but is not limited to, the Bank's approach to stakeholder engagement, scoring and governance.

The four-step DMA process

Step 1: Understanding the business context

The first step was the analysis of the Bank's business context, which involved mapping activities and business relationships and identifying key affected stakeholders along the value chain. This exercise considered all primary lines of business and functions, as well as the geographies and client segments in which the Bank operates, and, as such, all core financial products and services offered. As explained in section 2.2.4, the DMA process is also informed by the Bank's process on due diligence.

2. General information

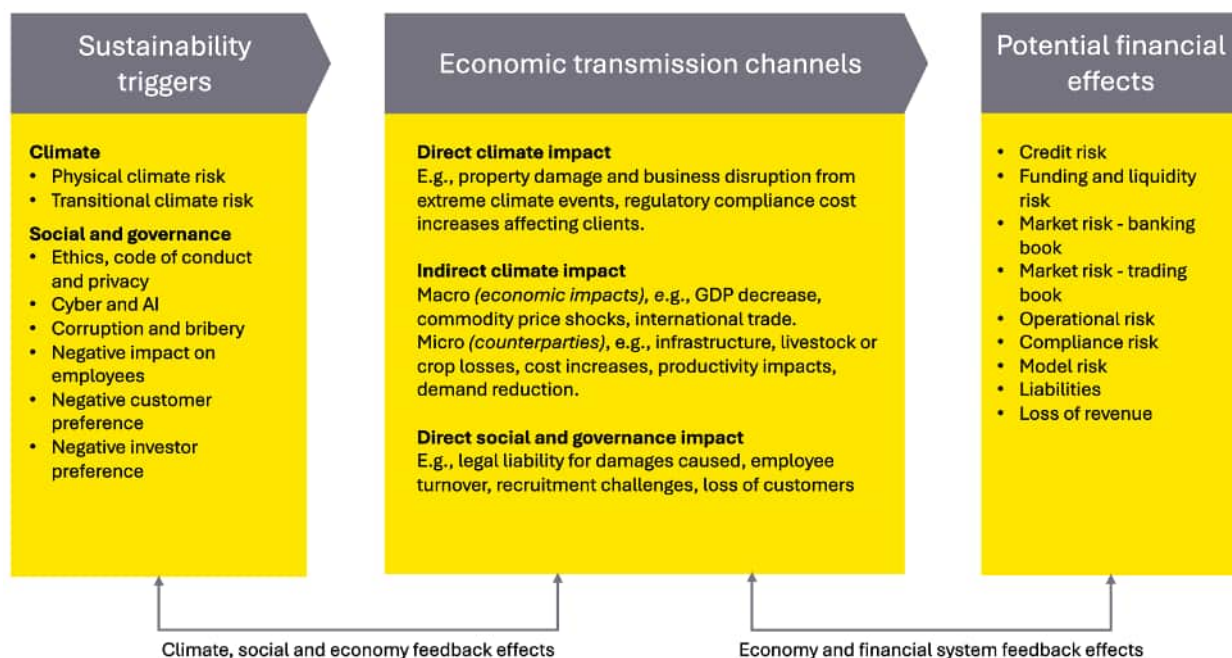
The stakeholder mapping considered all the business relationships that exist including both direct and indirect, including all those employed by and on behalf of the Bank, external partners, third-party suppliers and all customers and clients [ESRS-2_IRO-1_53b(ii)]. This stakeholder mapping informs the Bank's identification of potential impacts, risks and opportunities to which the bank may be exposed to or have an effect on.

The Bank has developed an internal sustainability risk drivers framework, incorporating stakeholder considerations, potential regulatory risk drivers and their transmission channels, and additional social and environmental considerations, to ensure a comprehensive assessment of the business context in which the bank operates. [ESRS-2_IRO-1_53b(ii)] The potential triggers or relationships identified through this framework are known as sustainability triggers.

The bank also considered the climate risk assessment as required by the Euroland Central Bank. The Euroland Central Bank's prudential climate and environmental (C&E) risks were tailored to the bank. The Euroland Central Bank's guide on C&E risks sets out supervisory expectations for how banks should integrate these risks into their governance, strategy, and risk management frameworks. Even though the Euroland Central Bank's focus is on C&E risks, the bank's assessment of how impacts may materialize via "transmission channels" into potential financial effects and prudential risks also informs the identification and assessment of financially material climate risks. This process also ensures the bank applies consistent assumptions, data and methodologies in the regulatory reporting and ESRS sustainability statements.

The business context in which the bank operates is complex, as individual sustainability triggers and transmission channels do not only have a potential effect on the bank individually but may also have a cumulative effect on one another.

This process has been incorporated into the Bank's enterprise risk management framework, which is reviewed annually by the Executive Risk and Executive Sustainability Committees and inform both the strategic planning and capital allocation processes. [ESRS-2_IRO-1_53d, e].



For a summarized view of the Bank's value chain and key stakeholders, please refer to section 2.3.1.

Consideration of specificities that could give rise to heightened risk of adverse impacts [ESRS-2_IRO-1_53b(i)]

The Bank further expanded the sustainability triggers by including environmental considerations related to sectors with the highest transition risk and/or the highest physical risk with whom the bank interacts. The Bank has a global client base and operates in Europe and Asia. A risk assessment was performed to identify actual and potential impacts arising from the Bank's own operations and downstream lending portfolio. As part of this analysis, the Bank identifies certain sectors more prone to sustainability related adverse impacts. At risk sectors include certain high-emitting sectors contributing to emissions which may also have direct impacts through pollution or are involved in environmental degradation. The Bank considered extractive industries

(mining and oil & gas) and agriculture due to its effects on biodiversity and water contamination, as at-risk sectors.

Step 2: Identification of preliminary IROs

Based on this analysis, desktop research was conducted to compile a comprehensive list of potentially material sustainability topics using insights from the first-year DMA as well as other additional sources such as latest industry benchmarks and sustainability trends [ESRS-2_IRO-1_53a]. This was done using a variety of different sources, including established sustainability reporting frameworks, such as the Sustainability Accounting Standards Board (SASB), the International Sustainability Standards Board (ISSB), the Global Reporting Initiative (GRI) and the UN Principles for Responsible Banking (PRB), sustainability-focused regulation, ESG rating agencies, media reviews and peers' reporting. Insights were also incorporated from existing due diligence processes, such as previously conducted risk assessments [ESRS-2_IRO-1_53d].

This long list of sustainability topics was reviewed and approved by the Sustainability Reporting Working Group (SRWG), and from the approved list, the built-out inventory of preliminary IROs that could be associated with each topic.

The Bank evaluated whether the identified impacts of the Bank on people and the environment could lead to any risks or opportunities for the Bank [ESRS-2_IRO-1_53c(i)]. For instance, this includes potential future regulations addressing these impacts. Additionally, the Bank examined dependencies on environmental and human resources to determine if they might result in any risks or opportunities. To achieve this, the value chain was assessed and the inputs used in the process to identify any dependencies on suppliers and business relationships and whether this could result in additional risks or opportunities for the Bank. [ESRS-2_IRO-1_53c(i)].

The Bank also evaluated whether the identified risks and opportunities of the Bank have an impact on people and the environment.

The above-mentioned process refers to the identification of preliminary IROs in the Bank's value chain. For impacts related to the Bank's own operations, internal exercises were conducted to gather input from stakeholders across the business and value chain to reflect impacts arising from the Bank's activities [ESRS-2_IRO-1_53b(ii)].

The development of IROs at this stage benefitted from both the research conducted during the initial assessment of sustainability topics and was enhanced by considering the specific context of the Bank and insights from a dedicated Sustainability Reporting team. Next, those potential IROs were linked to the structure provided in *ESRS 1, Appendix A, Application Requirement 16 Sustainability matters to be included in the materiality assessment*.

Consideration of material impacts or risks arising from actions to address sustainability topics

As part of this step, the Bank assesses whether the significant action plans to address material impacts, risks and opportunities might lead to material negative impacts or risks in relation to other sustainability topics.

Step 3: Impact and Financial Materiality Assessment

Having defined a list of potentially material IROs, the next step was to engage different stakeholders and subject matter experts to assess the materiality of each one from an impact and financial perspective. Criteria are applied to assess both impact materiality and financial materiality over the short-, medium- and long-term, in order to determine the material actual and potential impacts and material risks and opportunities. This assessment is performed without considering mitigating actions.

A range of stakeholders from those defined in step 1 were represented during this process, as outlined in the table below [ESRS-2_IRO-1_53b(iii)]. Internal groups were consulted directly, whilst credible proxies were identified to speak on behalf of external stakeholders. For example, the Bank's procurement team was asked to represent the views and interests of upstream suppliers, on account of their regular business interactions enabling appropriate insights to be provided on their priorities and concerns. Looking forward, the Bank will look to engage with external key stakeholders directly throughout the DMA to gather firsthand insights and perspectives that are essential for informed decision making. The stakeholder groups engaged, either directly or indirectly, were selected based on their relative influence and impact within the Bank's operations and value chain. Factors that may give rise to heightened risk of adverse impacts such as specific activities, business relationships and geographies were prioritized to ensure they were adequately captured.

Stakeholders engaged as part of the DMA [ESRS-2_IRO-1_53b(iii)]

Stakeholder	Engagement type	Representative proxy	Proxy type	Materiality type
Board of Directors	Direct	n/a	n/a	Financial
Employees	Direct	n/a	n/a	Impact and financial
Investors	Indirect	Investor Relations team	Internal	Impact and financial
Suppliers and distributors	Indirect	Procurement team	Internal	Impact and financial
Government, policy makers, regulators and tax authorities	Indirect	Public Policy leads	Internal	Financial
Local communities and workers in the value chain	Indirect	Non-Governmental Organizations	External	Impact
Corporate customers	Indirect	Relationship managers	Internal	Impact and financial
Retail customers	Indirect	Branch managers	Internal	Impact and financial
Rating agencies	Not engaged	n/a	n/a	Financial
Clearing houses	Not engaged	n/a	n/a	Financial
Payment providers	Not engaged	n/a	n/a	Financial

As demonstrated in section 2.3.2, a wide range of existing engagement forums and channels are used to facilitate continuous dialogue with stakeholders across the value chain. In addition to the DMA-specific engagement carried out, internal SMEs provide insights from these channels to supplement understanding of the issues faced by each Bank and further inform the Bank's materiality assessment.

In each case, the preliminary IRO list defined in step 2 was reviewed and scored by stakeholders, proxies and SMEs, as applicable, against the impact and financial materiality parameters outlined within the ESRS (see table below).

Impact and financial materiality criteria

Materiality type	Parameter	Definition
Impact	Scale	Relative measure of severity of an impact
	Scope	Refers to how extensive an impact could be
	Irremediability (for negative impacts)	Extent negative impacts can be remediated
	Likelihood (for potential impacts)	Probability of occurrence
Financial	Magnitude	Potential size of a financial effect (risk or opportunity)
	Likelihood	Probability of occurrence

Impact materiality assessment

The materiality assessment for negative impacts is based on likelihood and severity (based on scale, scope and irremediability) of the impact. For positive impacts it is based on scale, scope and likelihood. These criteria are scored from 1 to 5 according to the tables at the bottom of this section. This assessment draws on both internal data and external sources like academic research and industry analyses.

Next, the materiality of impacts is assessed using the matrix depicted at the end of this section. Thresholds are used to aid in the establishment of materiality. The scoring determines the prioritization of future sustainability work [ESRS-2_IRO-1_53b(iv), 53c, 53c(i)]. An impact is scored based on its scale and scope, and irremediability (only for negative impacts). This results in a severity score, which is then multiplied by the likelihood of occurrence. In the event of a potential impact, an item is considered as material if the total score exceeds 12. In the event of potential negative impacts, severity takes precedence over the likelihood (3:1 weighting, respectively). In the event of actual impacts, likelihood is not applicable, and an impact is considered as material if the score exceeds 3.

Financial materiality assessment

The materiality of risks and opportunities is assessed based on the likelihood of and the potential magnitude of

the financial effects for the Bank. Magnitude considers factors such as hindrance to, or acceleration of, growth and profitability; it is aligned with the Bank's enterprise risk management framework (same time horizons, rating scales and risk universe is applied). In assessing the magnitude of risk or opportunity, the Bank considered the qualitative implications of the identified risks and opportunities on financial effects in the short-, medium- and long-term due to the Bank's inability to quantify these. The magnitude scores reflect the Bank's insights into the financial effects on its development, financial position, financial performance, etc. Magnitude and likelihood are scored on a scale of 1-5 (please refer to the tables at the bottom of this section). Like the method for determining impact materiality, magnitude of risk or opportunity is multiplied by the likelihood of occurrence. In line with the thresholds applied for impact materiality, a risk or opportunity is considered material if the total score exceeds 12.

The Bank assesses risk systematically through the enterprise risk management framework, including sustainability risk. These risks are aligned with the Bank's broader risk management framework, ensuring that sustainability considerations are integrated into overall risk prioritization. The matrix evaluates various dimensions, including financial, operational, reputational, and compliance impacts, allowing sustainability risks to be compared and weighted against other business risks. The risks are prioritized using the matrix as depicted on the bottom of this section [ESRS-2_IRO-1_53c(iii)].

Step 4: Validating results

The final step of the DMA process was the normalization and validation outputs. The scores were presented to the SRWG who were given the opportunity to review and challenge the final scores, and in particular consider the relative rankings of the different IROs.

Any topics with multiple IROs slightly below the selected threshold were reconsidered and manual adjustments were proposed by the SRWG. These adjustments all required approval on a case-by-case basis by the CSO and CFO, the executive co-sponsors of the SRWG.

DMA Governance and oversight

The identification, assessment and management of sustainability-related impacts, risks and opportunities is integrated into the overall management process through the enterprise risk management framework. Although the enterprise risk management framework mainly focuses on risks, it also takes the Bank's impacts on sustainability topics into consideration as these can potentially become risks. Identified opportunities in the DMA are used in the strategic management processes [ESRS-2_IRO-1_53f].

The DMA process is managed centrally by the ESRS Reporting team, who were responsible for coordinating and conducting the assessment. Once finalized, the results were presented to the Executive Sustainability, Risk and Disclosure Committees and subsequently the Board Sustainability Committee and Board Audit Committee for final sign-off. The chair of the Board Audit Committee is the ultimate owner of the process, and is responsible for ensuring the process remains fair, transparent and accurate [ESRS-2_IRO-1_53d].

Implementation of action plans, based on a gap assessment of the "as-is" status and prioritization, are developed for each material topic. These plans include specific goals, targets and initiatives, alongside measurable metrics to track progress.

Managing Sustainability Risks

The Bank's management of risks, including principal risks, is detailed in the annual report and the Enterprise Risk Management Framework (ERMF). Sustainability-related risks are integrated within the broader ERMF to ensure a holistic approach to identifying, assessing and managing relevant risks [ESRS-2_IRO-1_53c(iii)].

Sustainability-related risks are recognized as drivers of existing risk categories, including both financial risks such as credit, liquidity and market risks, and non-financial risks, such as operational and reputational risk.

The Bank has an established process outlined in the Risk Management section within the annual report for managing risks across the Bank. This process enables the understanding and identification of risk exposures and risks across the business that involves a periodic review of key sustainability risks with the potential to disrupt the Bank's ability to maintain core operations such as serving customers or affecting earnings, liquidity, capital, or operating model of the Bank [ESRS-2_IRO-1_53e].

Ongoing review and adaptation

Recognizing that material issues can evolve over time, a monitoring framework is established to support regular reviews of the assessment process when there are bigger changes to the strategic and operational context. This framework ensures periodic reassessments that reflect changes in stakeholder expectations, regulatory requirements, and industry dynamics. A culture of continuous improvement is fostered by

incorporating stakeholder feedback and lessons learned into future assessments. The process of determining materiality was modified in 2025 by incorporating a more detailed subject analysis. This included deeper evaluations of topics such as the climate impact. [ESRS-2_IRO-1_53h].

Topical considerations in the DMA process

EY Commentary on the ESRS sustainability disclosures

Note that ESRS do not specify how the materiality assessment process and calculation should be designed or carried out by the undertaking; the process illustrated above is merely an example. Additionally, it is mandatory to give an IRO-1 description for all environmental topics and the governance topic, regardless of whether they are deemed material or non-material. E1 requires an explanation on the use of scenario analysis to identify and assess IROs. This illustrative sustainability statement focuses solely on disclosures related to E1, S1, and G1. Consequently, the IRO-1 descriptions for the remaining topics are not included.

Climate change: Description of the process to identify and assess climate change related impacts, risks and opportunities [E1-IRO-1]

Detailed considerations on the process to identify and assess material impacts, risks and opportunities, as required by the climate change standard, are included in section 3.2.1.

Business Conduct: Description of the process to identify and assess business conduct related impacts, risks and opportunities [ESRS-G1_IRO-1_6]

The Bank applies a structured assessment process to identify material impacts, risks and opportunities related to business conduct, guided by the nature and scope of its operations across the regions where the Bank operates. The analysis considers regional sensitivities and stakeholder expectations. Local regulatory frameworks, governance culture, and civil society engagement are key criteria in shaping risk profiles and opportunity mapping in each location. The Bank assesses business conduct risks based on transaction types, including client engagements or upstream providers. Particular attention is given to how control is exercised over alignment with the Bank's Code of Conduct and Supplier Conduct Principles.

Scoring tables and matrix used in the materiality assessment

		Likelihood				
		1	2	3	4	5
Severity/ Magnitude	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5

2. General information

Score	Severity, scale and scope			Likelihood		Magnitude
1	Minimal impact	Minimal scale, with a minimal scope, and/or easily remediated (for negative impacts).	Highly unlikely	Minimal chance of occurring. Considered almost impossible under current conditions.	Minimal financial effect	Negligible potential effect. Not noticeable.
2	Minor impact	Minor scale, with a minor scope, and/or capable of being remediated (for negative impacts).	Unlikely	Small possibility of occurring. May occur under specific circumstances but, generally, regarded as rare.	Minor financial effect	Minor potential effect. While noticeable, it does not significantly affect the Bank's development, financial position, financial performance, cash flows, access to finance or cost of capital.
3	Moderate impact	Moderate scale, with a moderate scope, and/or somewhat difficult to remediate (for negative impacts).	Possible	Moderate chance of occurring. While it is not guaranteed, it is plausible and could happen depending on current trends and conditions.	Moderate financial effect	Moderate potential effect. In case of negative potential effects, this may require management to mitigate potential risks.
4	High impact	High scale, on a widespread scope, and challenging to remediate (for negative impacts).	Likely	Expected to occur with a good degree of certainty. Strong possibility that it will occur based on current trends or conditions.	Significant financial effect	Significant potential effect. In case of negative potential effects, this could have serious implications on the Bank's development, financial position, financial performance, cash flows, access to finance or cost of capital.
5	Critical impact	Critical scale, on a global scope, and/or irremediable (for negative impacts).	Highly likely	Almost certain to occur. High probability that it will happen, supported by substantial evidence or trends.	Critical financial effect	Severe potential effect. In case of negative potential effects, this could pose a major threat to the Bank's development, financial position, financial performance, cash flows, access to finance or cost of capital.

2.5 Disclosure requirements index

2.5.1 IRO-2 List of disclosure requirements complied with and datapoints that derive from other EU legislation

Following the completion of the double materiality assessment, the Bank has mapped material IROs to the disclosure requirements and data points within the ESRS in Appendix A of the Bank's management report [ESRS-2_IRO-2_56].

To assess the materiality of information to be disclosed, a qualitative assessment was performed, rather than applying quantitative thresholds. This assessment focused on evaluating whether the information is relevant based on its significance to the topic it represents or its ability to meet the decision-making needs of users [ESRS-2_IRO-2_59].

If a specific requirement was not found to align with a material IRO, the related data point or disclosure requirement has not been disclosed [ESRS-2_IRO-2_56].

EY Commentary on the ESRS sustainability disclosures

ESRS-2_IRO-2_57 states that if the undertaking concludes that climate change is not material and, therefore, omits all disclosure requirements in *ESRS E1 Climate change*, it must disclose a detailed explanation of the conclusions of its materiality assessment with regard to climate change, including a forward-looking analysis of the conditions that could lead the undertaking to conclude that climate change is material in the future.

In this illustrative sustainability statement, climate change is material. As such, the above mentioned disclosure is not applicable and, therefore, not illustrated.

Additionally, the ESRS stipulate that the undertaking must include a table of all the datapoints that derive from other EU legislation as listed in Appendix B of ESRS 2, indicating where they can be found in the sustainability statement. The datapoints must include those that the undertaking has assessed as not material, in which case the undertaking must state "Not material" in the table in accordance with [ESRS-1-35]. In this illustrative sustainability statement, the datapoints deriving from other EU legislation, which pertain to the following standards are not included in the table in Appendix A: *ESRS E2 Pollution*, *ESRS E3 Water and marine resources*, *ESRS E4*, *ESRS E5 Circular economy*, *ESRS S2*, *ESRS S3*, *ESRS S4*.

3. Environmental information - Climate change

3.1 E1 ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The Bank's climate change-related impacts, risks and opportunities stem largely from financing activities. The resilience of the Bank's portfolio hinges on the ability to identify, assess and manage climate-related impacts, risks and opportunities through stress testing, scenario analysis and high-quality lending standards.

The Bank's sustainability strategy, "Banking with Purpose, Investing in Tomorrow", addresses these challenges and opportunities initially by focusing on high-emitting clients, alongside the provision of "sustainable finance" to support client's transition and engaging with them to develop and implement credible decarbonization strategies. This strategic approach reflects not only the commitment to managing physical and transitional risks, but also to mitigating the broader climate impacts, particularly those linked to GHG emissions. By targeting both risk and impact reduction, the Bank is actively pursuing opportunities that support long-term sustainability. The Bank is also committed to leading by example, reducing operational emissions through reducing energy consumption and increased sourcing of energy from renewable sources to support increased energy consumption required to fuel Artificial Intelligence (AI) and data centers which is anticipated to occur in both the Bank's own operations and its supply chain.

Climate-related risks are integrated in the Bank's Enterprise Risk Management Framework, which is reviewed annually by the Executive Sustainability and Risk Committees, and they inform both the strategic planning and capital allocation processes. The Bank has described how climate-related considerations are factored into the remuneration of members of the administrative, management and supervisory bodies in section [2.2.3](#).

The table below shows the IROs identified for *E1 Climate change* [[E1_SBM-3_18](#)] and a summary of the related policies, actions, metrics and targets as further described in this chapter. The detailed information on the IROs, including their time horizons, location in the value chain as well as the general process by which material IROs were identified, is comprehensively documented within sections [2.4.1](#) and [2.4.2](#). Detailed considerations for the process to identify and assess material impacts, risks and opportunities, as required by the climate change standard, are included in section [3.2.1](#). The description of the resilience of the Bank's strategy and business model in relation to climate change is in sections [2.4.1](#) and [3.5.2](#).

Commentary

In accordance with ESRS 1.113, reporting entities who are in scope of the Taxonomy Regulation are required to include their Taxonomy disclosures within their sustainability statement, as part of the Environmental chapter. EU Taxonomy disclosures have not been drafted in this illustrative statement.

3. Environmental information - Climate change

Impacts, risks and opportunities	Category	Policy	Actions ⁵	Metrics	Target
Operational carbon footprint (scope 1, 2, and 3 (Category 1- 14)) The Bank negatively impacts the environment through emissions from its own operational carbon footprint, including office use and data centers, mobility and business travel, as well as from upstream operations involving technology suppliers, card networks, and building service providers.	⊖ A	<ul style="list-style-type: none"> Buildings, Office Use and Data Center Policy Supplier Code of Conduct Sustainable Mobility Policy 	<ul style="list-style-type: none"> Shift to renewable sources and electrification Installed solar capacity across regions Electric vehicle options for all employees Improve energy efficiency of Bank's buildings (offices and branches) and data centers Retrofitting offices to upgrade the energy performance certificate (EPCs) to energy label A. Certification of buildings to ISO 14001 or ISO 50001 management systems Reducing energy consumption Supplier engagement 	<ul style="list-style-type: none"> Scope 1 and 2 GHG emissions Scope 3 GHG emissions (excluding Category 15) Total energy consumption in MWh related to the Bank's operations 	<ul style="list-style-type: none"> Sourcing XX% renewable electricity across operations by 2030 XX% reduction in energy consumption by 2030 Net-Zero emissions by 2030 in Scope 1 and 2 GHG emissions Net-Zero emissions in Scope 3 by 2030 GHG emissions (excluding Category 15)
Climate change - financing: The Bank has a negative impact on climate change due to the financing of companies or activities associated with high emissions or without transition strategies, which puts the decarbonization objectives set by the Paris agreement at risk.	⊖ A	<ul style="list-style-type: none"> Sector Policy (illustrative for the Oil and Gas and Real Estate sector) 	<ul style="list-style-type: none"> Client engagement informed by "Client Transition Assessments"⁶ Integration of Climate-related Risk into Credit Risk Management "Sustainable finance": The Bank finance the transition of its clients by offering dedicated products and services. 	<ul style="list-style-type: none"> Financed emissions per sector (Scope 3 Category 15) 	<ul style="list-style-type: none"> Sector-level financed emissions reduction targets (section 3.5.3.1)⁷ Thermal coal mining (phase-out)
Climate change - financing: Financial risk (i.e., credit risk) is affected by climate change risk, mainly through physical and transition risks that may impact the payment capacity of counterparties and the valuation of collateral used and, therefore, expected credit losses.	⚠ Physical Transition	<ul style="list-style-type: none"> Credit Risk Policy Sector Policy (illustrative for the Oil and Gas and Real Estate sector) 	<ul style="list-style-type: none"> Client engagement informed by "Client Transition Assessments" Integration of Climate-related Risk into Credit Risk Management 	<ul style="list-style-type: none"> Financed emissions per sector (Scope 3 Category 15) Anticipated financial effects 	
Transition risks arising from financing customers affected by changes in legislation, the market, technology and					

⁵ There are no significant operational expenditures (OpEx) or capital expenditures (CapEx) associated with the described actions. Therefore, the information required under ESRS 2.69 regarding current and future financial resources is not disclosed. [MDR-A_69a, 69b, 69c]. Additionally see commentary under 3.5.2 for further details.

⁶ As defined in Section 3.5.2 "Client Transition Assessment"

⁷ Financed Emissions Intensity reduction targets are set per sector outlined in section 3.5.3.1. Absolute financed emission reduction targets are set for the oil and gas sector. Refer to Section 3.5.3.1 for the detailed disclosures on the sectoral financed emissions targets.

3. Environmental information - Climate change

Impacts, risks and opportunities	Category	Policy	Actions ⁵	Metrics	Target
consumer preferences; linked to the transition to a low-carbon economy. Additionally, continuing to finance high-emission clients without credible transition plans could also lead to reputational risk.					
Physical risk arises from climate hazards (i.e., flood risk) affecting immovable property owned (own buildings and data centers) and held collateral through financing activities.					
Climate change - financing: A redeployment of capital into “sustainable finance” solutions that may allow the Bank to boost revenues and market share, and enable access to new products and markets.	✔	▪ Sustainable Finance Framework	▪ “Sustainable finance”: The Bank finance the transition of its clients by offering dedicated products and services.	▪ “Sustainable finance” provided	▪ €XXX billion “sustainable finance”

Legend

- ⊕ - Positive impact
⊖ - Negative impact
- A - Actual
P - Potential
- ✔ Opportunity
⚠ Risk

3.2 E1 ESRS 2 IRO-1 Process to identify and assess material climate-related impacts, risks and opportunities

3.2.1 Climate impact, risk and opportunity assessment methodology

The Bank has implemented procedures to identify and assess climate-related impacts, risks and opportunities, which are described below. Please refer to section [2.4.2](#) for the general explanation of the Bank's identification process.

Climate-related impact assessment [[E1_IRO-1_20 a](#); [E1_IRO-1_AR_9](#)]

The Bank identified and assessed the type of climate change impacts in its own operations and value chain. GHG emissions were identified as the main impact and used as a proxy for the impact that the Bank has on climate change. As a next step, the Bank assessed Scope 1, 2 and 3 GHG emission sources to identify the location of impacts on climate change across own operations and value chain. The Bank's most significant impact on GHG emissions is through its financing activities, Scope 3 Category 15. This information was disaggregated by sector and geographical locations, to determine the most significant sources of emissions and identify hotspots where the Bank may have a material climate impact. In addition, analyses of potential future emissions are carried out for Scope 3 Category 15 financed emissions (please refer to section [3.6.2](#) for the Gross Scopes 1, 2, 3 and total GHG emissions).

Climate-related risk and opportunity assessment and scenario analysis [[E1_IRO-1_21](#)]

The Bank has implemented a framework to identify and assess climate-related risks and opportunities specifically within its loan portfolio. In line with the methodology of the TCFD scenario analysis technical supplement⁸ [[E1_IRO-1_AR_14](#)], the Bank has identified two primary types of climate-related risks:

1. **Physical risks:** As a result of the direct impact of climate change on collateral in loan portfolios, which can be acute (e.g., wildfires, heatwaves, droughts, floods, and storms) or chronic (e.g., rising sea levels and long-term shifts in climate patterns) over the short, medium and long term time horizon [[E1_IRO-1_20 b](#); [E1_IRO-1_AR_11 a](#)].
2. **Transition risks:** The financial loss resulting, directly or indirectly, from the shift to a low-carbon and more sustainable economy. This could be due to regulatory changes, evolving market sentiments and preferences, technological advances, and changes in investor and stakeholder expectations. Sectors with high GHG emissions will likely incur significant capital expenditures during the decarbonization process, in addition to additional indirect costs from the decarbonization efforts of their suppliers. Demand for carbon-intensive products and technologies may also contract. [[E1_IRO-1_20 a](#); [E1_IRO-1_AR_12 a](#)].

The Bank conducted a primarily qualitative risk assessment to determine the extent to which different areas of its business model and value chain may be most exposed to the climate and environmental risks and opportunities as part of step 2 of the DMA process outlined in section [2.4.2](#). This assessment involved engaging with stakeholders from the relevant business units and was informed by some quantitative inputs, such as portfolio exposure data and geographical concentration.

This allowed the Bank to better understand the specific assets and business activities where climate-related risks and opportunities are concentrated. In addition to this it also enables the bank to identify opportunities such as expanding the Bank's green financing offerings.

Climate change presents both discrete risks and opportunities as well as acting as a multiplier that drives and amplifies existing financial and non-financial risk categories detailed in the Bank's Enterprise Risk Management Framework (ERMF) such as credit risk, liquidity risk and market.

The findings from this exercise informed which areas the Bank took forward for quantitative assessment as part of its scenario analysis program.

Scenario analysis

The Bank uses scenario analysis for its assessment, specifically on its loan portfolios to better understand the climate-related risks and opportunities to which it is exposed indirectly through its clients, over the short-, medium- and long-term. Scenario analysis is applied to a static balance sheet as reported in the consolidated financial statements [[E1_IRO-1_AR_15](#)], without accounting for changes in exposures and

⁸ TCFD Technical Supplement, "The Use of Scenario Analysis in Disclosure of Climate- Related Risks and Opportunities" (2017) and TCFD "Guidance on Scenario Analysis for Non-Financial Companies" (2020).

capital allocation. The Bank would have the ability to manage its exposure to particular risks over time, especially in the long term.

Insights from the Bank's scenario analysis were used as an input into the broader DMA process, and specifically to the evaluation of the magnitude and likelihood of occurrence of each of the risks and opportunities identified, during the financial materiality assessment in step 3 outlined in section [2.4.2](#).

For full details of the scenario analysis carried out, including the scenarios, assumptions and key inputs, as well as the outputs in each case, see section [3.2.2](#) and [3.2.3](#).

For the purposes of this analysis, the definitions of short-, medium- and long-term as laid out in ESRS 1 are used [[ESRS-2_SBM-3_AR7b](#), [ESRS-2_IRO-1_AR11b](#), [AR13b](#)]. As explained in section [2.1](#), these time horizons are consistent with the Bank's strategic planning cycle and allow the Bank to take a sufficiently forward-looking view that is required in relation to climate risks and opportunities, and the extended period of time over which it expects them to materialize.

Commentary

For the purposes of this illustrative disclosure, details have only been included of the analysis for selected parts of the Bank's portfolio relating to a climate-related physical hazard (flood risk) and a climate-related transition event (policy - Increased pricing of GHG emissions). This is intended to be taken as an example to illustrate disclosures relating to a specific scenario analysis and should not be considered as exhaustive.

Financial institutions should consider assessing climate-related risks and opportunities across their business and value chain to ensure comprehensive disclosures. The scope of the analysis may vary depending on materiality, data availability and other relevant factors. Furthermore, financial institutions may need to consider the relevant assessments and data available such as those required by regulators.

A similar approach may apply to analyzing climate-related opportunities, although this has not been illustrated in this publication [[ESRS-E1-9_64c](#), [69a](#), [69b](#), [70](#)].

3.2.2 Physical risk assessment – methodology (flood risk)

[[E1_IRO-1_AR_13a](#), [13c](#), [13d](#)]

The Bank uses scenario analysis to assess exposure to flood risk across its operations and financing activities.

The scope of the analysis covers the bank's entire lending portfolio. The Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP) 8.5 scenario was used as a scenario seen as the likely outcome if no new action to reduce global emissions is taken with adaptation measures to reduce emissions halted and an absence of climate-related policy in various jurisdictions leading to unabated fossil fuel use and a high warming temperature outcome.

This approach assesses the exposure of the Bank's assets and activities for physical risks and considers the likelihood of a risk occurring, its magnitude, as well as the geospatial coordinates (such as Nomenclature of Territorial Units of Statistics- NUTS for the EU territory) for the assessed portfolios. [[E1_IRO-1_AR 11 c](#)].

The results of the analysis identify portfolios most susceptible to adverse effects from flooding, highlighting the residential real estate (mortgages) and commercial real estate portfolios as most vulnerable to flood-related risks and potential adverse financial impacts. Material flood-related risks were not identified in activities across other sectors. [[E1_IRO-1_20 b\(ii\)](#); [E1_IRO-1_AR_11 a](#)].

Stress testing is then used to assess the resilience of the Bank against increased acute and chronic physical risks using a similar framework of scenarios for these core property and real asset portfolios identified as being materially impacted. [[E1_IRO-1_20b \(i\)](#), [21](#); [E1_IRO-1_AR 11 d](#)].

For the resilience assessment, the scope of the assessment encompasses the bank's loan portfolio per sector and per geographical location. The assessment excluded certain clients due to data limitations and the relatively lower materiality of their exposures. However, the Bank will expand coverage in future assessments to strengthen risk management practices. The analysis involves modelling the effects of flooding on financial indicators across these portfolios such as property values, and the ability of commercial and residential clients to service the debt on their properties and projects. The bank also considers the potential for increased insurance premiums and reduced availability in flood-prime areas which could further strain customers' financial resources.

While the Bank's analysis remains an estimation and does not fully quantify the financial impact, it suggests only minor deviations in asset values compared to projections based on historical climate data and future

climate scenarios. Nevertheless, the Bank considers that climate change physical risks are qualitatively material due to their distinctive nature.

For more information about the resilience assessment, please refer to section [3.3.1](#).

3.2.3 Transition risk assessment methodology

[E1_IRO-1_AR_13a, 13c, 13d]

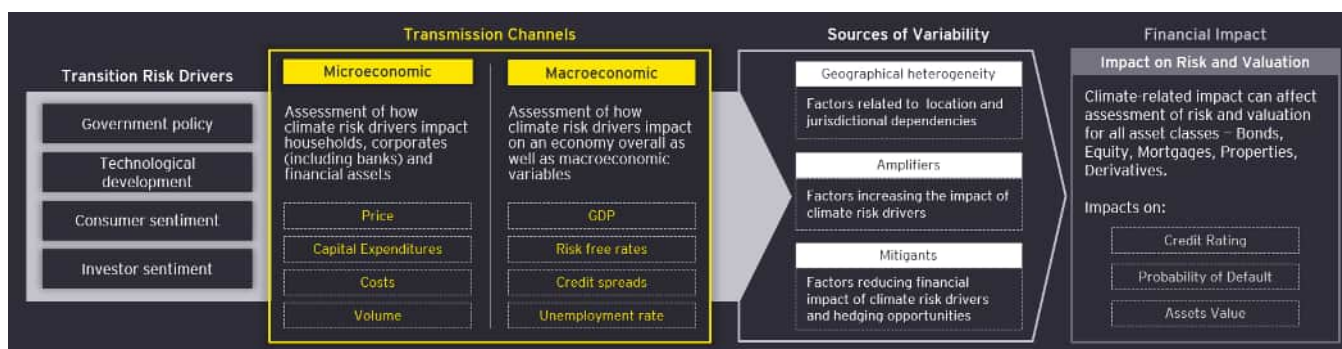
For transition risk, the Bank leveraged the Network for Greening the Financial System (NGFS) Net Zero Scenario 2050 pathway. This scenario assumes governments around the world enact policies that will achieve net zero by 2050, and that warming is restricted to 1.5°C. [E1_IRO-1_21; E1_IRO-1_AR_12c]

This scenario is primarily focused on assessing the level of increased risks and opportunities from more aggressive global decarbonization and differs from physical risk climate scenarios, which focus on climate-related hazards such as flood risk.

The analysis involved modelling the impact of a series of policy events under the high transition risk scenario on the creditworthiness of clients in each sector. In addition, information on the distribution of EPC by country is assessed.

These policy events include rising carbon prices, gradual phase-out of subsidies for fossil fuel production and the introduction of specific mandates related to energy generation to come from renewable sources by 2030.

The exposure assessment considers the likelihood of a risk occurring, its magnitude and duration. [E1_IRO-1_AR_12b]



Following the assessment, the Bank evaluated whether loans provided to the counterparty is at risk of default under a high transition scenario.

3.3 Resilience analysis

3.3.1 E1 ESRS2 SBM-3 Resilience analysis

Alongside the materiality assessment, the Bank conducted climate-related scenario analysis in 2025 to stress test its business under different temperature outcomes, to provide insight into the climate resilience of its operations and value chain in relation to climate change. This analysis focused on the Bank's downstream lending portfolio, where its most significant risks - as identified during the DMA - are primarily concentrated [ESRS-2_SBM-3_48f; ESRS-E1_SBM-3_19a; 19b].

The Bank used a combination of scenarios including high/low-transition risk and high/low physical risk, orderly and disorderly scenarios, across all the relevant risk types. The assessment for credit risk includes transition and physical risk shocks across the Bank's loan portfolio over the short-, medium- and long-term horizons [E1_SBM-3_AR_7b, 8a]. The resilience assessment considered the anticipated financial effects of the different identified material IROs on a qualitative basis. Please refer to section [3.7](#) for an overview of the anticipated financial effects, which encompasses the anticipated financial effects as described below [E1_SBM-3_AR_7c].

Within the anticipated effect disclosure, the results of the resilience assessment are aligned with the exposure subject to physical risk as disclosed in the Pillar III ESG template 5 related to physical risk. The results of the resilience assessment related to transitional risk are aligned with the overview of the Bank's exposures provided in the Pillar III ESG Template 2. [E1_SBM-3_AR_7c, 7b, 8a; E1_SBM-3_19c].

Results of resilience analysis

The analysis identified in which portfolios physical risk is likely to arise, per time horizon and per respective location. Regarding transition risks, the assessment identifies portfolios where material transition risks are

likely to arise. [E1_SBM-3_19c]. Please refer to section 3.7 for an overview of the anticipated financial effects, which encompasses the anticipated financial effects as described below [E1_SBM-3_AR_7c].

Recognizing the anticipated increase in credit risk due to the identified transition and physical risks, these remain within the Bank's defined risk limits, ensuring overall financial stability. The Bank maintains a geographically diversified portfolio and applies proactive risk management practices, which contributes towards mitigating these effects. The results of the analysis are considered in International Capital Adequacy Assessment Process (ICAAP).

The Bank's climate resilience strategy, including enhanced due diligence, regular stress testing, high-quality lending standards in high-risk areas, and promoting resilient practices with its customers, positions the Bank to manage future climate-related risks.

By balancing risk mitigation with strategic financing to support climate adaptation, the bank can safeguard financial performance while reinforcing its commitment to long-term resilience.

To further strengthen resilience over the next five years the execution of the Bank's sustainability strategy, including net-zero targets, growth in "sustainable finance" and phasing out financing activities deemed incompatible with the Bank's strategy such as thermal coal are used to manage exposures to climate-related risks. Key actions are described in section 3.5.2 [E1_SBM-3_AR_8b]. These actions are expected to manage exposure to both physical and transition risks. The results from the Bank's resilience analysis inform the Bank's enterprise risk management framework, financing decisions and mitigation planning. Assets and business activities identified as being at material physical risk are prioritized for financing adaptation of clients. Transition risks are managed through "Client Transition Assessments" with the Bank intending to expand coverage of clients assessed.

Please note that the resilience analysis conducted by the Bank is subject to several areas of uncertainty, which are inherent in climate scenario modelling and long-term forecasting, as detailed in the table. More specifically, potential uncertainties relate to, for example, variability in climate patterns. The frequency and severity of acute and chronic physical risks may deviate from modelled projections. Also, there is uncertainty around regulatory and policy evolution as the pace and scope of climate-related regulations remain uncertain. In addition, there is inherent uncertainty about technological advancements. The availability and cost of low-carbon technologies may evolve unpredictably. Finally, there is uncertainty around market and consumer behavior. Shifts in consumer preferences and investor expectations may accelerate or delay transition dynamics.

EY Commentary on the ESRS sustainability disclosures

In line with E1_SBM-3_AR_6, when disclosing the information on the scope of the resilience analysis as required under E1_SBM-3_19a, the undertaking must explain which part of its own operations and upstream and downstream value chain, as well as any material physical risks and transition risks, have been excluded from the analysis.

3.4 Transition Plan

3.4.1 E1-1 Transition Plan for climate change mitigation

Strategic Alignment with climate goals

The Bank continues to work towards its ambition of achieving net zero emissions by 2050 and is currently in the process of developing a comprehensive transition plan designed to align the business model with a 1.5°C pathway, consistent with the Paris Agreement and the EU's climate neutrality objective by 2050. The transition plan information described below outlines the Bank's approach towards achieving the Bank's overarching ambition of net zero emissions in own operations by 2030 and across financing activities by 2050.

Compatibility with a 1.5°C pathway

For financed emissions, interim and long-term targets are sector-specific and have been informed by the International Energy Agency (IEA) Net Zero Emissions (NZE) scenarios or other relevant scientific 1.5 scenarios such as the Carbon Risk Real Estate Monitor (CRREM) verified by the Science Based Targets initiative (SBTi). Alignment with 1.5°C warming in line with the Paris Agreement currently only applies to prioritized sectors where the Bank has set a target, which are high-emitting sectors to which the Bank has material exposure within the lending portfolio. [ESRS-E1-1_14, 16a, 16b]. The Bank is not excluded from EU Paris-aligned Benchmarks [ESRS-E1-1_16g].

For operational emissions, the reduction pathway is modelled to deliver an absolute reduction of XX MtCO_{2e} across Scope 1 and 2 GHG emissions by 2030 and a XX MtCO_{2e} reduction in material categories of Scope 3

(excluding Category 15) GHG emissions by 2030, which aligns with 1.5°C scenarios. Quantification of this alignment is supported through internal modelling and external frameworks used in target development. The Bank's decarbonization trajectory prioritizes near-term actions and avoids reliance on offsets or carbon removal in the short-and medium-term.

Key Decarbonization levers and actions

To achieve the GHG emissions reduction targets, the Bank has prioritized key decarbonization levers based on their mitigation potential, feasibility and materiality. For more information on the targets and planned actions to meet them, please refer to Sections [3.5.2](#) and [3.5.3](#) [E1-1_16a,16b].

Decarbonization Lever	Actions	Scope
Client engagement	Client engagement informed by "Client Transition Assessments"	Financed emissions
Financing product types	"Sustainable finance" provided	Financed emissions
Managed phase out	Phasing out financing for thermal coal	Financed emissions
Shift to renewable sources and electrification	Installed solar capacity across regions	Own Operations
	Electric vehicle options for all employees	
Implement energy efficiency measures across buildings (offices and branches) and data centers	Retrofitting offices to upgrade the energy performance certificate (EPCs) to energy label A.	Own Operations
	Certification of buildings to ISO 14001 or ISO 50001 management systems	
	Reducing energy consumption	
Supplier engagement	Engage with suppliers to implement decarbonization levers such as energy efficiency improvements.	Own Operations

To achieve the Net-Zero ambition, the Bank is scaling these measures. For financed emissions, "Client Transition Assessments" are used to identify where clients are on their decarbonization journey and how this aligns with the Bank's targets to inform engagement discussions. Through "sustainable finance" the Bank supports clients in transition to sustainable practices with a lower climate impact. Risks across the lending book are identified and monitored through the integration of climate-related risks in credit risk management practices and the Bank is committed to phasing out activities such as the financing of thermal coal.

For more details on the Bank's climate actions and targets including sectoral decarbonization pathways, please refer to section [3.5.2](#) and [3.5.3](#) respectively.

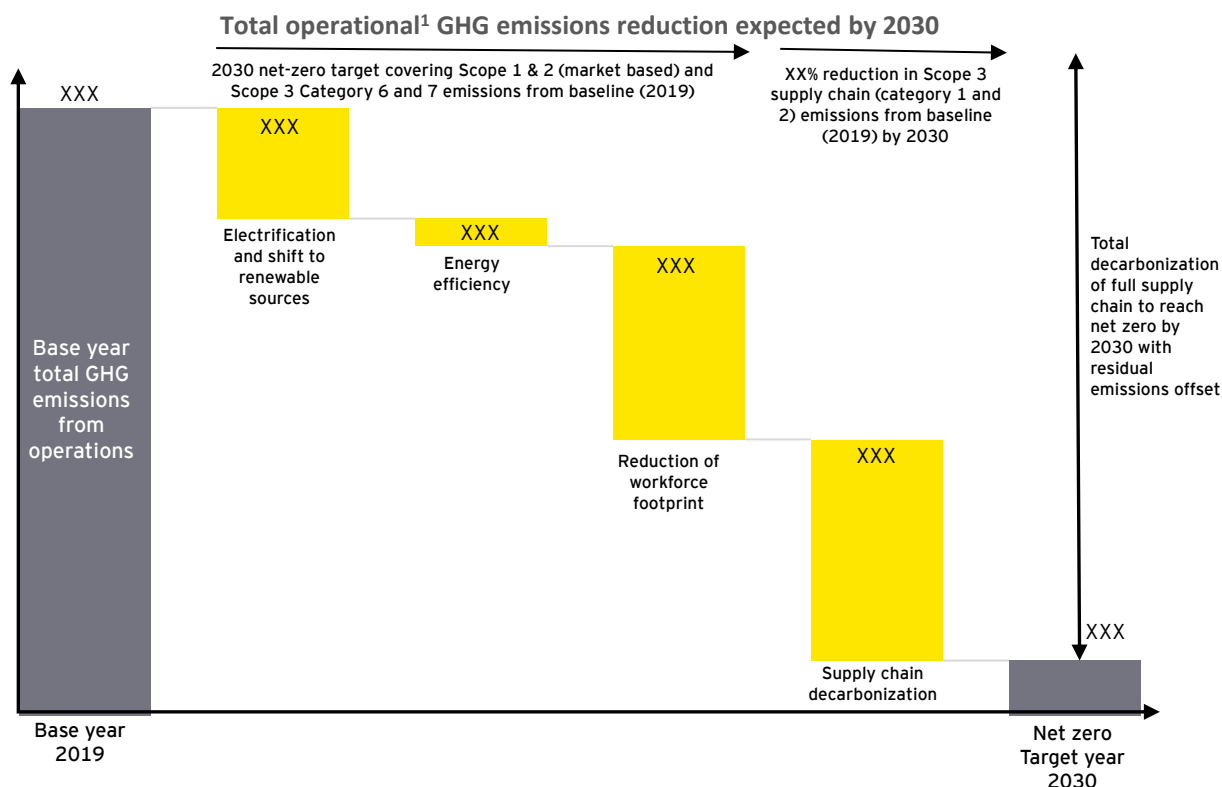
Commentary

For the purposes of this illustrative disclosure, details of the decarbonization pathway for the oil and gas and residential mortgage portfolios for financed emissions have been included, please refer to Section 3.5.3. This is intended to be taken as an example to illustrate disclosures relating to interim targets and actions applied for a specific sector and should not be considered as exhaustive.

The projected GHG emissions reduction for operational emissions, is shown in the figure below [E1-1_AR_31]. The Bank's focus is on transitioning to renewable energy sources and improving energy efficiency. However, decarbonizing Scope 3 GHG emissions presents a complex challenge which continuously requires the Bank's attention and is a key element of the decarbonization strategy currently managed by the buildings, office use and data center policy and the sustainable mobility policy. Please refer to section [3.5.1](#) for more information about the Bank's policies, section [3.5.2](#) for more information about the Bank's actions and to section [3.5.3](#) for targets set.

Decarbonization levers identified to drive reductions across operations are presented below [E1-3_AR19c, E1-4_34(f), AR31, MDR-T]:

Total operational GHG emissions reduction by 2030 (Scope 1, 2 and 3, Categories 1, 2, 6 and 7) [E1-4_AR31]



¹Note: This chart presents the Bank's operational emissions, including total Scope 1 and Scope 2 emissions, and selected Scope 3 emissions Categories (Category 1, 2, 6 and 7). It excludes Category 15 emissions.

Embedding the Bank's transition plan

The Bank has begun to embed its transition strategy aligned with its vision of '*Banking with Purpose, Investing in Tomorrow*' starting by establishing science-based climate targets outlined in section [3.5.3](#) [ESRS-E1-1_16h].

The Bank's approach on embedding the transition strategy into the decision-making process includes integrating climate considerations into credit risk management cycle from origination to monitoring risks across current credit exposures. In addition, the Bank has conducted "Client Transition Assessments" for a portion of clients in the Corporate and Investment Banking (CIB) division to assess the alignment of client ambitions, strategy and progress with that of the Bank and used to inform engagement in cases of misalignment and provide bespoke support.

The provision of "sustainable finance" is a component of the Bank's sustainability strategy designed to support clients' transition to more sustainable business models.

The Bank conducts capital adequacy assessments which involve stress testing the portfolio under a high physical risk and high transition risk scenario to assess the resilience of the Bank's financial position and enable the Bank to integrate and monitor any considerations into financial planning processes. As a bank the allocation of capital expenditure is less relevant, however, the Bank ensures that resources are available to execute actions as part of the plan.

Progress against set targets aligned with the Bank's strategy is linked to executive compensation as part of the Bank's Long-term incentive plan (LTIP) outlined in section [2.2.3](#). Progress is tracked during annual strategic planning cycles and business unit performance reviews.

Please refer to section [3.5](#) and [3.6](#) for information on the Bank's progress towards targets [ESRS-E1-1_16j].

Governance and oversight

The transition strategy was reviewed and approved by the Board following recommendations from the Sustainability Committee, which is responsible for oversight of the implementation and progress of the strategy. The transition is discussed as a standing agenda item at quarterly Board meetings, where progress is reviewed, risks are assessed and any adjustments discussed [ESRS-E1-1_16i].

Status of the Climate Transition Plan (CTP)

While no changes have been made since its initial approval, a full review will take place in 202X to align with updated regulatory and scientific developments [E1-1_17].

While there is still much work to be done to meet the set targets, the Bank has made progress in its implementation, as is shown from its GHG emissions as reported in section [3.6.2](#). As previously noted, decarbonizing Scope 3 GHG emissions remains a complex and ongoing challenge which requires continuous attention. Moving forward, the Bank will continue implementing the decarbonization levers described in this section and will monitor its progress [E1-1_16]. Please refer to section [3.5](#) and [3.6](#) for information on the Bank's progress towards targets.

3.5 Policies, actions and targets

3.5.1 E1-2 Policies related to climate change mitigation and adaptation

The Bank has established policies noted below including incorporating the climate risk in the credit risk management cycle supported by sectoral policies which govern the Bank's approach towards financing activities. All sector lending policies and steering signals reference the ESG Risk Policy and outline the Bank's approach to address climate change mitigation and adaptation for the specific sector [E1-2_25]. Sector policies are reviewed annually and updated based on consultations with external stakeholders, including clients, investors, industry bodies and regulators to reflect risks and opportunities related to climate change in the energy sector [ESRS-2_MDR-P_65e].

Policies to support its goal of Net-Zero emissions across operations in 2030 include the Bank's Buildings, Office Use and Data Center Policy (see below) and Supplier Code of Conduct (refer to 5.2) [ESRS-E1-2_22].

The policies referenced within the sustainability statement are available on the Bank's website through a dedicated policies resource center [ESRS-2_MDR-P_65f].

Background	Key content	Scope / Key stakeholders	Accountability
Credit Risk Policy			
<ul style="list-style-type: none"> The Bank's Credit Risk Policy has integrated a framework for how the Bank manages climate risk in credit risk management. The Bank's Credit Risk policy is an internal policy made available to employees involved in lending and risk management through internal documentation systems and key aspects are communicated to external stakeholders such as borrowers and regulatory bodies through public disclosures and direct engagement [MDR-P_65f]. 	<ul style="list-style-type: none"> The Credit Risk Policy is a framework that incorporates climate risk elements and outlines how the Bank manages climate risk of the credit. [MDR-P_65a]. It outlines processes for ongoing monitoring of climate risks associated with counterparties including identification of emerging risks, risk appetite and the IFRS 9 loan loss provisioning. The policy defines criteria to assess new and existing customers as part of the annual credit review cycle, including "Client Transition Assessment" for commercial clients. Based on the outcome of the "Client Transition Assessment", the Bank assesses the potential credit risk associated with climate transition risk. Physical risks are considered such as the location and sector of the client and immovable property held as collateral for assets exposed to weather-related events such as floods. 	<ul style="list-style-type: none"> The Policy enables relationship managers and credit risk managers to take a structured approach to assess climate-related risks as part of their credit initiation and assessment processes for any new, existing or extended lending relationships [MDR-P_65b]. This policy is aligned with the minimum requirements detailed in CRR/CRD, Euroland Central Bank Supervisory Rules and European Banking Authority guidelines [ESRS-2_MDR-P_65d]. 	<ul style="list-style-type: none"> Chief Risk Officer Executive Risk Committee Chief Sustainability Officer [MDR-P_65c]
Sector Policy: Oil and Gas			
<ul style="list-style-type: none"> The Bank has established an Oil and Gas Sector Policy which sets out guidelines in relation to financing 	<ul style="list-style-type: none"> This policy explains how the Bank plans to finance oil and gas activities including which limitations or exclusions apply for activities considered to be 	<ul style="list-style-type: none"> This Policy applies to all financial activities with customers within the oil & 	<ul style="list-style-type: none"> Chief Financial Officer Executive Risk Committee

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Background	Key content	Scope / Key stakeholders	Accountability
<p>activities for how the Bank assesses and manages climate-related impacts, risks and opportunities across the oil and gas sector.</p> <ul style="list-style-type: none"> The policy is reviewed annually and updated based on consultations with external stakeholders, including clients, investors, industry bodies and regulators to reflect risks and opportunities related to climate change in the oil & gas sector [ESRS-2_MDR-P_65e]. 	<p>incompatible with the Bank's strategy. This includes no longer providing financing to new oil & gas fields (since those already approved for development in 2021) and continued support of oil & gas clients that are investing in the decarbonization of the sector through the production of sustainable fuels/ fossil fuel replacements [MDR-P_65a].</p>	<p>gas sector that have a direct lending relationship with the Bank [MDR-P_65b].</p>	<ul style="list-style-type: none"> Chief Risk Officer Chief Sustainability Officer [MDR-P_65c]
Sector Policy: Real Estate			
<ul style="list-style-type: none"> The Bank has established a Real Estate sector policy to set out guidelines in relation to financing activities for how the Bank assesses and manages climate-related impacts, risks and opportunities across the real estate sector. 	<ul style="list-style-type: none"> The Bank's Real Estate policy outlines a commitment towards no new financing for buildings that are not zero-carbon ready and increase financing for retrofitting existing buildings with a focus on phasing out fossil fuel equipment [MDR-P_65a]. 	<ul style="list-style-type: none"> This Policy applies to all financial activities related to real estate assets (commercial and mortgages) [ESRS-2_MDR-P_65d, 65b]. 	<ul style="list-style-type: none"> Chief Financial Officer Executive Risk Committee Chief Risk Officer Chief Sustainability Officer [MDR-P_65c]
Sustainable Finance Framework			
<ul style="list-style-type: none"> The Bank has established a Sustainable Finance Framework outlining the methodology for classifying finance as sustainable. 	<ul style="list-style-type: none"> The Bank's Sustainable Finance Framework outlines activities the bank finances classified as sustainable for the purpose of tracking and disclosing performance against "sustainable finance" targets [MDR-P_65a]. The policy outlines any specific exclusions applicable to a particular activity which would mean it is not eligible to be classified as a sustainable activity. 	<ul style="list-style-type: none"> The policy applies to all lines of business globally [MDR-P_65b]. The policy is aligned with industry guidelines and principles from the Loan Market Association (LMA) and International Capital Market Association (ICMA) [ESRS-2_MDR-P_65d]. 	<ul style="list-style-type: none"> Chief Financial Officer Board Sustainability Committee [MDR-P_65c]
Buildings, Office Use and Data Center Policy			
<ul style="list-style-type: none"> The Policy outlines the overall approach to environmental topics 	<ul style="list-style-type: none"> This policy outlines the strategic approach to energy use, water and waste management to manage 	<ul style="list-style-type: none"> This Policy applies to all physical locations, including offices, branches, data 	<ul style="list-style-type: none"> Chief Operating Officer [MDR-P_65c]

3. Environmental information - Climate change

Background	Key content	Scope / Key stakeholders	Accountability
such as energy efficiency, water and waste management [E1-2_25].	<p>emissions associated with the Bank's operations [MDR-P_65a].</p> <ul style="list-style-type: none"> The Code outlines the Bank's commitment to sustainable practices that align with the Bank's Net-Zero strategy including their ability to meet defined environmental standards including alignment to ISO14001 or ISO 50001 management systems. 	centers and other facilities managed by the facilities management team, with representatives from each of the locations where the Bank operates [MDR-P_65b].	
Sustainable Mobility Policy			
<ul style="list-style-type: none"> The Sustainable Mobility policy aims to minimize the environmental impact of employee business travel and commuting. 	<ul style="list-style-type: none"> The policy outlines specific measures and incentives to reduce the carbon footprint of employees such as incentives for lower-carbon modes of transport such as rail over air travel for journeys under XXX km. 	<ul style="list-style-type: none"> The policy applies to all employees globally. The Bank monitors business travel data and employee commuting surveys to review the effectiveness of the policy [MDR-P_65e]. 	<ul style="list-style-type: none"> Chief Operating Officer [MDR-P_65c]

3.5.2 E1-3 Actions and resources in relation to climate change policies

Financed emissions

In line with the Bank’s transition plan and the policies outlined above, the below actions are intended to support the Bank’s decarbonization strategy and reduce climate-related risks through “Client Transition Assessments”, as well as pursue opportunities offered by sustainable products and services as defined by the Bank’s Sustainable Finance Framework [ESRS-E1-3_27].

“Sustainable finance”

The Bank provides “sustainable finance” including financing economic activities focused on climate change mitigation and adaptation [ESRS-2_MDR-A_68a], as classified under the Bank’s Sustainable Finance Framework referenced in section 2.3.1. The Bank’s commitment to provide €XXX billion in “sustainable finance” by 2030 includes “sustainable finance” across all business units across the regions where the Bank operates [ESRS-2_MDR-A_68b].

The Bank provided €XXX billion in “sustainable finance” in 2025, which was a XX increase compared to the prior year [ESRS-2_MDR-A_68e].

“Sustainable finance” * by product type

Product	2025	2024
Green Loans	XX	XX
Green Mortgages	XX	XX
Green Bonds	XX	XX
Total	XX	XX

*The individual categories of “sustainable finance” are related to loans and advances to customers within the Bank’s consolidated financial statements.

“Client Transition Assessment”

The challenges posed by the transition to a low carbon economy vary across different sectors. With a view to supporting clients in navigating these challenges, the Bank developed the “Client Transition Assessment”. The “Client Transition Assessment” is an initiative designed to evaluate and enhance the credibility of clients’ transition ambitions and consistency with the Bank’s net zero ambition using an internally developed assessment framework.

Qualitative and quantitative information was gathered using structured questionnaires across a range of inputs including energy consumption, waste management and supply chain practices with defined sector-agnostic criteria and additional sector-specific criteria used to assess clients [ESRS-2_MDR-A_68a].

Following an assessment, relationship managers conducted follow-up interviews to gain further insights into the client’s ambition, strategy and progress. This information was consolidated and reviewed by SMEs, who assigned a rating, and a qualitative assessment of credibility based on the three parameters outlined below.

Target	Assess whether the client has announced a commitment to net zero by 2050 or interim targets to reduce emissions. Evaluate whether the client has defined a roadmap to transition their strategy and business model in line with the Paris Agreement.
Progress	Consider progress to date against plan and evaluate whether performance is in line with targets to identify areas of concern.
Governance	Assessment of governance indicators, including Board oversight and processes in place to oversee the implementation of the transition plan.
Assumptions	The assessment considers the underlying assumptions of the client’s transition plan including the feasibility of proposed decarbonization levers considering the context of their sector and the technical and financial practicality of implementation for the client or their value chain.

XX initial “Client Transition Assessments” were completed in 2024, representing €X billion (X% of book) of drawn lending, for the Bank’s largest clients. In 2025 the Bank was able to extend the assessment to XX additional clients [ESRS-2_MDR-A_68b, 68c, 68e].

The results of the “Client Transition Assessment” are used to inform and tailor the engagement approach with clients. This includes enabling clients to develop action plans, which may include financing solutions for low-carbon investments, setting science-based targets and capacity building. Through ongoing engagement, progress is reviewed to actively support clients’ transition journeys. “Client Transition Assessments” currently focus on reducing the negative climate related impacts arising from the financing provided to manage risks in the existing loan book and contribute to the bank achieving its climate targets.

At present, the focus is on expanding the coverage of the “Client Transition Assessment” to more sectors and clients.

Commentary [ESRS-E1-3_29c(i), AR20, AR21, ESRS-2-MDR-A_69a, 69b, 69c]

ESRS E1-3 paragraph AR 20 states that when disclosing the information on resources as required under paragraph 29(c), entities are required to disclose significant OpEx and CapEx amounts required for the implementation of actions. This is a way of demonstrating how plans will be implemented in practice, and add credibility to the disclosure, by showcasing their financial feasibility.

The standard only requires this disclosure in cases where ‘significant’ expenditure is involved. While no definition is provided for ‘significant’, professional judgement has been applied, to determine which actions would have costs associated with them which would be considered significant under the standard.

AR20 clarifies that only incremental financial investments should be disclosed, rather than total costs. On the basis that the climate-related actions disclosed by the Bank do not involve any major transformation efforts, they have not been judged to be cost- or resource-intensive enough to meet this threshold and trigger these requirements. As such, no illustrative disclosure corresponding to these disclosure requirements in the climate section has been included.

Integration of Climate-related Risk into Credit Risk Management

Climate risks are included in the IFRS 9 loan loss provisioning considering: (a) the impact on macroeconomic scenarios; and (b) sector analysis performed which could consider the need for any management adjustments for climate risks in certain sectors. The IFRS 9 models do not yet fully incorporate climate risk separately given the lack of historical data and limitations in the risks assessments at a counterparty level. However, climate and environmental factors that have impacted the economy in recent years are indirectly included in the macroeconomic indicators (e.g., unemployment and GDP growth rates). The IFRS 9 models are, however, sensitive to the short-term economic outlook as the Bank uses a three-year time horizon for macroeconomic outlook, after which a mean reversion approach is applied [ESRS-2-MDR-A_68a, 65b].

Management adjustments included within the IFRS 9 loan loss provisions were introduced for business clients operating in high-emitting sectors related to the transition risk in the medium and long term. These assessments consist of assessing the Probability of Default (PD) of these clients, evaluating the viability of their business plans under regulatory changes where policies such as carbon border taxes and mandate emissions reduction schemes are implemented.

Physical risks such as flood risk may damage assets serving as collateral such as secured financing of properties, while transition risks can result in stranded assets. The potential devaluation of collateral and recoverability is integrated into Loss Given Default to assess potential credit losses. The Bank’s residential mortgage portfolio considers physical risk factors (i.e. risk of flood and rising water levels) and transitional risk (based on energy labels) when assessing the valuation of the collateral.

With regard specific climate-related events that have already occurred (e.g. floods, stranded assets etc.), these impacts are individually assessed as for significant increase in credit risk, credit impairment or management adjustments to the IFRS loan loss provision. For more information on the financial impacts on the loan loss provision please refer to Note X in the consolidated financial statements.

Phasing out financing for thermal coal

The Bank is committed to phasing out financing activities linked to thermal coal across all lines of business globally by 2030 in OECD countries and 2040 for the rest of the world [ESRS-2-MDR-A_68a, 65b, 65c]. In 2025, the Bank reduced its exposure by €XX billion, which is a XX% reduction compared to 2024 [ESRS-2-MDR-A_68e]. The Bank allocated €X billion in 2025 towards financing the transition of clients away from coal through green loans and bonds [ESRS-2-MDR-A_69a].

Operational carbon footprint (Scope 1, 2, and 3 (Category 1, 2, 6 and 7))

The Bank's decarbonization levers focus on actions aimed at reducing operational emissions and advancing the Bank's net zero commitments [ESRS-E1-3_28, 29a].

Shift to renewable sources and electrification

The Bank has a target of sourcing XX% renewable electricity across operations by 2030 [ESRS-2_MDR-T_80b, 80c, 80e]. In 2025 renewable energy usage increased from XX% to XX% of total consumption as detailed in section 3.6.1. [ESRS-2_MDR-T_80j].

Energy switching

In 2025, the Bank added XX MW installed capacity across the regions where the Bank operates through an ongoing project to fit buildings with solar panels [ESRS-2_MDR-A_68a, 68b, 68c].

Electrification

The Bank has continued to prioritize the electrification of the company lease fleet in 2025 [ESRS-2_MDR-A_68b, 68c]. In 2025 XX% (2024: XX%) of the lease fleet consist of electric vehicles [ESRS-2_MDR-A_68e].

Energy efficiency

To reduce energy consumption, the Bank has implemented efficiency measures to support a target of XX% reduction in energy consumption by 2030 compared to 2019 [ESRS-2_MDR-T_80a, 80b]. As of 2025, the Bank has reduced energy consumption by XX%, including an XX% reduction achieved in 2025 compared to 2024 as detailed in section 3.6.1 [ESRS-MDR-A_68e]. [ESRS-2_MDR-A_68a, 68b] Efficiency measures implemented in 2025 included:

1. Upgrading XX% of all offices globally to energy label A (an increase from XX% in 2024)
2. XX% of global real estate is certified to ISO 14001 or ISO 50001 management systems

2026 will see the Bank focus on reducing the energy usage of data centers as it works towards a target of XX% reduction in energy consumption by 2030 [ESRS-2_MDR-A_68a, 68c].

Supplier engagement

The Bank engages with suppliers to understand their carbon footprints and decarbonization efforts, whilst recognizing dependence on the voluntary decarbonization of all existing supplier relationships. The Bank is also actively engaging with suppliers by providing supplier training on topics such as GHG reporting requirements and SBTi aligned emission targets [ESRS-2_MDR-A_68a, 68b].

Business travel

The Bank's actions towards reducing emissions from business travel are set out in the Bank's Sustainable Mobility policy aimed at increasing awareness among employees about the environmental impact of their travel choices. This includes providing electric vehicles for employees who opt for company cars alongside incentives for employees to use lower-carbon modes of transport such as rail over air travel for journeys under XXX km [ESRS-2_MDR-A_68a, 68b].

Commentary on the ESRS sustainability disclosures

As the disclosures relating to the Commission Delegated Regulation (EU) 2021 / 2178 (EU Taxonomy) are not in scope of this illustrative sustainability statement, the information relating to these datapoints is not included [E1-3_29c(ii)].

3.5.3 E1-4 Targets related to climate change mitigation and adaptation

The Bank has set GHG emission reduction targets for own operations (3.5.3.2 Operational emissions) and financing activities (3.5.3.1 Financed Emissions) [ESRS-E1-4_34(b)].

As there have been no significant changes to the Bank's reporting or target boundaries, the original base year remains valid and has not been adjusted. The base year reflects typical operational conditions and has not been influenced by exceptional external factors. As no new baseline has been introduced, the achievement of targets and the presentation of progress over time remain unaffected [E1-4_AR_25a, 25b].

3.5.3.1 Financed emissions targets

In line with the Bank's Transition Plan and net-zero ambition, sector-level science-based decarbonization targets for financed emissions (Scope 3, Category 15 emissions) related to the Bank's lending activities have been set across high emitting sectors (XX% of the Bank's corporate exposures) [ESRS-2_MDR-T_80a, ESRS-E1-4_33, 34e]. Targets and underlying methodologies are validated by the Science Based Targets initiative (SBTi) [ESRS-2_MDR-T_80g]. This pathway is based on the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC), aligned to 1.5C warming scenarios in line with the Paris Agreement.

Sector [ESRS-2_MDR-T_80c, ESRS-E1-4_AR26]	Total Outstanding (€billion)	Target metrics (unit of target) [ESRS-2_MDR-T_80b, ESRS-2_MDR-M_77c, 77d]	Interim target 2030 [ESRS-2_MDR-T_80e, ESRS-E1-3_29b, ESRS-E1-4_34b]	Baseline year [ESRS-2_MDR-T_80d]	Baseline value [ESRS-2_MDR-T_80d]	Current year 2025 [ESRS-2_MDR-T_80j, ESRS-E1-3_29b]	2030 reductions required vs 2025 performance
Oil & Gas	XX	Absolute emissions (MtCO ₂ e)	XX	2019	XX	XX	XX
Power	XX	Emissions intensity (unit)	XX	2019	XX	XX	XX
Aviation	XX	Emissions intensity (unit)	XX	2019	XX	XX	XX
Steel	XX	Emissions intensity (unit)	XX	2019	XX	XX	XX
Automotive manufacturing	XX	Emissions intensity (unit)	XX	2019	XX	XX	XX
Cement	XX	Emissions intensity (unit)	XX	2019	XX	XX	XX
Commercial real estate	XX	Emissions intensity (unit)	XX	2019	XX	XX	XX
Residential real estate (Mortgages)	XX	Emissions intensity (unit)	XX	2019	XX	XX	XX
Agriculture	XX	Emissions intensity (unit)	XX	2019	XX	XX	XX
Thermal coal mining (phase-out) ⁹	XX	Exposure in EUR (€billion)	XX	2019	XX	XX	XX
Total financed emissions	XX		XX	-	XX	XX	-

⁹ As part of the phase-out strategy for thermal coal mining, the Bank is committed to ceasing all coal financing in OECD countries by 2030 and in the rest of the world by 2040

In response to stakeholder expectations, financed emissions targets are reviewed by the Executive Sustainability Committee and approved by the Board Sustainability Committee, with progress monitored on an annual basis [ESRS-2_MDR-T_80h].

Reviews of the underlying methodology are conducted annually to assess its relevance and alignment with evolving industry standards and incorporate improvements in data quality and collection processes. The targets set for the current year have been maintained without changes from the prior year.

Commentary [ESRS-E1-6_AR46]

ESRS E1-4 Paragraph 34 (a) requires entities to disclose GHG emission targets in absolute values and, where relevant, in intensity value. AR23 specifies that where an entity has a GHG intensity reduction target, it shall disclose the associated absolute values for the target or interim target year(s).

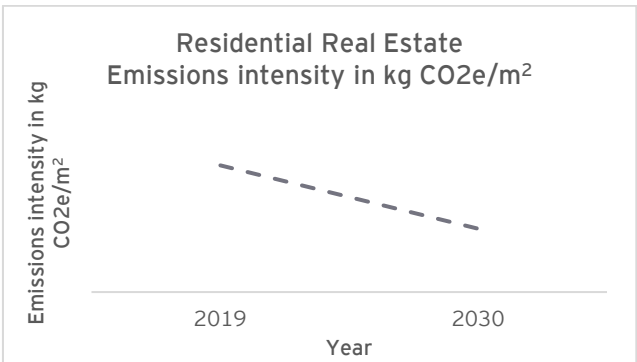
The Bank has adopted the transitional provisions specified in ESRS Q&A Explanations (Questions ID 1033, 1076 and 1122), which refer to the value chain information relief (ESRS 1 paragraph 133(a)) in the first three annual sustainability statements. This provision allows financial institutions that have adopted intensity targets for their Scope 3, category 15 (Investments) emissions, not to disclose the corresponding associated absolute values for the target year and interim target years (ESRS E1-1 paragraph AR 23) in the first three years of reporting.

Commentary [ESRS-2_MDR-T]

For the purposes of this illustrative disclosure, only details of the methodology used to calculate the emissions related to the oil and gas and residential mortgages sector have been included. This is intended to be taken as an example of how disclosure relating to specific sectors may look, but should not be considered as exhaustive. Similar information would be required for all targets set.

Interim targets and actions for the residential mortgage portfolio

The Bank has an interim target to reduce the emissions intensity of its residential mortgage portfolio in Euroland and Asialand by XX% by 2030. A physical intensity of kg CO₂e/m² is the metric used to measure the portfolio's progress and follows the Carbon Risk Real Estate Monitor (CRREM) methodology. Emissions from the residential real estate sector are primarily from the energy consumption and operation of the properties. To support emissions reductions, the retail banking division continues to offer green mortgage products such as re-mortgage products that offer discounted mortgage arrangement fees for making home improvements resulting in an EPC rating of A to C. In addition, the retail banking division offers purchase products to encourage purchasing a more energy efficient home with an EPC rating of A or B with €XX billion in green mortgages provided in 2025. The nature of the residential mortgages market means decarbonization actions take place at the local level and achieving the bank's target is dependent on actions by local governments and power companies decarbonizing.



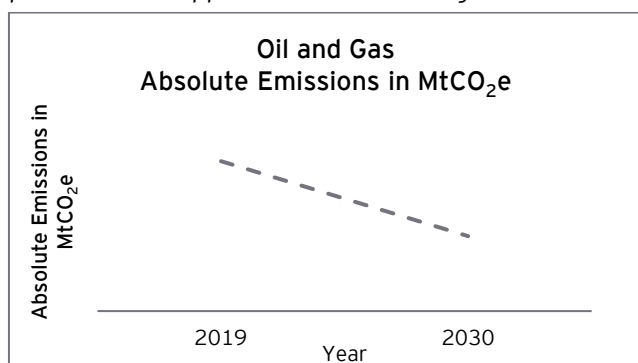
Residential Real Estate sector boundaries, target and reference scenario [ESRS-2_MDR-T_80b, 80c]

Target description [ESRS-2_MDR-T_80b]	XX% reduction in physical intensity (unit) by 2030, from 2019 baseline.
Scope of target [ESRS-2_MDR-T_80c]	The target covers all on-balance sheet credit exposures for all secured financing activities across the Bank's residential mortgage portfolio.

	This covers clients' Scope 1, 2 and 3 GHG emissions related to the use of the property, including both CO ₂ and HFC.
Reference scenario [ESRS-2_MDR-T_80f, ESRS-E1-4_34e]	CRREM 1.5° C GHG pathways.
Assumptions [ESRS-E1_ AR23, ESRS-2_MDR- M_80f]	Decarbonization of the power grid where homes are located in Euroland. Retrofitting existing housing to improve insulation and install low-carbon heating systems with new housing developments built to net zero standards.

Interim targets and actions for the oil and gas portfolio

The Bank has an interim target to reduce absolute emissions of its oil & gas portfolio by XX% by 2030. Absolute emissions in tCO₂e are calculated using the PCAF methodology and tracked against the IEA NZE scenario. Emissions from the oil and gas portfolio include those from activities across the full oil & gas value chain such as exploration, production, transportation, refining and distribution. To support emissions reductions, the corporate banking division provides "sustainable finance" solutions including green loans and bonds that incentivize investments in low-carbon technologies. Following "Client Transition Assessments", €XX billion in project financing focused on Carbon Capture Utilization and Storage (CCUS) and expansion of renewable portfolios to supplement their existing business.



Oil & Gas sector boundaries, target and reference scenario [ESRS-2_MDR-T_80b, 80c]

Target description [ESRS-2_MDR-T_80b]	XX% reduction in absolute financed emissions by 2030, from 2019 baseline.
Scope of target [ESRS-2_MDR-T_80c]	<p>The target covers all on-balance sheet credit exposures to oil and gas clients across the full oil & gas value chain, including:</p> <ul style="list-style-type: none"> ▪ Upstream (exploration and production) ▪ Midstream (transportation and storage) ▪ Downstream (refining and distribution) ▪ Integrated companies <p>This covers scope 1, 2 and 3 client emissions, including both CO₂ and CH₄.</p>
Reference Scenario [ESRS-2_MDR-T_80f, ESRS-E1-4_34e]	IEA NZE - a global 1.5°C-aligned pathway.
Assumptions [ESRS-E1_ AR23, ESRS-2_MDR- M_80f]	Rapid deployment of technologies such as renewables and CCUS and significant reductions in fossil fuel consumption between 2025 and 2030 with advanced economies reaching net zero emissions earlier.

The Bank is not currently engaged in GHG removal or storage activities, nor has it financed any GHG emissions reductions through the purchase of carbon credits to date. However, the Bank has set science-based climate targets with an ambition to reduce GHG emissions across all scopes and become Net-Zero in 2050, which means that the remaining GHG emissions (<10%) will be neutralized through high-quality, certified carbon removals. The specific removal methods and the timeline for implementation are currently under evaluation.

Commentary [ESRS-E1-4_34f, AR30a]

E1-4 paragraph 34(f) requires entities to describe the expected decarbonization levers and their overall quantitative contributions to achieve the GHG emission reduction targets.

Given the indirect nature of their climate impact, financial institutions may struggle to attribute quantitative contributions to financed emissions reductions to specific actions or levers without significant risk of greenwashing and/or double counting.

With that in mind, these illustrative disclosures do not include quantitative contributions to financed emissions reductions of individual levers at a more granular level than per sector. This has been illustrated in the case of operational emissions (see section [3.4.1](#))

Methodology

Financed emissions calculations and target setting

The Bank's Scope 3, Category 15 financed emissions are calculated based on the drawn amount of a loan in line with Part A of the GHG Accounting and Reporting Standard for the Financial Industry from the Partnership for Carbon Accounting Financial (PCAF), December 2022 version. The Bank takes a sector-level approach to measuring and setting targets for the financed emissions associated with its lending activity, in each case, considering the most appropriate scientific pathway. Details of sector calculation and target, the calculation methodology and data inputs, and the scenarios and assumptions used for each sector are laid out below these notes [ESRS-2_MDR-M_77a, ESRS-2_MDR-T_80f].

There have been no changes in the targets and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and processes to collect data adopted within the defined time horizon [ESRS-2_MDR-M_80i]. Any future updates will be disclosed together with the rationale and impact on comparability.

Scope of financed emissions: For all sectors, Scope 1 and 2 GHG emissions of the relevant counterparties are included in calculations, to provide a consistent baseline for measuring and assessing the impact of lending and investment activities. The availability and quality of Scope 3 data can vary across counterparties within the same sector, as such, the Bank is continuously working to improve data collection to improve the comprehensiveness and accuracy of Scope 3 reporting.

Sector boundaries: Nomenclature of Economic Activities (NACE) codes are used to determine client inclusion for each sector. Where clients have diversified business activities, relationship managers are involved in assigning them to the appropriate part of value chain for the relevant sector.

Reporting period: Financed emissions are reported annually. However, due to the reliance on company-specific emissions and/or activity data when calculating financed emissions, these emissions are reported on a one-year lag. For the calculation of the current year GHG emissions (2025), the counterparties' current years actual loan exposure (outstanding loan amount) has been used, which is consistent with the financial statements. With regard to the emissions data, the counterparties' 2024 actual GHG emissions data (or most recent available data) is used as a proxy for estimation purposes.

Base year: 2019 was selected as the representative baseline year for financed emissions targets as it reflected a period of stable economic activity prior to the disruptions caused by the COVID-19 pandemic and, therefore, provides a benchmark against which meaningful emissions reductions targets can be established and progress measured without the data being unduly impacted by external factors [ESRS-E1-4_AR25a].

Data quality: There are various data sources (internal and external) and different ways to estimate financed emissions. The data and information contained in these statements have inherent measurement uncertainty and there is a risk of over or under estimation. Consequently, the Bank uses PCAF's Data Quality Scores (score 1-5) to qualify the level of precision of the estimates it discloses per PCAF asset class. Data quality scores are specific to each asset class. Data with PCAF data quality score 1 or 2, company-level reported emissions data, represent the highest data quality and results in the most accurate emissions estimates. This is followed by physical activity-based emissions (PCAF data quality score of 3), and PCAF data quality scores of 4 to 5, given for an economic activity-based emissions approach, as needed, using appropriate country and sector-specific emissions factors. The Bank strives to include the highest data quality score based on data availability and feasibility.

Reference scenarios: Sector-specific reference scenarios compatible with limiting global warming 1.5°C have been selected to project decarbonization pathways to determine the Bank's sector-based intermediate (2030) and long-term (2050) targets aligned to overarching net-zero ambitions. The targets reflect the expected trajectory of emissions reductions expected to meet the Bank's net-zero ambition by 2050 [ESRS-2_MDR-T_80f, 80g].

“Sustainable finance”

The Group’s target to provide €XXX billion in “sustainable finance” to customers by 2030, of which a €XXX billion target is allocated to climate-related finance, with €XX billion provided in 2025 (2024: €XX billion) [ESRS-2_MDR-T_80a, 80b]. The target applies across the Bank’s global lending portfolio across business units [ESRS-2_MDR-T_80c].

The Bank monitors progress against the “sustainable finance” target by tracking the volume of “sustainable finance” by product type, sector and geography. This breakdown is compiled through a dedicated dashboard managed by the Sustainable Finance Working Group, the chair of which is responsible for presenting progress and insights to the Board Sustainability Committee every quarter. Current progress is in line with initial plans, demonstrating a steady year-on-year increase [ESRS-2_MDR-T_80j].

Overview of “sustainable finance” targets

“Sustainable finance” type [ESRS-2_MDR-A_68e]	2030 target amount [ESRS-2_MDR-T_80b, ESRS-2_MDR-T_80d]	Progress to date (2022–2025) ¹⁰ [ESRS-2_MDR-T_80d, ESRS-2_MDR-T_80j]	Description [ESRS-2_MDR-T_80f]
Climate-related finance	€XX m	€XX m	Financing specifically allocated to climate-related projects, including investments in renewable energy, energy efficiency upgrades, and sustainable infrastructure projects. Includes products such as green loans, green mortgages and green bonds.
Other “sustainable finance” (including social and nature-related financing).	€XX m	€XX m	Includes social financing and sustainability-linked financing options that meet eligibility criteria as defined in the Sustainable Finance Framework. Includes products such as social bonds.
Total “sustainable finance”	€XX m	€XX m	

3.5.3.2 Operational emissions targets

Operational emission reduction targets are gross absolute emissions reductions that have been set using science-based decarbonization pathways and have been validated by the Science Based Targets initiative (SBTi) as of 2022 [ESRS-E1-4_34e]. Please refer to the notes below the following table for full details of the operational emissions calculation methodology.

2019 has been selected as the baseline for setting targets as it offers a fair representation of emissions prior to any impacts created due to the global pandemic and is materially consistent with the average of the three previous years. Currently, no revisions of the base year have been made [ESRS-E1-4_AR25a].

Target [MDR-T_80b]	Target year	Target level	Unit	Base year [E1-4_34c]	Base year value [E1-4_34c]	2025	2024
Net zero emissions in Scope 1 and 2 GHG emissions	2030	XX%	MtCO _{2e}	2019	XX	XX%	XX%
Net zero emissions in Scope 3 GHG emissions (excluding Category 15)	2030	XX%	MtCO _{2e}	2019	XX	XX%	XX%

These targets have been approved by the Board Sustainability Committee [ESRS-2_MDR-T_80h].

¹⁰ Comparative information across prior periods is required, however, for the purposes of illustration the table only includes cumulative information including the current period.

Methodology

Scope 1, 2 and 3 operational emissions calculations and reduction targets

Scope and coverage

Operational emissions are calculated using the Greenhouse Gas Protocol Corporate Standard and associated guidance, using the financial and operational control approach as required by ESRS. Emissions are calculated for all facilities across Euroland and the regions where the Bank operates, reported in tons of CO₂e [ESRS-E1-4_33, ESRS-E1-6_AR39a]. Unless otherwise stated, the boundaries of targets are consistent with those of GHG emissions disclosures in section 3.6.2. [ESRS-E1-4_34b].

Scope 1 operational emissions are direct emissions calculated from the Bank's buildings which include offices, branches and data centers, alongside emissions from company cars. Sources of emissions include gas consumption in offices and branches, fugitive emissions from leaks in air conditioning units within operational facilities and emissions from the consumption of transport fuels from the use of company cars.

Scope 2 operational emissions are indirect emissions from purchased electricity. These indirect emissions are from the electricity consumed by all buildings, including offices, branches and data centers under the Bank's operational control. Emissions are calculated using both location-based and market-based methods. Location-based emissions reflects the average intensity of the grids where consumption occurs across the regions where the Bank operates, while market-based emissions reflects emissions from electricity that have been purchased [ESRS-E1-4_AR24]. For more details of the contractual arrangements in place relating to the purchase of renewable energy, see section 3.5.2, Shift to renewable sources and electrification [ESRS-E1-6_AR45d].

Scope 3 GHG emissions are calculated using the Corporate Value Chain (Scope 3) Accounting and Reporting Standard issued by the Greenhouse Gas Protocol [ESRS-E1-6_AR46d]. The reporting boundaries for all Scope 3 categories are consistent with the GHG Protocol [ESRS-E1-6_AR46h].

Scope 3 GHG emissions are all other indirect emissions that occur across the Bank's value chain. In line with GHG Protocol guidance, the Bank performed a screening exercise across all 15 Scope 3 categories to identify which were the most significant sources of Scope 3 GHG emissions. The conclusion of the exercise was that, alongside category 15 (investments), category 1 (purchased goods and services), category 2 (capital goods), category 6 (business travel) and Category 7 (employee commuting) were the most significant for the Bank. The remaining categories were excluded from the inventory on the basis of materiality [ESRS-E1-6_AR46i].

Data collection

For Scope 1 and 2 GHG emissions calculations, gas and electricity consumption data are collected from meter readings or utility bills for each building under the Bank's operational control. These consumption figures are then converted into emissions using emissions factors provided by local governments or relevant local authorities. Where actual consumption data is unavailable for certain months, consumption data is estimated based on prior year consumption patterns. For Scope 1 fugitive emissions, data is collected from contractor reports that document recorded losses during the servicing and disposal of air conditioning units, this data is then converted to emissions using the relevant emissions. Emissions from company cars are calculated using data obtained from the Bank's expenses claim process, which records mileage data and fuel type. Emissions factors are applied to consumption data to calculate emissions. Estimated data across Scope 1 and 2 GHG emissions currently accounts for XX% of the Bank's overall carbon footprint [ESRS-E1-6_AR39b].

Scope 3 category 1 (purchased goods and services) and category 2 (capital goods) emissions are calculated using the spend-based method. Total spending for relevant goods and services and capital assets are multiplied by the relevant emissions factors, sourced from local government authorities. For scope 3 category 6 (business travel), employees undertaking business travel via privately owned vehicles, hired vehicles, rail, air and overnight hotel stays, distance travelled, and the mode of travel is recorded through the Bank's expense claim system. This data is used to calculate emissions using local government emissions factors. For scope 3 category 7 (employee commuting), emissions are calculated based on survey responses capturing commuting details and home working hours. Commuting distances are multiplied by local government emission factors to calculate emissions across the surveyed population, which are then extrapolated out to the full employee population.

The choice of the methodology used to calculate Scope 3 emissions for each category reflects the levels of data available at the time. The table below shows the percentage of emissions calculated using primary data obtained from suppliers and/or other value chain partners [ESRS-E1-6_AR46g, AR46i].

Percentage of primary data for Scope 3 emissions categories

Scope 3	% of primary data
Category 1	XX%
Category 2	XX%
Category 6	XX%
Category 7	XX%
Overall	XX%

The data collection for business travel emissions increased from the prior year. Coverage is XX% of Full-time equivalent (FTE) employees as business travel requires review and approval in the BIC system which covers all regions.

Most necessary data for GHG accounting is available and collected annually. There were no significant changes in estimation techniques and boundary adjustments compared to the previous reporting year [E1-6_AR_39b].

3.6 Metrics

3.6.1 E1-5 Energy consumption and mix

The main usage and consumption of energy is from powering office buildings, branches and data centers for business operations.

Total energy consumption in MWh related to the Bank's operations:

	Unit	2019 (base year) [ESRS-2_MDR-T_80d]	2025 (current year)	2024 (prior year)	% change from base year	Target (2030) [ESRS-2_MDR-T_80b]
Total energy consumption [ESRS-E1-5_37]	MWh	XXX	XXX	XXX	+/-XX%	
from fossil sources [ESRS-E1-5_37a]	MWh	XXX	XXX	XXX	+/-XX%	
from fossil sources [ESRS-E1-5_AR34]	%	XX	XX	XX		+/-XX%
from nuclear sources [ESRS-E1-5_37b]	MWh	XXX	XXX	XXX	+/-XX%	
from nuclear sources [ESRS-E1-5_AR34]	%	XX	XX	XX		
from renewable sources [ESRS-E1-5_37c]	MWh	XXX	XXX	XXX	+/-XX%	
from renewable sources [ESRS-E1-5_AR34]	%	XX	XX	XX		+/-XX%
Of which fuel consumption from renewable sources, including biomass [ESRS-E1-5_37c(i)]	MWh	XXX	XXX	XXX	+/-XX%	
Of which consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources [ESRS-E1-5_37c(ii)]	MWh	XXX	XXX	XXX	+/-XX%	
Of which consumption of self- generated non-fuel renewable energy [ESRS-E1-5_37c(iii)]	MWh	XXX	XXX	XXX	+/-XX%	

Energy consumption data is captured through utility billing and verified meter readings for accuracy across all sources, including fossil, nuclear, and renewable.

The Bank's targets related to energy consumption shown above have been approved by the Board's Sustainability Committee [ESRS-2_MDR-T_80h] supported by the policies and actions outlined in Section 3.5.1 and 3.5.2 [ESRS-2_MDR-T_80a]. Energy consumption is comprised of fossil and renewable sources with data collected and calculated as described within the Notes on scope 1, 2 and 3 operational emissions calculations and reduction targets [ESRS-2_MDR-T_80f]. The Bank's energy consumption targets are guided by scientific evidence where the Bank's energy consumption practices are intrinsically linked to reduction in GHG emissions [ESRS-2_MDR-T_80g].

In 2025, the Bank produced XXX MWh (2024: XXX MWh) of renewable energy from solar power [E1-5_39].

Commentary on the ESRS sustainability disclosures

Information about non-renewable energy production [E1-5_39] is not presented as it is not produced by the Bank.

3.6.2 E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

The Bank's Scope 1, 2 and 3 GHG emissions are shown in the table below, disaggregated by scope and emissions source. The main GHG emissions are associated with the Bank's lending activities, Scope 3 Category 15 [E1-6_AR_41].

Gross GHG emissions

A table of gross Scope 1, 2, and 3 GHG emissions in MtCO₂e is provided below. [E1-6_44, 48a, 48b, 49a, 49b, 51, 52a, 52b]

3. Environmental information - Climate change

GHG Emissions	Retrospective				Milestones and target years		
	2020 Base year	2025 (Current year)	2024 (Prior year)	% 2025/2024	2030	2050	Annual % target/ base year
In MtCO ₂ e							%
Scope 1 GHG emissions from operations	XXX	XXX	XXX	XX%	XXX	XXX	XX%
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes	n/a	n/a	n/a				
Scope 2 Energy indirect GHG emissions					XXX	XXX	
Scope 2 market based	XXX	XXX	XXX	XX%			XX%
Scope 2 location based	XXX	XXX	XXX	XX%			XX%
Scope 3 indirect GHG emissions	XXX	XXX	XXX	XX%	XXX	XXX	XX%
Scope 3.1 Purchased goods and services	XXX	XXX	XXX	XX%			
Scope 3.2 Capital goods	XXX	XXX	XXX	XX%			
Scope 3.3 Fuel and energy related activities (not included in Scope 1 or 2)	Not material						
Scope 3.4 Upstream transportation and distribution	Not material						
Scope 3.5 Waste generated in operations	Not material						
Scope 3.6 Business travel	XXX	XXX	XXX	XX%			
Scope 3.7 Employee commuting	XXX	XXX	XXX	XX%			
Scope 3.8 Upstream leased assets	Not material						
Scope 3.9 Downstream transportation	Not material						
Scope 3.10 Processing of sold products	Not material						
Scope 3.11 Use of sold products	Not material						
Scope 3.12 End-of-life treatment of sold products	Not material						
Scope 3.13 Downstream leased assets	Not material						
Scope 3.14 Franchises	Not material						
Scope 3.15 Financial investments	XXX	XXX	XXX ¹¹	XX%			
Total GHG emissions (market-based)	XXX	XXX	XXX	XX%	XXX	XXX	XX%
Total GHG emissions (location-based)	XXX	XXX	XXX	XX%	XXX	XXX	XX%

¹¹ The 2024 financed emissions figure has been revised, GHG financed emissions decreased from the previously reported XXX to XXX, driven by the improved data quality of Scope 3 GHG emissions. This is visible in the increase in Scope 3 GHG emissions with a data quality score of 1 or 2, with higher reliance on actual reported data, and in the decrease in those with a data quality score of 5.

3. Environmental information - Climate change

Note: The Bank does not have operational control over investees that are not consolidated in the consolidated financial statements. As a consequence, the additional breakdown as required by ESRS E1 E1-6 paragraph 50 is not applicable.

The table below shows the Bank's financed emissions by sector based on NACE classification (Scope 3 Category 15) [E1-6_AR_41]:

	2025 (Current year)						2024 (Prior year)			
	Emissions Financed (MtCO ₂ e) ¹²		Emissions intensity (unit)	PCAF data quality score ¹³		Emissions Financed (MtCO ₂ e) ¹²		Emissions intensity (unit)	PCAF data quality score ¹³	
	Scope 1 and 2 (MtCO ₂ e)	Scope 3 (MtCO ₂ e)		Scope 1 and 2	Scope 3	Scope 1 and 2 (MtCO ₂ e)	Scope 3 (MtCO ₂ e)		Scope 1 and 2	Scope 3
Oil & Gas	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Power	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Aviation	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Steel	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Automotive manufacturing	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Cement	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Commercial real estate	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Residential real estate (Mortgages)	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Agriculture	XX	XX	XX (unit)	XX	XX	XX	XX	XX (unit)	XX	XX
Thermal coal mining (phase-out) As part of the phase-out strategy for thermal coal mining, the Bank is committed to ceasing all coal financing in OECD countries by 2030 and in the rest of the world by 2040.										
Total financed emissions ¹²	XX	XX	- XX	XX	XX	XX	-	XX	XX	

¹² Based on the PCAF methodology, the total assets are used as the denominator, and the gross carrying amount as at December 2025 is used as the attribution metric, which is the same exposure included in the financial statements (please refer to Note X).

¹³ PCAF data quality scores are the weighted average scores based on financing for on-balance sheet financed emissions.

Other information regarding GHG emissions

Emissions intensity per net revenue

GHG emissions per net revenue for total location and market-based emissions

		2025	2024	% change
	Total emissions (tCO ₂ eq) [ESRS E1-6_54]	GHG emissions intensity based on net revenue (tCO ₂ eq/EUR) [ESRS-E1-6_53]		
Total footprint (scope 1, 2 and 3 emissions (categories 1, 2, 6, 7 and 15))				
Total GHG emissions (location-based)	XXX	XXX	XXX	XX%
Total GHG emissions (market-based)	XXX	XXX	XXX	XX%

Notes on emissions intensity per net revenue

Net revenue for GHG emissions intensity calculation for 2025 was €XXX m (2024: €XXX m), it is the sum of Interest revenue calculated using the effective interest method, other interest and similar income and fee and commission income reported in Note X of the Bank's consolidated financial statements (link to note within the financial statements) [ESRS-E1-6_55, ESRS-E1-6_AR55].

Significant events and changes in value chain reporting

There were no significant changes in the Bank's definition of what constitutes the reporting undertaking and its upstream and downstream value chain [E1-6_47].

Note: The Bank has no contractual instruments such as green energy power purchase agreements (PPA) and renewable energy attribute certificates (EACs) affecting Scope 2 market-based GHG emissions [E1-6_AR_45d].

Methodology

GHG Intensity is calculated by dividing the gross GHG emissions by total net revenue. For commercial banking activities, this usually includes Interest revenue calculated using the effective interest method, other interest and similar income and fee and commission income as included in Note X of the consolidated financial statements.

3.7 E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Commentary on the ESRS sustainability disclosures

An entity may omit the information required by ESRS E1-9 (anticipated financial effects from material physical and transition risks and potential climate-related opportunities) for the first year of preparation of its sustainability statement. Additionally, on 11 July 2025, the European Commission adopted a "Quick Fix" Delegated Regulation ("the Quick Fix") extending transitional provisions of the ESRS to help reduce the reporting burden for undertakings. Specific disclosure requirements related to anticipated financial effects (ESRS E1-9), which was initially applicable for the first year of application have now been extended for two additional years (until 2027).

The illustrative disclosures for the anticipated financial effects are not exhaustive but provide an example illustration of a physical risk (flood risk) relating to loans with immovable property held as collateral and transitional risks on high-emitting sectors and loans immovable property held as collateral.

Entities can leverage existing internal analyses, such as those used for IFRS 9, Pillar 3 and regulatory stress tests, to enhance the quality and relevance of their anticipated financial effects disclosures.

For the Bank, the following data points have been illustrated in relation to the anticipated financial effects in the short, medium and long term.

- Anticipated financial effects from material physical risk [E1-9_66a, 66b, 66c] (please refer to section [3.7.1](#))

- The monetary amount and proportion (percentage) of assets at material physical risk over the short, medium and long term before considering climate change adaptation actions
- The proportion of assets at material physical risk addressed by the climate change adaptation actions
- The location of significant assets at material physical risk
- Anticipated financial effects from material transition risk [E1-9_67a, 67b, 67c, 67d, 67e] (please refer to section 3.7.2)
 - The monetary amount and proportion (percentage) of assets at material transition risk over the short, medium and long term before considering climate mitigation actions
 - The proportion of assets at material transition risk addressed by the climate change mitigation actions
 - A breakdown of the carrying value of the undertaking's real estate assets by Energy Performance Certificate (EPC)

This illustrative sustainability statement does not provide an illustration for the following datapoints.

- Anticipated financial effects from material physical risk [E1-9_66d]
 - The monetary amount and proportion (percentage) of net revenue from its business activities at material physical risk over the short and medium term
- Anticipated financial effects from material transition risk [E1-9_67d, 67e]
 - Liabilities that may have to be recognized in consolidated financial statements over the long term
 - The monetary amount and proportion (percentage) of net revenue from its business activities at material transition risk over the long term, including, where relevant, the net revenue from the undertaking's customers operating in coal, oil and gas-related activities
- Potential to pursue material climate-related opportunities [E1-9_69,70]

The Bank has evaluated its exposure to material physical and transition risks over short-, medium- and long-term horizons. Using the outcome of the climate scenario analysis (please refer to section 3.2.1) and resilience assessment (please refer to section 3.2.2), the Bank determined the anticipated financial effects of the identified physical and transition risks separately [E1-9_AR_69b, 72b]. Identified physical risks primarily relate to extreme weather events and climate pattern changes which may negatively affect the valuation of the immovable property held as collateral. Identified transition risks relate to increasingly stringent energy and environmental regulations. They primarily affect loan exposures in high-emitting sectors and immovable property held as collateral with lower energy labels. Such risks may negatively affect the valuation of the collateral value, as well as result in higher credit risk.

The Bank's assessment aligns with the ESRS-defined time horizons: short term (2026), medium term (2027-2031), and long term (post-2031). These horizons align with the Bank's strategic planning and capital allocation cycles with the analysis applied under the assumption of a static balance sheet, considering all time horizons in the assessment. [E1-9_AR_69b, 72b].

3.7.1 Anticipated financial effects from material physical risks

The scope of the assessment covers the Bank's portfolios which were identified as most susceptible to adverse effects from flooding informed by the Bank's materiality assessment.

While the Bank cannot yet fully quantify all effects based on the information available in the market. The Bank provides qualitative insights along with quantitative analyses to the extent possible based on the available information related to the client exposures. Limitations include uncertainties in long-term climate projections and potential risks arising from compounding effects and tipping points which may lead to more severe outcomes [E1-9_AR_69a, 69b].

Assets at material physical risk

The following table provides an overview of the carrying amount exposures to loans with immovable property held as collateral at material physical risk for portfolio exposures by sector per geographical location, considering both chronic and acute physical risks. It includes details such as the sector, the time horizon of which exposures are sensitive to the impact of climate change and the gross carrying amount [E1-9_66a, 66b, 66c]. In the short term, financial impacts are limited and not expected to be material [E1-9_66c].

2025 Exposures potentially subject to physical risk of Euroland¹¹:

Sector [E1-9_66c; E1-9_AR_70ci]	Of which exposures are sensitive to the impact of climate change due to physical events [E1-9_6a; E1-9_AR_70cii]							
	Gross carrying amount	Breakdown by maturity bucket [E1-9_66a]				chronic climate change events	acute climate change events	chronic and acute climate change events
		<= 5 yrs	>5 yrs <=10 yrs	>10 yrs <=20 yrs	>20 yrs			
€ million								
Oil & Gas	XX	XX	XX	XX	XX	XX	XX	XX
Manufacturing	XX	XX	XX	XX	XX	XX	XX	XX
Real Estate	XX	XX	XX	XX	XX	XX	XX	XX
Transport	XX	XX	XX	XX	XX	XX	XX	XX
Agriculture	XX	XX	XX	XX	XX	XX	XX	XX
Power and Utilities	XX	XX	XX	XX	XX	XX	XX	XX
Other	XX	XX	XX	XX	XX	XX	XX	XX

The figures in the table above are part of the loans and advances to customers carrying amount as included in Note X of the Bank's consolidated financial statements [E1-9_68a].

Physical risk includes extreme weather events that can lead to higher loan defaults and lower collateral values, which may increase the expected credit losses of the bank. Based on the analysis in the table above, exposures in the Real Estate and Agricultural sectors of Euroland are more prone to material physical risk in the medium and long term compared to other sectors [E1-9_66b, AR_70c(i)]. Based on the detailed scenario analysis and resilience assessment performed, the material physical risk related to the Bank's loan portfolio relates to flood risk.

Exposure in the loan portfolio to material physical risks accounts for less than X% (2024: x%), of the Bank's total assets [E1-9_66a].

In the exposures to physical risk, per Pillar 3 ESG report, the information related to physical risk is disclosed at the regional level (Europe or APAC), identifying higher concentration of relevant physical risks in Europe (XX%).

In addition to the above table, an analysis of the potential impairment of the Banks' own physical assets (i.e., offices) resulting from physical risk was assessed and not identified as at risk.

Net revenue at material physical risk

As explained above and shown in the table above, the Bank has exposures to loans with immovable property held as collateral which is at material physical risk. Since the Bank's interest income is derived from these assets, the interest income from the assets at material physical risk is expected to decrease if the assets become credit impaired or written off [E1-9_66d, 68a].

Commentary on the ESRS sustainability disclosures

The anticipated financial effects of net revenue over short-, medium-, and long-term horizons is not fully illustrated in this sustainability statement [E1-9_66d].

3.7.2 Anticipated financial effects from material transition risks

The scope of the assessment covers the Bank's loan portfolios that were identified as most susceptible to transitional risk arising from the energy transition and carbon market, as well as the evolving nature of climate policy affecting sectors or geographical locations.

The Bank cannot yet fully quantify all impacts related to material transitional risk based on the information available in the market. The Bank provides qualitative insights alongside quantitative analyses using Pillar 3 disclosure tables. The Group's methodology incorporates critical assumptions, including projected carbon

¹¹ Table illustrates data for sectoral exposures in Euroland only as of [XX/XX/XXXX]; other locations relevant to the Bank's activities are not included in this illustration. In addition, comparative information across prior periods is required. However, for the purposes of illustration, the table only includes information related to the current period.

pricing and regulatory changes. Limitations of the assessment include uncertainties in the evolving nature of climate policy in particular sectors or geographical locations. [E1-9_AR_72a].

Immovable property held as collateral EPC Breakdown - 2025 Exposure potentially subject to transitional risk based on energy efficiency of collateral

The table below provides an overview of immovable property held as collateral by energy performance certificate (EPC) label [E1-9_67c], including the gross carrying amount of loans collateralized with immovable property and of repossessed real estate collaterals with a breakdown by EPC label.

Carrying amount of assets at material transitional risk							
Description of assets [E1-9_67c; E1-9_AR_70c]	Gross carrying amount € million	Level of energy efficiency (EPC label) [E1-9_67a; E1-9_AR_70cii]					
		2025			2024		
		A-B	C-D	E or below	A-B	C-D	E or below
Loans collateralized with immovable property Euroland	€	€	€	€	€	€	€
Loans collateralized with immovable property Asialand	€	€	€	€	€	€	€
Collateral obtained by possession	€	€	€	€	€	€	€
Total assets at risk	€	€	€	€	€	€	€

The figures in the table above are part of the carrying amount of the loans collateralized by immovable property as included in Note X of the Bank's consolidated financial statements [E1-9_68b].

Transitional risk related to the energy transition and carbon pricing may result in increased operating costs and higher investment costs aimed at improving energy efficiency and reducing carbon emissions. This can lead to higher loan defaults and lower collateral values, which may increase the expected credit losses of the bank. Based on the analysis in the table above, €X million (2024: €X million), representing X% of the gross carrying amount (2024: €X million, X%) relates to exposure to collateral with an EPC label below X [E1-9_67a, 67c, AR_73b]. These assets are considered at risk for material transition risk in the medium and long term.

The Bank was unable to obtain information on the EPC label class for €X million (2024: €X million) of the total carrying amount of the immovable property held as collateral [E1-9_AR_73b].

Assets at material transition risk

The scope of the assessment encompasses the bank's loan portfolio per sector and geographical location. The assessment excluded certain clients due to data limitations and the relatively lower materiality of their exposures. However, the Bank will expand coverage in future assessments to strengthen risk management practices.

The table below provides an overview of exposures by economic sector of potential transition risks, highlighting the credit quality of exposures.

Carrying amount of assets at material transition risk					
Sector	Gross carrying amount € million	Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (Climate Change Mitigation)	Of which stage 2 exposures	Of which non-performing exposures
Oil & Gas	XX	XX	XX	XX	XX
Manufacturing	XX	XX	XX	XX	XX
Real Estate	XX	XX	XX	XX	XX
Transport	XX	XX	XX	XX	XX
Agriculture	XX	XX	XX	XX	XX
Power and Utilities	XX	XX	XX	XX	XX
Other	XX	XX	XX	XX	XX
TOTAL	XX	XX	XX	XX	XX

The figures in the table above are part of the loans and advances to customers included in Note X of the Bank's consolidated financial statements [E1-9_68b].

Transitional risk related to high emitting sectors included above can lead to higher loan defaults and lower collateral values, which may increase the expected credit losses of the bank. Based on the analysis in the table above, €X million, representing X% of the gross carrying amount (2024: €X million, X%) relates to exposure to these sectors [E1-9_67a, AR_73b].

Net revenue at material transitional risk

As explained above, the Bank has exposures to loans subject to transitional risk related to the energy transition and exposure to high emitting sectors. Since the Bank's interest income is derived from these assets, the interest income from the assets at material transitional risk is expected to decrease if these assets become credit impaired or written off [E1-9_67e, 68b].

€X million, XX% (2024: €X million, XX%) of the Bank's interest income is generated from customers in high emitting sectors. [E1-9_67e] (please refer to Note X in the financial statements for the segment disclosures).

Commentary on the ESRS sustainability disclosures

The anticipated financial effects of net revenue over short, medium, and long term is not fully illustrated in this sustainability statement [E1-9_67a-e].

The anticipated financial effects of liabilities that may have to be recognized in the consolidated financial statements over a long-term horizon are not fully illustrated in this sustainability statement [E1-9_67d].

3.7.3 Potential to benefit from material climate-related opportunities

The Bank identified a climate-related opportunity regarding the expansion of its "sustainable finance" product portfolio and anticipates that the increasing regulatory focus on carbon emissions and sustainability will drive demand for client business models to decarbonize. By strategically positioning itself in this market, the Bank aims to capture a significant share of this market, thereby ensuring long-term growth and resilience in an evolving economic landscape. These additional "sustainable finance" products may result in additional income sources.

Commentary on the ESRS sustainability disclosures

Potential to pursue material climate-related opportunities is not illustrated in this sustainability statement [E1-9_69, 70; E1-9_AR_80, 81].

4. Social information - Own workforce

4.1. S1 ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The Bank's workforce serves as the foundation for everything the Bank does. The Bank is dedicated to listening to and engaging with its workforce to create the best possible workplace. The Bank's DMA has identified two negative material impacts, one positive material impact and two risks related to its workforce. The entire workforce, consisting of employees (please refer to section 4.3.1) and non-employees (please refer to section 4.3.2) [S1_SBM-3_14a] is potentially affected by these impacts and is included in the scope of a disclosure [S1_SBM-3_15].

The Bank's workforce contributes to operational success in various capacities, and consists of both employees and non-employees, as defined below [S1_SBM-3_14a].

Employees ¹²	Non-employees
Individuals who have a formal employment contract with the Bank and are subject to the Bank's policies and benefits programs. They include full-time and part-time staff across multiple levels, including senior management and executives.	Individuals engaged on a contractual basis with the Bank, including: <ul style="list-style-type: none">▪ Independent consultants, freelancers▪ Contract workers, who contribute to operations on a fixed term contract▪ Service providers, who are employed through a third party to supply services, such as catering, security and recruitment.

To address impacts and risks, the Bank has established specific targets that primarily address its material IROs [S1-4_38b; S1-4_38c]. These targets are detailed below in the respective topical sections on workforce diversity and compensation (section 4.4), training and upskilling the Bank's workforce (section 4.5), protecting employees' right to privacy and human rights (section 4.6) [S1-4_40a; S1-4_40b], along with the corresponding actions and metrics for implementation [S1-4_41; MDR-M_75].

Stakeholders, including HR leadership, were involved in the target-setting process [MDR-T_80h]. Performance is tracked by the relevant internal departments [S1-5_47b] through a comprehensive review process [S1-5_47c] that incorporates employee feedback, stakeholder consultations, and an assessment of industry best practices [S1-4_39; S1-5_47a]. Additionally, the performance of targets, actions and metrics are validated through an external audit [MDR-M_77b].

Workforce diversity and compensation

Creating a diverse and inclusive workforce which offers equal opportunities to all is a key strategic priority for the Bank. As part of its sustainability strategy, the Bank is committed to fostering inclusivity across all levels of the organization, including increasing female representation in executive roles, ensuring non-discrimination¹³ on any grounds during the recruitment process or thereafter. Equal treatment is extended to all identified underrepresented groups^{14,15}, and key metrics are continuously assessed to gather insights on diversity of workforce, identify trends and address any deficiencies that may exist within the Bank [S1_SBM-3_14, 14d, 15, 16].

The Bank recognizes that a diverse and dynamic workforce is essential for fostering innovation, growth and long-term success. Employees are central to the Bank's operations, from managing processes and developing products to driving productivity. By cultivating a people-focused workplace grounded in transparency and trust,

¹² The Group applies the definitions of employees according to the national laws of each country when calculating employee data at the country level. Once country-level employee data is compiled using local definitions, the Group aggregates the figures to present total workforce at the consolidated level.

¹³ Non-discrimination: no direct or indirect discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation

¹⁴ Equal treatment: General principle of European law which presupposes that comparable situations or parties in comparable situations are treated in the same way

¹⁵ Discrimination in the workplace: When someone is treated differently or less favourably because of characteristics that are not related to merit or the inherent requirements of the job

the Bank embraces individual differences and promotes equitable practices that empower all individuals to thrive and contribute meaningfully to collective goals.

The Bank acknowledges that failing to foster an inclusive and equitable work environment, or to support employee wellbeing, could lead to a detrimental workforce culture, increasing the risk of higher employee turnover and challenges in attracting talent [S1_SBM-3_14, 14d]. To mitigate this, the Bank prioritizes inclusivity and equity as core elements of its corporate culture and implements targeted corrective and preventative initiatives.

Operating across several geographic regions, each with its own cultural and legal landscape, the Bank's commitment to diversity and inclusion is not a 'one size fits all' approach, but is instead adapted to the specific needs and circumstances of different parts of the organization and the regions served. This ensures relevance and effectiveness across its global footprint and supports the Bank's broader commitment to sustainable and responsible business practices.

Training and upskilling

The Bank has identified one positive material impact related to training and skills development which supports the continuous professional development of its entire workforce across all regions, and can have positive impacts on the work environment and overall satisfaction of its employees' work experiences (please refer to section 4.5. for more details) [S1_SBM-3_14c].

To strengthen workforce resilience and innovation, in 2025, the Bank adopted a strategic upskilling approach, aiming to provide tailored development opportunities to all employees by 2027. Training is delivered through a centralized platform and includes various formats. The offering is complemented by the Leadership Growth Pathway Program, which supports and recognizes leadership development. Effectiveness is regularly evaluated through participation rates, feedback scores, and measurable skill improvements, and is integrated into strategic workforce planning.

Right to privacy

As one of the largest private sector employers in Euroland, the Bank handles vast amounts of personal data related to the workforce. Protecting this data and safeguarding the right to privacy of the entire workforce is fundamental to the Bank's commitments to its people, and any failure to do so could result in a negative material impact or risk on the workforce [S1-SBM-3_13a(i), 14].

The topic was identified as material as it is a symptom of widespread challenges affecting not just financial services but companies across all sectors of the economy. The Bank is committed to the effective management of potential impacts and notes that no specific data incidents have been recorded within the current and prior reporting period [S1-SBM-3_13a(i), 13a(ii), 14, 14b].

Recognizing the importance of employees' right to privacy, the Bank has implemented measures to prevent the inappropriate use, collection, access, and storage of personal employee data designed to uphold privacy rights and ensure the responsible handling of sensitive information [S1-SBM-3_13a(ii)].

4. Social information - Own workforce

Impacts, risks and opportunities	Category	Policy	Actions ¹⁶	Metrics	Target
<p>Diversity: Failure to foster an inclusive and equitable work environment - for example, due to lack of female representation in executive roles and a gender pay gap - can negatively impact the wellbeing of own workforce especially among vulnerable groups such as women and minorities. Consequently, there is a risk this may result in lower retention rates and higher talent acquisition costs as well as reputational risk and legal exposure (e.g., due to non-compliance with disability and accessibility regulations).</p>	⊖ P ⚠	<ul style="list-style-type: none"> Diversity and Inclusion Policy Code of Conduct 	<ul style="list-style-type: none"> 'Women in Tech' accelerator Unconscious bias training Blind recruitment and hiring program Employee Insights survey Secure reporting channels (see 5.2.1 below) 	<ul style="list-style-type: none"> Remuneration metrics (Pay gap and Total remuneration) Gender diversity ratio (incl. at top management level) Age distribution amongst employees Number of people with disabilities Family-related leave rate by gender Employees satisfaction rates Number of incidents and complaints related to discrimination 	<ul style="list-style-type: none"> XX% female representation in top management globally by 2030 Continue to be recognized as a Top 10 inclusive employer in Europe for the fifth consecutive year XX% satisfaction in Employee Insights survey by 2027
<p>Training and skills development: Structured training and development programs, supported by engagement in industry learning initiatives - for example, digital transformation training on industry trends and best practices - enabled employees to adapt to change and be more resilient. Continuous training and development provide employees with new competencies and knowledge that promote personal and professional growth, while also enhancing long-term career advancement - both within and beyond their careers at the Bank.</p>	⊕ A	<ul style="list-style-type: none"> Training and Development Policy 	<ul style="list-style-type: none"> Skills mapping exercise annually Continuous learning for personal development Annual performance reviews Leadership Growth Pathway program Employee Insights survey 	<ul style="list-style-type: none"> Average hours of training hours per employee Percentage of employees that participated in regular performance and career development reviews Employees satisfaction rates (incl. training-related questions) 	<ul style="list-style-type: none"> Targeted Training and Upskilling by 2027 XX% satisfaction in Employee Insights survey by 2027, including XX% in training-related questions
<p>Privacy: The risk of violating employees' right to privacy, due to inappropriate or insecure use, collection, or storage of personal employee data can lead to reputational damage, regulatory penalties, and loss of employee trust - for example, insufficient access controls could lead to unauthorized disclosure of sensitive HR information.</p>	⊖ P ⚠	<ul style="list-style-type: none"> Data Privacy and Protection Policy 	<ul style="list-style-type: none"> Security controls Internal security audits 	<ul style="list-style-type: none"> Number of data privacy audits 	<ul style="list-style-type: none"> Achieve zero critical findings in employee data privacy audits by 2027

Legend

⊕ - Positive impact
⊖ - Negative impact

A - Actual
P - Potential

✅ Opportunity
⚠ Risk

¹⁶ There are no significant operational expenditures (OpEx) or capital expenditures (CapEx) associated with the described actions. Therefore, the information required under ESRS 2.69 regarding current and future financial resources is not disclosed [[MDR-A_69a](#), [69b](#), [69c](#); [S1-4_43](#)]. Additionally see commentary in Section [3.5.2](#) for further details.

4.2. Policies and workforce interaction

4.2.1. S1-1 Policies

The Bank is committed to fostering a culture of integrity, respect, and accountability. The Bank's key policies outlined below are available on its website through a dedicated policies resource center [[ESRS-2_MDR-P_65f](#)] and provide essential frameworks that guide its practices and interactions, reflecting its dedication to a safe, inclusive and respectful workplace for all while upholding the core values and international standards.

The Bank receives feedback from key stakeholders via bi-annual surveys, ensuring their perspectives are integrated into all its policies [[MDR-P_65e](#)]. The policies are accessible in several languages on the Bank's website and intranet [[MDR-P_65f](#)].

4. Social information - Own workforce

Background	Key content	Scope/key stakeholders	Accountability
Code of Conduct			
<ul style="list-style-type: none"> Serves as the foundation for business and work practices, including labor and human rights standards. Outlines key principles and expectations for the workforce, defining how they should conduct themselves in their daily work and interact with individuals both inside and outside of the Bank [MDR-P_65a, 65b]. 	<ul style="list-style-type: none"> The Bank's Code of Conduct establishes a commitment to ethical, lawful and responsible practices. It enforces integrity, transparency and human rights, while prohibiting corruption, bribery and discrimination. It ensures compliance with laws and internal policies covering key areas, such as responsible conduct, raising concerns and safeguarding the Bank's interests and the interest of all its stakeholders. [S1-1_20a, 21, 22]. The Bank's Code of Conduct and employment policies and practices are aligned with internationally recognized standards, including the International Labour Organization Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises [S1-1_20a, 21, MDR-P_65d]. 	<ul style="list-style-type: none"> Own workforce, including employees and non-employees [MDR-P_65b]. 	<ul style="list-style-type: none"> Chief Executive Officer [MDR-P_65c]
Diversity and Inclusion Policy			
<ul style="list-style-type: none"> The Policy reflects the Bank's commitment to cultivating a diverse and inclusive work environment, emphasizes respect for individual differences and prohibits discrimination based on racial ethnic or social origin, gender identity, age, religion, political opinion or any other characteristic, ensuring that everyone feels valued and empowered through fair access, fair opportunities as well as advancement for all [MDR-P_65a]. 	<ul style="list-style-type: none"> The Bank's Diversity and Inclusion policy defines the responsibilities of the Bank's workforce, establishing a Bank-wide standard for fostering a safe, respectful and equitable work environment for everyone. The policy covers the core principles of non-discrimination, equal opportunities, inclusive leadership and interacting with different stakeholder Banks [S1-1_19, 24a, 24d, MDR-P_65a]. This policy is available to all employees through the intranet and forms part of the annual mandatory DEI training [S1-1_AR14, MDR-P_65f]. In maintaining this policy, the outcomes of regular engagements with employee Banks are considered [S1-1_20b]. This policy supports the prevention of negative impacts that may arise from the systemic challenges of inequality in the industry. [MDR-P_65a]. It is supported by comprehensive training programs and established reporting mechanisms for incidents of discrimination or bias, promoting open dialogue and ensuring prompt resolution of concerns. 	<ul style="list-style-type: none"> Own workforce, including employees and non-employees [S1-1_19, MDR-P_65b]. 	<ul style="list-style-type: none"> Global Head of HR [MDR-P_65c]
Training and Development Policy			
<ul style="list-style-type: none"> The Bank's Training and Development Policy formalizes a commitment to providing the whole workforce with continuous learning opportunities to support career aspirations. This policy 	<ul style="list-style-type: none"> The Policy clearly outlines expectations for participation in training programs and provides guidance for identifying training needs across various roles. 	<ul style="list-style-type: none"> Own workforce, including employees and non-employees [MDR-P_65b]. 	<ul style="list-style-type: none"> Global Head of HR Network of 'Training Champions' [S1-

4. Social information - Own workforce

Background	Key content	Scope/key stakeholders	Accountability
<p>emphasizes the importance of equipping all employees with the necessary skills and knowledge to perform their roles effectively, while also promoting personal and professional growth [MDR-P_65a].</p> <ul style="list-style-type: none"> ▪ The objective of the policy is to create a workforce that is equipped to meet the challenges of a dynamic environment through a variety of training methods including web-based training, classroom learning and hybrid workshops. ▪ The Bank believes that a well-trained workforce enhances productivity, innovation, and overall organizational success. 	<ul style="list-style-type: none"> ▪ It aligns with the Bank's broader commitment to employee development and adheres to relevant national and international standards, such as the International Labour Organization guidelines on training and development [MDR-P_65d]. ▪ To support this, the Bank offers a range of comprehensive training programs, including onboarding, skills development, and leadership training, while also establishing feedback mechanisms to assess the effectiveness of these programs and address any gaps in training. 		<p>4_37, 43, AR48, MDR-P_65c]</p>
Data Privacy and Protection Policy			
<ul style="list-style-type: none"> ▪ The Bank's Data Privacy and Protection Policy governs the use, collection, storage and management of personal employee data. It addresses risks related to data handling—such as cyber risk—and ensures that all data is held securely and is aligned with regulations, such as the GDPR [MDR-P_65a]. 	<ul style="list-style-type: none"> ▪ The policy sets out key protocols relating to data management, to ensure that only authorized personnel can access personal employee data, with controls in place to monitor and protect this information, preventing unauthorized access [MDR-P_65a]. ▪ The policy aligns with international standards such as the National Institute of Standards and Technology (NIST) Cybersecurity Framework, and the Group actively participates in the Financial Services Information Sharing and Analysis Centre (FS-ISAC) to collaborate on best practices and threat intelligence [ESRS-2_MDR-P_65d]. 	<ul style="list-style-type: none"> ▪ All business processes involving sensitive information [MDR-P_65b]. 	<ul style="list-style-type: none"> ▪ Chief Risk Officer [MDR-P_65c]

4.2.2 S1-2 Processes for engaging with own workforce

Insights are gathered from the Bank's workforce on actual and potential impacts, including engagement with employees throughout the year [S1-2_27, AR24a]. To facilitate this, a number of channels and mechanisms are in place to capture timely feedback [S1-2_AR19c, AR24b, S1_SBM-2_12].

These processes are jointly overseen by the Chief Operating Officer (COO) and Global Head of HR, whose responsibility it is to ensure that the appropriate mechanisms are in place for employee engagement, including the Employee Insights surveys, engagement forums in collaboration with Employee Resource Groups (ERGs) and consultations with worker representatives. The COO collaborates closely with senior management to promote a culture of open dialogue to ensure alignment with the Bank's overall business strategy [S1-2_27a, 27c, AR18, AR19d, AR24c, S1_SBM-2_12]. By actively promoting a culture of open dialogue, the COO facilitates collaborative discussions on important workforce issues, ensuring employee feedback is used to inform policies and practices [S1-2_AR19a, AR19b, AR24b, S1_SBM-2_12].

Employee Insights survey

The bank wide Employee Insights survey was introduced on a quarterly basis in 2018 to allow employees across all business divisions in the Bank to anonymously share their thoughts on various workplace topics, including overall job satisfaction, work-life balance and work environment, as well as sustainability-related initiatives and professional development. The survey is designed to capture honest feedback, relating to the experience of the Bank's employees [S1-2_27b, AR19b, AR19c, AR24a].

The effectiveness of this survey is tracked through the participation rates. To ensure the findings from the Employee Insights survey can be considered representative and serve as a tool to gauge employee sentiment, the Bank aims to achieve a response rate of at least XX%, each quarter. This target was established by senior management, with participation rates reported quarterly, along with key findings from the survey [S1-2_27e, AR24b].

Starting with a baseline completion rate of XX% in 2018, in the final quarter of 2025, an XX% completion rate was achieved reflecting a XX% increase, including a XX% increase compared to the prior year [S1-2_27e, AR26].

A core metric derived from this survey is the overall satisfaction rate across the Bank's workforce, with a target set to reach at least XX% satisfaction by 2027 [S1-2_27e]. In 2025 satisfaction levels were reported at XX%, which is an improvement from a baseline of XX% in 2018 and from the XX% reported in 2024 [S1-2_AR26]. The target level was determined based on historical satisfaction ratings as well as engaging with the Bank's HR teams and ERGs (see below) to create a realistic positive goal [S1-2_AR24b, s1-5_47a]. The progress against this target is presented to the board annually with the head of ERGs and head of HR feeding into the board presentation to identify lessons learned and future initiatives to drive further improvements [S1-2_27c, 27e, AR18, AR19d, AR26].

Employee Resource Groups

Employee Resource Groups (ERGs) are employee-led organizations within the Bank that foster a sense of community based around a shared identity or interest. The Bank has eight ERGs, including those focused on women in the workplace, ethnic minorities, LGBTQ+ employees, and employees with disabilities. They provide support, promote diversity and inclusion, and offer employees opportunities for professional development, advocacy, and networking [S1-2_28, AR25a].

On top of the various events and initiatives they co-ordinate, committee members and representatives from all active ERGs are invited to attend collaborative forums on a biannual basis, during which they are able to engage in open discussions about employees' experiences to enhance understanding of the experiences of specific groups within the Bank, particularly those who may be more vulnerable to negative impacts [S1-2_27a, 27b, AR19b, AR19c, AR24a, AR25a].

The Bank is committed to ensuring employee insights lead to actionable changes whenever possible and to maintaining transparent dialogue regarding these matters [S1-2_AR24b].

4.2.3 S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

The Bank is committed to fostering a safe workplace for all, free from discrimination based on gender, ethnicity, age, sexual orientation, disability, and any other forms of discrimination. This is a core principle that is formalized in both the Code of Conduct and the Diversity and Inclusion Policy [S1-1_24a, 24b, 24c, S1-3_32a].

The Bank has established a comprehensive framework to address and remediate any negative impacts that may arise from its operations. This includes regular assessments of its practices and the effects on the workforce, allowing for the identification of areas for improvement. The Bank utilizes feedback mechanisms to evaluate the effectiveness of the remedies provided, ensuring that they meet the needs of its workforce [S1-3_32a].

The Bank has implemented several channels in local languages spoken at its premises through which its workforce can raise concerns or express their needs directly to management. All employees are encouraged to raise concerns directly with their immediate manager or with the HR department in the first instance. This can include employee-related complaints such as dissatisfaction with salary conditions or interpersonal issues.

The Bank's Whistleblowing Policy (see section 5.2) sets out the standards that reporting channels must meet, and the processes and controls the Bank has in place to ensure they are confidential and secure mechanisms (see section 5.2.1). These channels are designed to be clear and accessible to everyone, to ensure affected individuals have appropriate avenues to voice their concerns [S1-3_32a, 32b, 32d, 33, AR28, AR30, AR32b].

The implemented channels include [S1-3_32b]:

1. Whistleblower reporting channels for concerns related to unlawful behavior or breaches of its Code of Conduct, which is applicable to the workforce (see section 5.2.1);
2. Quarterly townhall meetings where employees can voice their concerns and provide feedback directly to leadership;
3. An employee assistance program offering confidential support and counselling services, so that employees are able to discuss workplace issues with trained professionals.

The Bank actively promotes awareness of these channels through internal communication channels and training sessions provided to all employees and non-employees, during the onboarding process or through annual obligatory training, to provide clear guidelines on how to use these channels. The Whistleblowing policy also covers the protections in place against retaliation for individuals who choose to use these channels [S1-1_24d, S1-3_32d, 33, AR31, AR32b, AR32e].

Once concerns have been raised, a mediation office is available to all employees and non-employees to ensure impartiality and confidentiality throughout the process. This office provides employees with a neutral and confidential environment to support the resolution of disputes or disagreements that have arisen and the identification of an appropriate path to remediation. Individuals can choose to use this service voluntarily to achieve a mutually beneficial solution, with the assistance of a trained mediator, where appropriate. The Bank maintains a tracking system to monitor all issues raised, their resolutions and follow-up actions taken [S1-1_24d, S1-3_32a, S1-3_32e, 32c, AR27, AR28, AR32a, AR32h]. Stakeholders, including employee representatives, are engaged and involved in the process of reviewing the effectiveness of the channels and making necessary adjustments [S1-3_32e].

The Bank strictly addresses anti-retaliation measures in its Code of Conduct to protect individuals who utilize these channels for reporting concerns [S1-3_33]. This commitment extends to all the employees, ensuring they can speak up without fear of negative consequences and fostering a safe and open environment for communication. All reports of retaliation are documented, taken seriously, and investigated within XX days. While the Bank currently has robust channels in place, it recognizes the need for continuous improvement. If any gaps are identified, the Bank is committed to addressing them promptly.

The Bank is continually enhancing mechanisms and remediation processes through active engagement and dialogue with stakeholders. Employee Insights surveys include specific questions on the subject, including whether knowledge of how to access the channels is available, how confident people feel about raising concerns and trust in the current process [S1-3_32e, 33, AR31, AR32g].

4.3 Characteristics of own workforce

The Human Resources (HR) department, run by the Global Head of HR, is responsible for the management of workforce-related topics and addressing both positive and negative material impacts. This department is made up of over XX qualified individuals, all dedicated to ensuring the highest quality experience for the entire

workforce. They are supported by the Procurement team, which manages all matters relating to non-employees contracted through third parties [S1-4_43, AR48].

Due to the independent nature of the HR function, HR takes responsibility for the feedback mechanisms and policy frameworks that guide behaviors within the Bank. Its independence from the pressures that impact individual lines of business allows HR to make responsible decisions on behalf of the workforce without conflicting priorities [S1-4_43, AR48].

4.3.1 S1-6 Employee characteristics, S1-12 Persons with disability

For 2025 the average workforce consisted of XXX employees, consistent with the ‘average number of employees’ within the operating expenses section of the consolidated financial statements (see Note X on page X). This metric captures fluctuations in employment levels due to factors such as hiring and turnover of staff [S1-6_50a, S1-6_50f, AR57].

Employee headcount by gender [S1-6_50a, AR55]:

	Number of employees (2025 headcount)		Number of employees (2024 headcount)	
	(Number)	(%)	(Number)	(%)
Male	XXX	XX%	XXX	XX%
Female	XXX	XX%	XXX	XX%
Other	XXX	XX%	XXX	XX%
Not reported	XXX	XX%	XXX	XX%
Total	XXX	XX%	XXX	XX%

4. Social information - Own workforce

Employee headcount in countries and regions with at least XX employees and representing at least XX% of the Bank's total number of employees, by contract, broken down by gender [S1-6_50a, 50b, 51, 52a, 52b]:

		2025					2024				
Region		Number of employees (permanent contract)	Number of employees (temporary contract)	Number of FTE employees	Number of part-time employees	Number of total employees (headcount)	Number of employees (permanent contract)	Number of employees (temporary contract)	Number of FTE employees	Number of part-time employees	Number of total employees (headcount)
Europe	Total	x	x	x	x	x	x	x	x	x	x
	Female	x	x	x	x	x	x	x	x	x	x
	Male	x	x	x	x	x	x	x	x	x	x
	Other	x	x	x	x	x	x	x	x	x	x
	Not reported	x	x	x	x	x	x	x	x	x	x
	of which Euroland*										
	Total	x	x	x	x	x	x	x	x	x	x
	Female	x	x	x	x	x	x	x	x	x	x
	Male	x	x	x	x	x	x	x	x	x	x
	Other	x	x	x	x	x	x	x	x	x	x
	Not reported	x	x	x	x	x	x	x	x	x	x
APAC	Total	x	x	x	x	x	x	x	x	x	x
	Female	x	x	x	x	x	x	x	x	x	x
	Male	x	x	x	x	x	x	x	x	x	x
	Other	x	x	x	x	x	x	x	x	x	x
	Not reported	x	x	x	x	x	x	x	x	x	x

*Countries representing at least XX% of the Bank's employee head count.

Commentary [S1-6_50b(iii)]

In addition to the breakdown by permanent and temporary contracts, paragraph 50b(iii) notes that an undertaking shall disclose the total number by head count or FTE of **non-guaranteed hours employees**, broken down by gender, in addition to (i) permanent employees and (ii) temporary employees (displayed above). For the purposes of these illustrative disclosures, information on non-guaranteed hours employees has been omitted as it is considered not applicable given the profile of the entity. However, for any entity employing non-guaranteed hours employees this information would need to be disclosed.

Non-guaranteed hours employees are those who do not have a minimum or fixed number of working hours in their contracts. This can include casual employees, employees on zero hour contracts, and on-call employees.

Employee turnover (headcount) [S1-6_50c]:

	Unit	2025	2024
Employees who left the Bank	Number	XX	XX
Rate of employee turnover	%	XX	XX

In compiling workforce data, headcount metrics are used and calculated as an average over the reporting period, which is aligned to the consolidated financial statement reporting period from 1 January 2025 to 31 December 2025 [S1-6_50d(i)]. This approach provides a more stable and representative view of the Bank's workforce dynamics. The methodology used involves aggregating monthly headcount figures, recorded at the end of each month and dividing that total by 12 to arrive at an average across the reporting period [S1-6_50d(ii)]. This method smooths out fluctuations caused by temporary staffing changes, thereby providing a clearer understanding of workforce trends [S1-6_50e].

Methodology [MDR-M_77a, 77b, 77c]

Employee data is gathered from the local HR system and Group's Human Capital management platforms. All employee figures are reported based on headcount as of December 31, 2025 [S1-6_50d(i), 50d(ii)]. This information can also be found in the consolidated financial statements under "Personnel Expenses and Headcount" [S1-6_50d, 50f].

Gender is determined based on the self-identification provided by each employee, while gender diversity is assessed annually by calculating the percentage of male and female full-time employees (FTEs) relative to the total number of FTEs. The categories "Other" and "Not Reported" may introduce some ambiguity, as some local laws do not recognize more than two genders. The Bank defines gender based on the entries recorded for each employee in the HR system.

The **age** of all employees is determined as the age at year-end. Calculations include all employees (full-time and part-time). The data is extracted from the local HR and Payroll systems.

Employment types encompass permanent and temporary contracts, as well as employees with non-guaranteed hours, with positions classified as either full-time or part-time. Permanent employees are those with a permanent contract, while temporary employees are defined as those with a temporary contract. Non-guaranteed hours employees include all individuals who do not have a guarantee of a minimum or fixed number of working hours. A full-time employee is one who works the full number of weekly hours, which may vary by country based on local regulations, and is classified as a full-time equivalent (FTE). In contrast, an employee working less than those hours is classified as a part-time equivalent, calculated proportionally. The calculation of FTEs occurs at the end of each fiscal year and is based on the contractual hours of employees.

Employee turnover is determined by dividing the number of employees who left the organization during the reporting period by the total number of employees at the end of the year, expressed in terms of FTEs [S1-6_16].

The Bank strives to establish an accessible and supportive environment for individuals with disabilities. As at year end 2025, XX people with disabilities were employed (XX% of the Bank's headcount), representing an increase of XX people compared to 2024 [S1-12_79].

The figures reported are derived from voluntary self-disclosure by employees and are subject to limitations imposed by data protection laws, including the European General Data Protection Regulation (GDPR). This

means that the accuracy and comprehensiveness of the data depend on the individual's willingness to share personal information about their disabilities [S1-12_AR76].

The Bank will continuously monitor its progress to ensure a workplace free from discrimination by 2030. Clear and robust reporting mechanisms are being established for incidents of discrimination or bias to ensure that any concerns related to discrimination or bias are addressed promptly and effectively. By integrating these initiatives into the business strategy [S1-4_38d], the Bank aims to foster a culture of respect and fairness.

4.3.2 S1-7 Characteristics of non-employees in the Bank's own workforce

A portion of the Bank's workforce is made up of non-employees, including individuals employed by third-party contractors and self-employed professionals [S1-7_55c]. As of 31 December 2025, the Bank's workforce consisted of XXX non-employees, of which XXX were workers contracted by third-party companies and XXX were self-employed workers [S1-7_55a].

Non-employees are an essential part of the Bank's workforce. The Investment and Corporate Banking division employ contract workers to provide insights in specialized roles, whilst the Retail Banking division employs contract workers across the Bank's branch networks [S1-7_56].

The Bank's workforce also consists of self-employed individuals, such as consultants and freelancers, in marketing and IT support. This approach allows the Bank to remain agile and responsive while leveraging a diverse range of skills [S1-7_56].

The data presented below is reported in FTEs [S1-7_50b(i)]. The figures reflect the average across the 2025 reporting period [S1-7_50b(ii)]:

Reporting year	Number of non-employees (FTE)	Of which are self-employed people	Of which are people provided by undertakings primarily engaged in employment activities	Reporting basis
2025	XX [S1-7_55a]	XX [S1-7_55a]	XX [S1-7_55a]	Average (FTE)

Methodology [S1-7_55b; MDR-M_77a, 77b, 77c]

The figures presented are estimations based on the analysis of the workforce composition at the Bank. These estimates reflect the proportion of non-employees, including those supplied by agencies and their roles within the Bank. Exact numbers are not provided due to variability in workforce dynamics and the nature of temporary employment arrangements [S1-7_57].

Non-employees (FTE) = $\left(\frac{\text{Total hours worked by non-employees during reporting period}}{\text{Standard annual full-time hours}}\right)$

Commentary on the ESRS sustainability disclosures

In 2024 the Bank chose to begin reporting on characteristics of non-employees in the subsequent year, as per the ESRS phase-in provision. Therefore, prior-year information in accordance with ESRS S1-7 is not disclosed in this illustrative sustainability statement.

4.4 Workforce diversity and compensation: S1-4 Actions, S1-5 Targets and Metrics

The Bank is committed to transparency on the employee and diversity metrics, specifically focusing on eliminating incidents of discrimination (see section 4.6.2), closing regional gender pay gaps and increasing gender representation at the top management level. The Bank also aims to offer a workplace for all people of all ages.

Promoting women in business

As part of the Bank's Sustainability Strategy (see section 2.3.1), the Bank has a global target of a XX% split of top management positions between males and females by 2030 [MDR-T_80a, 80b, 80c, 80e]. The HR team and

the women's ERG are involved in the setting of the target and the Bank is currently on track to reach the target [MDR-T_80h]. Progress against this target is monitored and discussed with the Women's Network on an annual basis to identify improvement areas to help reach the target [MDR-T_80j].

The Bank's 'Women in Tech' accelerator was launched in 2020 and this initiative has continued to grow each year. The accelerator is designed to equip women with the tools to support a career in technology. This includes a one-year classroom learning program, networking opportunities with female leaders in the sector, workshops and one-to-one mentoring sessions [S1-4_37, 38a, 38c, AR33b, AR40b, MDR-A_68a]. The accelerator is available to all female employees at vice-president level and above [MDR-A_68b, MDR-T_80c]. Since its inception, the accelerator has seen an increase in annual participation, expanding from XXX in 2020 to XXX in 2025. Many participants have willingly shared their positive experiences with the program, highlighting the impact on their professional development [S1-4_38d, AR33c, AR39, AR42, MDR-A_68e, MDR-T_79c, 80d, 80j]. The program was designed with input from members of the Women's Network, one of the Bank's ERGs, to help foster an inclusive environment that supports women in technology-related careers [MDR-A_68a].

Embedding diversity into the Bank's recruitment processes

The Bank has been operating a blind recruitment and hiring program globally since 2021, whereby candidates' names and other identifying factors are removed from their application. This is aimed at enhancing social mobility, promoting inclusivity for individuals with disabilities and mitigating the risk of any biases affecting the diversity of the workforce [S1-4_37, 38a, 40a, AR33a, AR33b, AR40b, MDR-A_68a]. The program was initially piloted for graduate recruitment across Euroland in 2019, and since its implementation there has been an increase in the hiring of talented individuals from underrepresented groups. The impact of the program has resulted in attracting a broader range of candidates based on analysis of diversity of new hires, focusing on the percentage of candidates from underrepresented groups and comparing hiring rates before and after implementation of the program [S1-4_38d, AR33c, AR39, AR40b, AR42, S1-5_46, MDR-A_68e, MDR-T_79c, 80d, 80j]. This initiative has been expanded globally, demonstrating commitment to diversity. The Bank continues to seek feedback through candidate experience surveys and insights from hiring managers, who can have an independent perspective on the hiring process, to refine the Bank's approach regarding building a more inclusive workforce [S1-4_38c, 38d, 39, AR33d, AR38, AR40a, S1-5_46, 47c, MDR-A_68e].

Unconscious bias training

Since 2019, mandatory unconscious bias training courses are run annually for all employees. The training aims to raise awareness of biases that can affect workplace interactions and decision-making and provide effective strategies for mitigating their impact [S1-4_37, 38a, AR33b, MDR-A_68a]. The Bank is currently in the process of working with a leading third-party consultant to enhance the curriculum, with an update which will be made available from 2027 onwards [S1-4_38a, 38c, MDR-A_68a, 68c]. An upward trend has been recorded in the percentage of employees completing this program with XX% of employees having completed the training in 2025 compared to XX% in 2024 with baseline completion rates at XX% in 2019 [S1-4_38d, AR38, S1-5_46, MDR-A_68e, MDR-T_79c, 80d, 80j]. The Employee Insights surveys are used to gather insights and allow targeted initiatives to be implemented that align with employee expectations [S1-4_38d, AR38, S1-5_46].

Measuring DEI outcomes

The effectiveness of these actions in delivering outcomes for the Bank's workforce is measured both by progress towards key performance indicators including the representation of different groups at different levels of seniority, and by satisfaction rates across the workforce which are calculated using the DEI index data from the Bank's Employee Insights survey data [S1-4_38d, AR38, AR39, S1-5_46, MDR-A_68e, MDR-T_79a].

Employee satisfaction regarding inclusivity is recognized as a key indicator of the effectiveness of DEI policies, actions and progress against stated targets, highlighting the importance of employee feedback [S1-4_38d, AR38, AR39, S1-5_46, MDR-T_79a]. In 2025, XX% (2024: XX%) of respondents agreed with the statement "I feel well represented amongst my peers", which is a significant increase from 2018, the year of the survey's inception, in which an agreement rate of XX% was recorded [MDR-A_68e, MDR-T_79c, 80d, 80j]. The metric is reported to the Board Nominations Committee quarterly, as part of the presentation of the broader Employee Insights Survey results, and the full DEI index data set, complete with relevant breakdowns, are shared with and analyzed by the ERGs, in order to identify lessons learnt and further escalations required in the event of negative results, and to ensure corrective action is taken where necessary [S1-4_38d, AR38, S1-5_46, 47b, 47c, MDR-A_68e, MDR-T_79a].

Employee satisfaction rates regarding diversity are calculated based on average scores for each question related to diversity, which allows trends to be identified along with areas needing improvement. This involves converting qualitative responses to numerical values, e.g., "Strongly agree" = 5 and "Strongly disagree" = 1 and then the average score is converted into a percentage. Survey respondents are asked voluntarily to answer

questions relating to their gender, ethnicity, age, and disability status, to allow the identification of any nuances in perceptions among different groups. Analysis of employee satisfaction is dependent on completion rates, as a higher participation rate ensures the feedback received is representative [S1-4_38d, AR38, S1-5_46, MDR-A_68e, MDR-T_79a].

As part of its broader DEI strategy, the Bank has set a target to continue to be recognized as a top 10 inclusive employer in Europe for the fifth consecutive year, reinforcing its commitment to fostering an inclusive culture and maintaining external recognition for its efforts [MDR-T_79a].

4.4.1 S1-9 Diversity metrics

The Bank is committed to fostering an inclusive leadership culture that reflects the diversity of its workforce.

Employee headcount at top management* level of employees, by gender [S1-9_66a]:

	2019 (baseline)		2025		2024		2030 (target)	
	(Number)	(%)	(Number)	(%)	(Number)	(%)	(Number)	(%)
Male	XX	XX%	XX	XX%	XX	XX%	XX	XX%
Female	XX	XX%	XX	XX%	XX	XX%	XX	XX%
Other	XX	XX%	XX	XX%	XX	XX%	XX	XX%
Not reported	XX	XX%	XX	XX%	XX	XX%	XX	XX%
Total employees	XX	XX%	XX	XX%	XX	XX%	XX	XX%

*In line with the definition in ESRS S1, top management includes one and two levels below the Executive Committee [S1-9_AR71].

Generational diversity

The Bank recognizes the importance of having a workforce that is distributed across generations and age groups and ensuring there is a diverse voice across the organization.

Distribution of employees by age Bank [S1-9_66b, MDR-M_77c]

	2025		2024	
	Headcount	(%)	Headcount	(%)
Under 30 years old	XXX	XX%	XXX	XX%
30-50 years old	XXX	XX%	XXX	XX%
Over 50 years old	XXX	XX%	XXX	XX%
Not reported	XXX	XX%	XXX	XX%
Total employees	XXX	XX%	XXX	XX%

4.4.2 S1-16 Remuneration metrics (Pay gap and Total remuneration)

The Bank upholds the principle of fair and equitable remuneration for every employee.

Gender pay gap (remuneration metrics) [MDR-M_77c]:

Analysis of the gender pay gap provides insight into the gross hourly pay level levels of all employees, highlighting the average pay disparity between female and male employees, regardless of their roles and seniority. The Bank has an ambition to close the gender pay gap through the DEI actions listed above [S1-16_97a].

In 2025, its global gender pay gap was XX% in favor of men (2024: XX%) [S1-16_97a]. This figure represents the average difference in pay between male and female employees across the Bank.

Gender pay gap [ESRS-2_MDR-M_77c]	
2025	2024
XX%	XX%

The gender pay gap is calculated as the difference between the average gross hourly pay of male employees and female employees, divided by the average gross hourly pay of male employees, multiplied by 100 [S1-16_97a, ESRS-2_MDR-M_77c].

Remuneration ratio

The annual total remuneration of the highest paid individual, the Bank CEO, in relation to the median annual total remuneration for all employees for the year 2025 stood at XX:1; the same as in 2024 [S1-16_97b, MDR-M_77c]. This ratio incorporates the highest-paid individual's complete compensation package, which encompasses fixed and variable pay, as well as additional benefits like share-based payments, pension contributions and allowances (see the Remuneration Report section of the annual report on page <XX> for further details on the executive compensation package) [S1-16_97c, AR102, MDR-M_77a, 77c].

Methodology [MDR-M_77a, 77b, 77c]

Gender Pay Gap: Calculations include all employees (full-time and part-time) employed on 31 December. Due to the nature of the data, the Bank distinguishes between male and female exclusively.

Gender pay gap = $\left(\frac{\text{Average gross hourly pay level of male employees} - \text{Average gross hourly pay level of female employees}}{\text{Average gross hourly pay level of male employees}} \right) \times 100$.

Annual total remuneration ratio: Calculations include all employees (full-time and part-time). The annual total remuneration includes all fixed salary elements including base salary, pension and other benefits, and bonuses. The annual total remuneration ratio of the highest paid individual includes the annual total remuneration for the Bank's highest paid individual.

Pay gap ratio = $\left(\frac{\text{Annual total remuneration of the highest paid individual}}{\text{Median annual total remuneration of all employees (excl.highest paid individual)}} \right)$

General payroll processes ensure a high level of quality in the data. The data is extracted from the HR system and Payroll system.

4.4.3 S1-11 Social protection, S1-15 Work-life balance metrics

The Bank provides social protection coverage for all employees, including support related to loss of income due to sickness, occupational accident, acquired disability, parental leave, and retirement [S1-11_74a, 74b, 74c, 74d, 74e, AR75, S1-15_93a]. In countries where public social security schemes are limited or underdeveloped, assessments are conducted by analyzing local social security policies and employee needs to identify coverage gaps and offer supplementary offerings to fill these gaps. This allows the Bank to provide security for employees, ensuring they are protected against the financial consequences of challenging life events [S1-11_74a, S1-15_93a].

The Bank also recognizes that achieving a healthy work-life balance is essential for the well-being of its employees and the overall success of its organization. The Bank is committed to fostering an environment that supports its employees in balancing their professional responsibilities with their personal lives, particularly when it comes to family-related needs.

All employees are entitled to family-related leave, to enable them to effectively balance important responsibilities whether that involves parenting or caring for family members, subject to the completion of any applicable probationary period. Family-related leave policies vary by country and include, but are not limited to, maternity leave, paternity leave, parental leave, and caregiver leave. All employees are entitled to family-related leave in accordance with applicable laws and regulations in the countries in which the Bank operates and the Bank aims to exceed those standards whenever possible and appropriate. It is important to note that the policy relies on self-declaration by employees when they take such leave. As a result, the Bank does not have visibility on whether all employees with family-related and caregiving responsibilities are fully utilizing the leave entitlements available to them [S1-11_74d, AR75, S1-15_93a, 94].

Open communication is encouraged alongside support among team members to ensure that everyone feels empowered to take the necessary time off as part of a commitment to accommodate the workforce needs. The HR team works to ensure that all employees are informed about their entitlements as part of the onboarding process, and in periodic communications and briefing sessions, along with providing guidance via an online workforce portal [S1-15_93a].

Work-life balance metrics

Family-related leave by gender* [S1-15_91, 93 , MDR-M_77c]	2025	2024
Percentage of employees entitled to take family-related leave [S1-15_93a]	XX%	XX%
Percentage of entitled employees that took family-related leave [S1-15_93b]	XX%	XX%
Of which male [S1-15_93b]	XX	XX
Of which female [S1-15_93b]	XX	XX
Of which other	XX	XX
Of which not reported	XX	XX

* Family-related leave metrics are available in the local HR system, based on specific leave codes.

Methodology [[MDR-M_77a, 77b, 77c](#)]

Calculating the Bank's family-related leave involves assessing the percentage of employees entitled to maternity, paternity, parental, and carer's leave using data from the local HR system. The Bank tracks the utilization of this leave with a focus on gender equity. Annual employee surveys gather feedback on work-life balance, which is reviewed by senior management, with a view to enhancing existing policies.

4.5 Training and upskilling the Bank's workforce: S1-4 Actions, S1-5 Targets and Metrics

The Bank has identified one material positive impact related to training and skills development. The Bank is committed to the continuous professional development of its workforce, providing training and development programs to everyone to develop their skills and meet long-term career objectives. Feedback from all workforce engagement channels points to this positively impacting the work environment and being the critical component of employees' experiences.

Though not identified as a material risk in its own right through the DMA, the Bank recognizes the potential risks, such as the possibility of a shortage of skilled workers or political decisions that could make some business activities redundant. To mitigate skill gaps, the Bank integrates training on the external environment into its upskilling programs, enabling employees to remain resilient and adapt to economic and political developments that may affect their functions, regulatory expectations, or the Bank's operations.

The Bank conducts a skills mapping exercise for both training curriculum and recruitment activities on an annual basis to identify gaps between the presumed skill requirements over the subsequent three-year period and those declared by the existing workforce.

4.5.1 S1-13 Training and skills development metrics

Continuous learning

The Bank's Training and Development Policy formalizes a commitment to providing the whole workforce with continuous learning opportunities to support career aspirations through a variety of training methods including web-based training, classroom learning and hybrid workshops [[S1-1_19](#), [S1-4_37](#), [MDR-P_65a](#)]. Further information about the policy can be found in Section [4.2.1](#) [[S1-4_37](#), [43](#), [AR48](#), [MDR-P_65c](#)].

A range of training programs for personal development are provided to meet the diverse needs of employees, all of which are made available on the 'Sustain Learning' platform and communicated to employees via email ensuring all employees receive timely updates [[S1-4_37](#), [MDR-A_68a, 68b](#), [MDR-P_65b, 65f](#)].

A core component of the training offering is the Bank's Sustainability-linked Badges program, which is designed to help employees across all roles and regions to develop future-focused skills and earn digital credentials, known as "badges," in various areas of expertise such as emerging technologies and sustainable leadership. This program encourages continuous learning and development by providing a structured pathway for employees to acquire new skills, demonstrate their knowledge, and gain recognition for their achievements [[S1-1_19](#), [S1-4_37](#), [MDR-A_68b](#), [MDR-P_65a, 65b](#)].

Since 2025 [[MDR-T_80d](#)], the Group has implemented a structured and strategic approach to upskilling, aiming to provide its workforce [[MDR-T_80c](#)] with tailored development and upskilling, ensuring that everyone [[MDR-T_80b](#)] receives targeted training opportunities by 2027 [[MDR-T_80e](#); [MDR-A_68c](#)], supported by defined learning targets. This commitment is outlined in the Group's Training and Development Policy [[MDR-T_80a](#)] and

supported by the training programs made available on the 'Sustain Learning' platform. [MDR-A_68a], which combines online and in-person training for its workforce [MDR-A_68b; MDR-T_80f].

The Group's training strategy is based on an analysis of employee needs, informed by assessments, performance reviews and feedback [MDR-T_80h]. The Group regularly evaluates its programs to gather insights and identify areas for improvement. Performance of all modules is tracked against defined targets by the talent team through a comprehensive review process, ensuring that training offerings address the evolving needs and interests of the workforce as well as industry trends. [S1-4_38d, S1-5_47b, MDR-A_68e, MDR-T_80j]. The Bank evaluates the effectiveness by the satisfaction rate in Employee Insights survey of training-related questions. In 2025, XX% (2024: XX%) of respondents agreed with positive statements about training-related matters, which is an increase from 2018, in which an agreement rate of XX% (2024: XX%) was recorded [MDR-A_68e, MDR-T_79c, 80d, 80j]. Since 2025 [MDR-T_80d], the Group has pursued a strategic approach to the satisfaction rate in training-related questions of their workforce [MDR-T_80c]. The metric is reported to the Board Nominations Committee quarterly (as part of the presentation of the broader Employee Insights Survey results), shared with and analyzed by the ERGs, in order to identify lessons learnt and further escalations required in the event of negative results, and to ensure corrective action is taken where necessary [S1-4_38d, AR38, S1-5_46, 47b, 47c, MDR-A_68e, MDR-T_79a]. Survey respondents are asked to answer questions on a voluntary basis about their training patterns. Analysis of employee satisfaction is dependent on completion rates, as a higher participation rate ensures the feedback received is representative [S1-4_38d, AR38, S1-5_46, MDR-A_68e, MDR-T_79a].

Insights from the talent team and Training Champions, as well as enrolment and completion data from the digital platform, and feedback received from evaluation surveys for each existing course, are leveraged to inform new areas to expand on the available training badges [S1-5_47a, MDR-A_68a, MDR-T_80f].

Leadership Growth Pathway Program

The Bank's Leadership Growth Pathway program is a specialist training program designed to strengthen the adaptability and agility of managers and to support employees as they progress to more senior roles [S1-4_37, MDR-A_68a]. In 2025, enhancements were made to the format and structure, introducing formal feedback mechanisms and new workshops on managing diverse teams, with plans to introduce a cross-functional mentorship component within the next 18 months. The program spans all departments and global locations, aiming to bridge leadership skill gaps and foster professional growth, which has already resulted in increased mentorship engagement and positive participant outcomes in leadership effectiveness. Since its introduction in 2015, over XXX employees have participated in the program [S1-4_37, 38c, 40b, MDR-A_68a, 68b, 68c, 68e].

Annual performance reviews

All active employees, regardless of whether they are full-time or part-time, are required to participate in an annual performance review. These reviews assess the individual's achievements, set goals and assess conduct.

To promote a culture of ongoing feedback, an integrated feedback platform is utilized. This tool facilitates real-time feedback exchange, enabling employees to receive timely feedback on their performance throughout the year without waiting for formal review periods. By the close of 2025, XX feedback interactions across the organization were recorded (2024: XX).

[S1-13_AR77b] In 2025, the overall completion rate for performance reviews in the Bank stood at XX% (2024: XX%), with XX% of females (2024: XX%), XX% males (2024: XX%), and XX% of others (2024: XX%) completing performance reviews. These reviews are based on criteria known to the employee and their line managers, undertaken with the employee's knowledge at least once per year, and include evaluations by a wider range of employees. The average hours of training increased by XX hours compared to 2024, highlighting the Bank's commitment to continuous learning and development.

Training and skills development metrics

Average hours of training and participation in performance and career development reviews for employees and non-employees.

[MDR-M_77c]	Participation in % in regular performance and career development reviews, 2025 [S1-13_83a]		Participation in % in regular performance and career development reviews, 2024 [S1-13_83a]		Average hours of training per person, 2025* [S1-13_83b, 84]		Average hours of training per person, 2024* [S1-13_83b, 84]	
	Employees	Non-employees	Employees	Non-employees	Employees	Non-employees [S1-13_85]	Employees	Non-employees [S1-13_85]
Total population	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX
<i>By gender [S1-13_83b, AR78]</i>								
Male	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX
Female	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX
Other	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX
Not Reported	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX
<i>By employee rank [S1-13_83b, AR79]</i>								
Senior executives	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX
Other executives	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX
Other employees	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX
Not Reported	XX%	XX%	XX%	XX%	XXX	XXX	XXX	XXX

*Calculated as total training hours divided by average headcount.

Methodology [MDR-M_77a, 77b, 77c]

The methodology for assessing training and skills development at the Bank in 2025 involved measuring the formal training delivered through internal programs. This included tracking the average hours of formal learning completed by employees and non-employees, as well as the total learning hours recorded through the formal course catalogue. Data is sourced from multiple tools across Bank's entities, potentially leading to discrepancies and inaccuracies.

4.6 Protecting employees' right to privacy and human rights: S1-4 Actions, S1-5 Targets and Metrics

The Bank maintains a strong governance framework for its employees' data protection by implementing its Data Privacy and Protection Policy, which embeds robust controls and oversight mechanisms across all processes handling personal employee data.

4.6.1 Right to privacy

Data Privacy and Protection Policy

The Bank's Data Privacy and Protection Policy governs the use, collection and storage of personal employee data and is aligned with regulations, such as the GDPR [S1-1_19, ESRS-2_MDR-P_65a]. This approach helps to effectively manage any potential negative impacts [S1-1_19, ESRS-2_MDR-P_65b]. Refer to Section 4.2.1. for further information [ESRS-2_MDR-P_65c, 65f].

Right to data privacy and protection

Internal security audits are conducted monthly to assess the effectiveness of firewalls, data storage systems, and processes, including those related to employee onboarding and offboarding, to maintain compliance and ensure employees' right to privacy. Whilst no instances of employee data breaches affecting personal data have been recorded, the Bank employs a comprehensive approach to ensure preparedness for potential

incidents. This includes implementing rapid detection systems that monitor for unusual activities. In any instances of breaches, support services are offered to help mitigate any adverse effects and the appropriate steps will be taken to ensure data management systems are strengthened to prevent future occurrences [ESRS-2_MDR-A_68a].

Stakeholders engaged in setting privacy-related targets include the Chief Risk Officer (CRO) and the Risk department [ESRS-2_MDR-T_80h]. Currently, there is a target of achieving zero critical findings in employee data privacy audits by 2027 [ESRS-2_MDR-T_80b, 80e]. The number of findings in the data privacy audits is monitored quarterly to track areas highlighted for improvement, and the compliance and IT teams are actively involved to ensure identified issues are addressed promptly [ESRS-2_MDR-T_80j].

[ESRS-2_MDR-T_80b, 80e]	2024 (Baseline)	2025	Target (2026)
Critical findings in employee data privacy audits	XX	XX	XX

4.6.2 S1-17 Incidents, complaints and severe human rights impacts

Protecting human rights

The Bank’s Code of Conduct promotes ethical and responsible practices, enforces integrity, transparency, and respect for human rights, while ensuring that employees can raise concerns without fear of retaliation [S1-1_20, 21, 22]. Employment policies and practices are aligned with internationally recognized standards, including the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises [S1-1_20, 20a, 21]. No human rights incidents have been recorded in the current and prior reporting year [S1-17_104a].

Commentary [S1-17_104(a), 104(b)]

ESRS S1-17 Paragraph 104(a) requires entities to disclose the number of severe human rights incidents related to entities own workforce during the reporting period or if no such incidents have been recorded then this must be disclosed. Disclosures should indicate the number of incidents that represent violations of the UN Guiding Principles on Business and Human Rights, International Labour Organization Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises.

In instances where severe human rights incidents have been recorded, paragraph 104(b) requires the entity to disclose the total amount of fines, penalties and compensation for damages for the incidents identified, including a reconciliation with the most relevant amount in the consolidated financial statements.

ESRS S1-1 Paragraph 20 requires entities to disclose policy commitments related to human rights relevant to its own workforce, while paragraph 20(c) requires entities to outline measures in place to provide and/or enable remedy for any adverse human rights impacts experienced by its own workforce.

Incidents and complaints

In 2025, the Bank’s whistleblower reporting channels logged a total of XXX reports, which is a decrease compared to XXX reports recorded in 2024 [S1-17_103b, MDR-M_77c]. These were categorized, as follows:

- Professional conduct and individual behavior (2025: XX% and 2024: XX%)
- Compliance and fraud risks (2025: XX% and 2024: XX%)
- Miscellaneous categories (2025: XX% and 2024: XX%)

Of the incidents reported, a total of XX incidents (2024: XX) were related to discrimination, including harassment [S1-17_103a, 103d]. The Bank did not receive any fines, penalties or pay any compensation as result of incidents of discrimination, including harassment and complaints filed [S1-17_103c].

Methodology [MDR-M_77a, 77b, 77c]

Incidents, complaints, and severe human rights impacts include all occurrences documented through the internal grievance mechanism and whistleblower reporting channels [S1-17_03] as well as those reported to National Contact Points for OECD Multinational Enterprises [S1-17_04]. Incidents of discrimination encompass all verified cases of harassment, sexual harassment, discrimination, and retaliation involving the Group’s employees. All human rights incidents are assessed annually based on their scale, scope, and severity, with the potential for remediation evaluated on a case-by-case basis. Confirmed severe human rights incidents are considered violations of established human rights frameworks, whereas incidents that are still under investigation are not classified as confirmed.

5. Governance information - Business conduct

5.1 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Responsible and ethical business conduct is a cornerstone of the Bank's corporate culture. The Bank actively collaborates with partners across its value chain to identify and mitigate risks such as corruption and bribery.

The Bank's corporate culture is centered around its vision - *Banking with Purpose, Investing in Tomorrow*. The Bank has identified one material positive impact related to ethics and corporate culture and is committed to make a positive impact by fostering an inclusive, transparent, and ethical corporate culture that is fair, lawful and without fear of retaliation. The values of integrity, innovation, responsibility, and collaboration are periodically reviewed by the Board and reinforced across the Bank through recognition programs and targeted training initiatives, aimed at fostering a value-driven work environment. This ethical foundation not only empowers employees to perform at their best but also enhances the quality of services delivered to customers, reinforcing the Bank's reputation.

The table below shows the IROs identified for *G1 Corporate culture and business conduct policies* and a summary of the related policies, actions, metrics and targets as further described in this section.

5. Governance information - Business conduct

Impacts, risks and opportunities	Category	Policy	Actions ¹⁷	Metrics	Target
Ethics and Corporate Culture - The Bank's ability to build an inclusive, transparent company culture that is ethical, fair, lawful and without fear of retaliation enhances employee trust and ethical decision-making, strengthens internal accountability and long-term organizational integrity.	⊕ P	<ul style="list-style-type: none"> Code of Conduct Supplier Code of Conduct Whistleblowing policy Anti-corruption and anti-bribery policy 	<ul style="list-style-type: none"> Secure reporting channels including whistleblower reporting channels Annual mandatory training program on business conduct 	<ul style="list-style-type: none"> Completion rate of business conduct training 	N/A ¹⁸
Corruption, Bribery and Ethics - Inadequate governance of corruption, bribery, and money laundering - within the Bank and among financed entities - may negatively impact public trust, fair competition, and integrity of financial system. For example, insufficient due diligence or weak internal controls may enable illicit financial flows, undermine democratic processes, and exclude vulnerable groups from equitable access to financial services.	⊖ P	<ul style="list-style-type: none"> Whistleblowing Policy Anti-corruption and anti-bribery policy Political Influence and Lobbying Policy 	<ul style="list-style-type: none"> Mandatory corruption and anti-bribery training Online portal for whistleblowers Corporate Governance framework led by the Compliance Department Employee Insights survey 	<ul style="list-style-type: none"> Completion rate of relevant training Internal and External Lobbying Spending Industry and Business Association Membership Spending 	<ul style="list-style-type: none"> XX% completion rates of the mandatory anti-bribery and corruption training for all employees and high-risk third parties XX% of compliance with conflict-of-interest policy requirements for all employees and high-risk third parties
Corruption, Bribery and Ethics - Failure by the Bank to adequately manage the risk of bribery and corruption within the entities it finances and within its own operations may result in financial penalties and reputational damage.	⚠				N/A ¹⁹
Cybersecurity (ENTITY SPECIFIC) Insufficient cybersecurity governance - including weak oversight, inadequate controls, and poor response protocols - may negatively impact stakeholder trust, data integrity, and digital accessibility. For example, failure to enforce secure data handling may harm customer experience as well as financial inclusion and wellbeing, particularly for digitally dependent and vulnerable user groups.	⊖ P	<ul style="list-style-type: none"> Data Privacy and Protection Policy 	<ul style="list-style-type: none"> Regular stress testing of systems to simulate cyber-attack scenarios Cybersecurity program including phishing tests and mandatory security awareness sessions 	<ul style="list-style-type: none"> Reduction of phishing susceptibility Completion rate of cybersecurity training Resolving all phishing cases within x days 	<ul style="list-style-type: none"> Phishing detection - reduce phishing susceptibility by XX% within the next 12 months. Cybersecurity training - achieve XXX% completion in mandatory annual security awareness training
Cybersecurity (ENTITY SPECIFIC) Data breaches or other security failures could disrupt the Bank's ability to operate, which may lead to financial loss and penalties.	⚠ Financial		<ul style="list-style-type: none"> €XX m spend on cybersecurity measures ISO 27001 certification 		

Legend

⊕ - Positive impact
⊖ - Negative impact

A - Actual
P - Potential

✅ Opportunity
⚠ Risk

¹⁷ There are no significant operational expenditures (OpEx) or capital expenditures (CapEx) associated with the described actions. Therefore, the information required under ESRS 2.69 regarding current and future financial resources is not disclosed. [MDR-A_69a, 69b, 69c]. Only the action "Amount spend on cybersecurity measures" requires significant OpEx (see Section 5.5 for further details). Additionally see commentary under Section 3.5.2 for further details.

¹⁸ Currently, the Bank has not established specific targets for Completion rate of business conduct training.

¹⁹ Currently, the Bank has not established specific targets for neither Internal and External Lobbying Spending nor Industry and Business Association Membership Spending.

5.2. G1-1 Corporate culture and business conduct policies

Business conduct policies

The Bank is committed to maintaining very high standards of business conduct and corporate culture. The Bank's business conduct policies are designed to ensure ethical behavior, compliance with laws and regulations and the promotion of a positive corporate culture.

To manage its material IROs, several policies are in place, including these listed in the table below. The policies are also available in several languages on the intranet and external website [[MDR-P_65f](#)].

Background	Key content	Scope / Key stakeholders	Accountability
Anti-corruption and anti-bribery policy [G1-1_10a]			
<ul style="list-style-type: none"> This policy prohibits all forms of corruption and bribery, ensuring that all employees and business partners act with integrity and honesty. It reflects the Bank's zero-tolerance approach and aligns with international standards such as the UN Convention against Corruption and the OECD Anti-Bribery Convention. 	<ul style="list-style-type: none"> The policy defines and prohibits: bribery; facilitation payments; kickbacks; and conflicts of interest. It mandates due diligence on third parties and high-risk transactions and requires employees to report suspected violations through secure and anonymous whistleblower reporting channels. Regular training is provided to all staff, with enhanced modules for roles exposed to higher corruption risks. 	<ul style="list-style-type: none"> Applies to all employees, directors, contractors, consultants, and third-party intermediaries across operations and the value chain [MDR-P_65b]. Stakeholder expectations are integrated through regular risk assessments and engagement with compliance partners and civil society organizations [MDR-P_65e]. 	<ul style="list-style-type: none"> Chief Compliance Officer [MDR-P_65c]
Supplier Code of Conduct [G1-1_9; E1-2_25]			
<ul style="list-style-type: none"> The Supplier Code of Conduct establishes the ethical, social and environmental standards that all the Bank's suppliers and third-party contractors are expected to uphold. It serves as a foundational document to ensure that the Bank's business partners operate with integrity, respect human rights, promote fair labor practices and manage their environmental impact in line with the goals of the Paris Agreement [E1-2_25]. 	<ul style="list-style-type: none"> It establishes the behaviors, ethical and environmental standards expected to be upheld by all suppliers. It covers key areas including compliance with applicable laws and regulations, acting responsibly, raising concerns, and safeguarding the Bank's interests and the interest of all its stakeholders [G1-1_7]. Social and environmental criteria embedded in the supplier selection, evaluation, and contract renewal processes include: compliance with the UN Global Compact and International Labour Organization conventions; calculate and report their greenhouse gas emissions annually; and evidence of Diversity, Equity and Inclusion practices [G1-2_15b]. The Code outlines the Bank's commitment to selecting suppliers that demonstrate practices aligning with the Bank's Net-Zero strategy. 	<ul style="list-style-type: none"> This policy is applicable to all suppliers and third-party contractors [MDR-P_65b]. Stakeholder feedback is integrated through regular reviews [MDR-P_65e]. 	<ul style="list-style-type: none"> Chief Operating Officer Ethics & Compliance Committee
Whistleblowing Policy			
<ul style="list-style-type: none"> The Bank encourages employees and external stakeholders to report any unethical behaviour or violations of its policies through its whistleblower reporting channels. This policy reflects the commitment to integrity, transparency, and accountability, and ensures that concerns can be raised safely and confidentially. 	<ul style="list-style-type: none"> The policy outlines the procedures for reporting misconduct, including anonymous channels and multilingual access. It guarantees protection against retaliation for all whistleblowers, in line with the Directive (EU) 2019/1937. All reports are investigated independently and objectively by trained compliance personnel. Awareness campaigns and mandatory training 	<ul style="list-style-type: none"> Applies to all employees, contractors, suppliers, and other third-party stakeholders. Stakeholder feedback is integrated through regular reviews and benchmarking against international best practices [MDR-P_65e]. 	<ul style="list-style-type: none"> Chief Compliance Officer Ethics & Compliance Committee

Background	Key content	Scope / Key stakeholders	Accountability
	<p>ensure that all employees understand their rights and responsibilities under this policy.</p> <ul style="list-style-type: none"> The policy is accessible via the Bank's intranet and external website in several languages [MDR-P_65f]. 		
Political influence and Lobbying Policy			
<ul style="list-style-type: none"> The Bank maintains a transparent and responsible approach to political engagement and lobbying, aligned with its commitment to integrity, accountability and democratic values. The policy outlines procedures for engaging with public authorities, trade associations, and advocacy groups, including mandatory registration of lobbying activities and disclosure of political contribution. It prohibits any form of undue influence and ensures that lobbying efforts reflect the Bank's sustainability objectives and ethical standards. 	<ul style="list-style-type: none"> The policy covers direct and indirect lobbying, political donations, participation in trade associations and public policy advocacy. It defines the use of company resources for political purposes and outlines permitted lobbying topics. The policy mentions registration of lobbying activities where applicable. The policy is accessible via the Bank's intranet and external website in several languages [MDR-P_65f]. 	<ul style="list-style-type: none"> Applies to all employees, contractors, suppliers, and other third-party stakeholders [MDR-P_65e]. 	<ul style="list-style-type: none"> Board Risk Committee
Data Privacy and Protection Policy			
Refer to Section 4.2.1 . S1-1 Policies			
Code of Conduct			
Refer to Section 4.2.1 . S1-1 Policies			

5.2.1 Mechanisms for identifying, reporting, and investigating concerns

The Bank has established robust mechanisms for identifying, reporting and investigating concerns related to unlawful behavior or breaches of its Code of Conduct. These include secure internal and external whistleblower reporting channels that ensure confidentiality and allow anonymous reporting for both employees and external stakeholders [G1-1_10a].

In line with the EU Whistleblowing Directive (2019/1937), the Bank's online whistleblowers portal, available to the Bank's own workforce, offers the option to submit reports under complete anonymity. The portal is designed in line with regulatory expectations for confidentiality and data protection, ensuring identities remain undisclosed unless voluntarily revealed [G1-1_11].

To support the effective use of these channels, all employees receive mandatory training on business conduct, including how to identify and report concerns. This training is tailored by role, with enhanced modules for functions exposed to higher corruption risks and is delivered at least annually, with quarterly updates as needed [G1-1_10c(i)]. In 2025, XX% (XX% in 2024) of employees completed this training [G1-1_10g].

The training also emphasizes the importance of speaking up, the role each employee plays in fostering an open and secure work environment, and the resources, channels and protections in place to empower individuals to report concerns when necessary [G1-1_10ci]. It is delivered regularly as part of the Bank's mandatory annual training program and ensures that all employees are familiar with the various reporting mechanisms and their significance.

The Bank enforces a zero-tolerance policy for retaliation for any employee [G1-1_10cii]. All reports are handled independently from the management chain involved, and any breach of whistleblower protection results in disciplinary action [G1-1_10c(ii)]. In 2025, no retaliation cases were reported (no reports in 2024). To safeguard the rights of reporters, the Bank prohibits any suspensions, lay-offs, demotions, withholding of promotions, or other punitive measures resulting from whistleblowing activities [G1-1_10cii].

Once an incident is reported, the Bank is committed to investigating it promptly, independently and objectively. Reports are triaged by an independent Review Team within the Bank Risk function, which initiates formal investigations within 24 hours [G1-1_10e]. This team is trained to handle reports with the highest level of independence, confidentiality, and care.

The Board Audit Committee receives monthly updates on the volume and nature of reports and is responsible for implementing any required action. In instances where claims are found to be valid following thorough investigation, the Chief Compliance Officer (CCO), supported and advised by the Internal Council, has the authority to take appropriate action, including the potential dismissal of the individuals concerned. The CCO must report all such cases to the Board Audit Committee, while the Internal Council is responsible for informing relevant legal authorities, as necessary.

The outcomes of investigations are reported to the administrative, management, and supervisory bodies, including the Audit & Risk Committee, and are documented with findings, corrective actions and recommendations for internal control improvements. Where breaches are confirmed, the Bank takes appropriate disciplinary measures, which may include warnings, suspension, termination, or legal action. Contracts with third parties may be terminated or not renewed in cases of non-compliance with business conduct standards.

All confirmed incidents are logged and monitored, and the Bank publishes an annual summary of reports received, investigations conducted, and outcomes achieved. Insights from investigations are used to continuously improve training programs, strengthen internal controls, and reinforce the Bank's culture of integrity.

5.3. Corruption and bribery

5.3.1 G1-3 Prevention and detection of corruption and bribery

Maintaining and promoting a culture of accountability

The Bank maintains and promotes a culture of accountability through an annual review of the Code of Conduct and an annual attestation by all employees as part of the Bank's annual mandatory training program, designed to ensure all employees embody the Bank's purpose and core values, understand their key role in preventing corruption and bribery and are aware of all the channels and support mechanisms to report misconduct or seek advice [G1-1_7, 10a, G1-3_18a, 21a]. The Bank's internal learning platform also facilitates continuous education and awareness campaigns, including quarterly updates on the principles of business conduct [G1-1_10g].

Since the renewal of the Code of Conduct in 2017, the Bank targets XX% completion of annual attestation and associated value and principles training across all service lines and high-risk third parties. The table below outlines the completion rates.

Value and principles training and annual attestation completion rates

Completion rates	Baseline (2017)	Current Year 2025	Prior year 2024	Target
Proportion of compliance with business conduct training, thereof	XX%	XX%	XX%	XX%
new employees	XX%	XX%	XX%	XX%
Proportion of compliance with conflict-of-interest policy requirements for				
all employees	XX%	XX%	XX%	XX%
high-risk third parties	XX%	XX%	XX%	XX%

To assess the impact of the Bank's culture on its employees, the Bank has included specific culture-focused questions in the Employee Insights survey. These questions address how comfortable employees feel reporting unethical behavior, the trust they place in leadership to do the right thing and their overall satisfaction with the workplace culture [G-1-1_9].

Bribery and corruption

The Bank has established processes to ensure prompt, independent and objective investigation of business conduct incidents relating to bribery and corruption. The Bank's anti-corruption and anti-bribery policy includes an internal investigative team, led by the Compliance Department, which conducts assessments and, where warranted, forensic investigations [G1-1_10e, G1-3_18a, G1-MDR-A_67]. This team operates separately from the chain of management to ensure impartiality and independence and leverages technical and forensic expertise to uphold professional standards [G1-3_18b].

In cases of confirmed misconduct, findings are reported to the Chief Compliance Officer. The Executive Reputational Risk Committee reviews internal initial follow-up or investigation outcomes, taking actions required, immediately if deemed appropriate. Subsequently, a report including root cause analysis is presented to the Board Risk Committee, which evaluates the implications and ensures that appropriate measures are taken in line with the Bank's commitment to responsible business conduct and governance best practices. If required, reporting is also submitted to the appropriate regulatory bodies. Through root cause analysis and, where applicable, updates to the policy when incidents occur, the Bank aims to eliminate opportunities for corruption and bribery to occur in all operations [G1-3_18c].

As part of the mandatory training curriculum, the Bank also has a dedicated training program on anti-bribery and corruption, covering the legal framework, internal policies, reporting mechanisms, and case studies to provide practical understanding [G1-3_18a, G1-3_21a]. This training is mandatory for all employees, with specialized in-depth sessions for individuals in roles considered at higher risk of encountering corruption and bribery issues [G1-3_18a, 21a].

The table below details the completion rates for this training course during the current reporting year, broken down by geography and business unit. Where employees fail to comply with their mandatory training requirements, cases are escalated to business unit leaders and can impact year-end employee reviews and ratings, including variable compensation outcomes.

Anti-bribery and corruption training completion rate by geography and business unit

[ESRS-2_MDR-M_77c]	Employees-at-risk ¹		All employees	
	2025	2024	2025	2024
Training coverage	XX%	XX%	XX%	XX%
thereof high-risk third parties	XX%	XX%	XX%	XX%
Training type	Classroom	Classroom	Online	Online
Duration	X hours	X hours	X hour	X hours
Frequency	Every year	Every year	Every year	Every year
Topics				
Definitions	X	X	X	X
Policy	X	X	X	X
Procedures on suspicion/ detection	X	X	X	X
Regional breakdown				
Europe	XX%	XX%	XX%	XX%
Asia-Pacific	XX%	XX%	XX%	XX%
Business unit				
Corporate Investment Banking	XX%	XX%	XX%	XX%
Commercial Lending	XX%	XX%	XX%	XX%
Retail Banking	XX%	XX%	XX%	XX%

[G1-3_21b, G1-3_AR7, G1-3_AR8]

Members of the Bank's administrative, management and supervisory bodies must also complete annual, in-depth training tailored to their governance roles, ensuring they are equipped to lead with integrity and oversee compliance with anti-corruption and bribery standards. All assigned trainings were successfully completed in 2025 and 2024. The Chief Compliance Officer is the senior executive responsible for overseeing its implementation and ensuring that all employees receive the necessary training.

5.3.2 G1-4 Incidents of corruption or bribery

The Bank has identified one material potential negative impact, and one material risk related to corruption, bribery and ethics. The Bank and the entities it finances may associate inherent risks related to money laundering and anti-bribery and corruption, which could lead to significant regulatory penalties, heightened terrorist and criminal financing risk and ultimately undermine the stability of the financial system and broader society. Failure to adequately manage these risks may lead to significant penalties and reputational damage.

During 2025, there were XX confirmed incidents of corruption or bribery which resulted in the dismissal of XX members of the workforce (there were no incidents in 2024). The nature of the incidents related to improper interactions with external stakeholders and were considered breaches of the Bank's Anti-corruption and Anti-bribery Policy. The Bank incurred fines in amount of € XX million (2024: € XX million) related to cases of corruption or bribery brought against the Bank, and there were XX public legal cases regarding corruption or bribery brought against the Bank and XX convictions against its workers in 2025 (2024: XX public legal cases, XX convictions) [G1-4_24a, 25a]. Refer to Note XX in the consolidated financial statements for details of legal provisions.

The Bank also maintains a rigorous and ongoing vetting process for its business partners to ensure compliance with the standards of integrity and ethical conduct. Due to this approach, the Bank had XX confirmed incidents of corruption or bribery related to contracts with business partners during the reporting period, resulting in XX terminations or non-renewals on these grounds (2024: XX terminations) [G1-4_24b, G1-4_25b, G1-4_25c].

5.4. Public policy and political engagement

5.4.1 G1-5 Political influence and lobbying activities

The Bank operates within the highly regulated banking sector, at both national and international levels. The Bank maintains ongoing and constructive dialogue with policymakers and politicians. The Bank does not make any direct political financial contributions, as outlined in the Political Influence and Lobbying Policy (available in full on the intranet in several languages) [G1-5_29b].

The Board Risk Committee holds the responsibility for monitoring and oversight of the political influence and lobbying activities. The Bank did not identify any breaches in relation to the Political Influence and Lobbying Policy in the current or previous reporting period.

Prior to making appointments to the Board or Executive team, the Bank conducts vetting and independence checks in accordance with applicable legal and privacy regulations [G1-5_29a]. The Board Nominations Committee oversees this process [G1-5_29a]. Post-appointment, an annual declaration is required by all board members and executives [G1-5_29a]. There have been no appointments of members to the Bank’s administrative, management, or supervisory bodies who held a comparable position in public administration, including regulatory roles, within the two years preceding their appointment [G1-5_30].

The Bank is registered in the EU Transparency Register with the identification number 123456789-XX [G1-5_29(d)].

The Bank incurs lobbying expenses and maintains paid memberships to industry associations to advance responsible policy making within the financial sector, particularly in areas that the Bank thinks will benefit its customers, employees, society and business.

The table below highlights the Bank’s contributions regarding lobbying efforts.

Total contributions [G1-5_AR12(a), G1-5_AR12(b)]

(In € billion) [ESRS-2_MDR-M_77c, 77d]	2025	2024
Internal and external lobbying spending	XXX	XXX
Industry and business association membership spending	XXX	XXX

The main lobbying topics covered by the Bank include anti-corruption and anti-bribery measures; regulatory developments related to the banking sector; competition and Innovation in the financial services industry; “sustainable finance” and energy transition, etc. [G1-5_29(c)].

5.5. Cybersecurity (entity-specific disclosure)

The Bank has identified one material potential negative impact and one material risk related to cybersecurity. Inadequate cybersecurity defenses during a cyber-attack could lead to negative impacts including financial losses, compromised safety of employees and customers and disruption to the Bank’s operational integrity, ultimately impacting service platforms, customer experience and overall financial wellbeing. Additionally, data breaches or other security failures may disrupt the Bank’s operational ability, leading to regulatory penalties and further financial losses.

The Bank’s ongoing digital transformation brings with it a growing need for continuous monitoring and improvement of measures to protect the Bank’s customers, people and information against cyber risk [ESRS-2_MDR-A_67]. The Bank acknowledges the increasing threat of cybercrime and has made significant investment over the past five years, to combat the threats they pose to ensure the digital safety and security of the Bank’s workforce and customers and to strengthen the resilience of the business [ESRS-2_MDR-A_68a].

The Bank’s Data Privacy and Protection Policy governs the way in which it manages its cyber risk to ensure it holds data securely (see Section 4.2.1) [ESRS-2_MDR-P_65a, ESRS-2_MDR-A_68b].

In line with these standards, the Bank conducts regular stress testing of its systems to simulate cyber-attack scenarios and evaluate the resilience of defenses [ESRS-2_MDR-A_68a]. In 2018, the Bank established a dedicated cybersecurity team reporting directly to the Chief Security Officer that operates around the clock, actively monitoring, detecting, and responding to potential threats in real-time [ESRS-2_MDR-A_68a, 68c, ESRS-2_MDR-P_65c].

The Bank’s cybersecurity controls, governance and practices are based on recognized industry standards, including certification to ISO 27001 [ESRS-2_MDR-A_68a]. These are applied globally across the Bank’s IT infrastructure, covering both upstream and downstream digital interactions with suppliers and customers

[ESRS-2_MDR-A_68b]. The Bank continuously reviews and enhances its cybersecurity measures to ensure ongoing alignment with evolving market standards and regulatory expectations [ESRS-2_MDR-A_68c].

The Bank has developed a cybersecurity program that includes simulated phishing exercises and mandatory security awareness sessions for all employees [ESRS-2_MDR-A_68a]. With the high-level ambition to minimize incidents, the Bank continuously monitors the effectiveness of its cyber defenses using a set of KPIs that track incident response times, resolution rates, and user compliance with security protocols [ESRS-2_MDR-A_68e]. These actions cover all digital operations, protect upstream and downstream data exchanges, and are applicable across all geographies where the Bank operates [ESRS-2_MDR-P_65b, ESRS-2_MDR-A_68b]. The Bank's cybersecurity efforts have cost €XX m (2024: €XX m) to date with an additional €XX m spend anticipated over the next three years. These costs form part of the overall operating expenses reported in the consolidated income statement [ESRS-2_MDR-A_69a, 69b, 69c, 68e].

Additionally, to ensure progression against the Bank's cybersecurity commitments to data security, the Bank annually reviews and sets targets in consultation with relevant stakeholders [ESRS-2_MDR-P_65e, ESRS-2_MDR-A_68e]. These apply to all areas of the Bank's operations, including its entire workforce and all digital platforms, both internally and externally facing, across all regions and include the following [ESRS-2_MDR-P_65b, ESRS-2_MDR-A_68b, 68c]:

- Cybersecurity training: the goal is to achieve XX% employee completion within the next 12 months [ESRS-2_MDR-A_68c].

This training is a key component of the Bank's strategy to foster a knowledgeable workforce that can effectively respond to emerging cyber threats. In 2025, XX% of employees completed mandatory cybersecurity training (2024: XX%), supporting the Bank's commitment to digital risk management and operational resilience [MDR-T_79c].

- Phishing susceptibility: the goal is to reduce phishing susceptibility by XX% within the next 12-month period [ESRS-2_MDR-A_68c].

To assess the success of phishing prevention efforts, the Bank conducts regular simulated phishing tests and aims to achieve a year-on-year improvement in its detection rate. In 2025, the proportion of employees failing simulated phishing susceptibility tests decreased to XX% (2024: XX%), reflecting improved awareness and resilience to social engineering attacks [MDR-T_79c]. The Bank resolves phishing cases within XX days.

These targets will be evaluated annually to ensure the Bank's cybersecurity efforts stay effective and adapt to emerging challenges with regular reviews by both the Chief Security Officer and Chief Risk Officer and updates to the Board Risk Committee and Executive Risk Committee [ESRS-2_MDR-T_80j].

In 2025, the Bank invested €X million (2024: €X million) in cybersecurity measures, including technology upgrades, continuous monitoring and employee awareness programs. [MDR-M_75].

6. Appendix A

Appendix A is not part of the sustainability statement but part of the Bank's management report, which is incorporated by reference in the sustainability report.

6.1 List of disclosure requirements complied with and datapoints that derive from other EU legislation²⁰

Standard	Disclosure requirement	Title	ESRS datapoint derived from other EU legislation	Applicable other EU legislation ^{21 22 23 24}	Datapoint derived from other EU legislation not material?	Section reference
ESRS 2		General disclosures				
	BP-1	General basis for preparation of the sustainability statement				2.1.1
	BP-2	Disclosures in relation to specific circumstances				2.1.2
	GOV-1	The role of the administrative, management and supervisory bodies	Board's gender diversity Paragraph 21 (d)	SFDR Benchmark regulation		2.2.1 Management report - section XXX ²⁵
			Percentage of board members who are independent Paragraph 21 (e)	Benchmark regulation		
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies				2.2.2
	GOV-3	Integration of sustainability-related performance in incentive schemes				2.2.3

²⁰ This table is intended to address DR ESRS 2 IRO-2 Paragraph 56.

²¹ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

²² Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

²³ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

²⁴ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

²⁵ Part of information is incorporated by reference. Please see section [2.1.2 BP-2 Disclosures in relation to specific circumstances](#) for more details.

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Standard	Disclosure requirement	Title	ESRS datapoint derived from other EU legislation	Applicable other EU legislation ^{21 22 23 24}	Datapoint derived from other EU legislation not material?	Section reference
	GOV-4	Statement on due diligence	Paragraph 30	SFDR		2.2.4
	GOV-5	Risk management and internal controls over sustainability reporting				2.2.5
	SBM-1	Strategy, business model and value chain	Involvement in activities related to fossil fuel activities Paragraph 40 (d) i	SFDR Pillar 3 Benchmark regulation	Not material	2.3.1 Management report - section XXX ²⁶
			Involvement in activities related to chemical production Paragraph 40 (d) ii	SFDR Benchmark regulation	Not material	
			Involvement in activities related to controversial weapons Paragraph 40 (d) iii	SFDR Benchmark regulation	Not material	
			Involvement in activities related to cultivation and production of tobacco Paragraph 40 (d) iv	Benchmark regulation	Not material	
	SBM-2	Interests and views of stakeholders				2.3.2
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model				2.4.1
	IRO-1	Description of process to identify and assess material impacts, risks and opportunities				2.4.2 3.2

²⁶ Part of information is incorporated by reference. Please see Section [0](#) for more details.

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Standard	Disclosure requirement	Title	ESRS datapoint derived from other EU legislation	Applicable other EU legislation ^{21 22 23 24}	Datapoint derived from other EU legislation not material?	Section reference
	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement				Appendix A
E1		Climate change				
	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes				2.2.3
	E1-1	Transition Plan for climate change mitigation	Transition Plan to reach climate neutrality by 2050 Paragraph 14	EU Climate Law		3.4.1
			Undertakings excluded from Paris-aligned benchmarks Paragraph 16 (g)	Pillar 3 Benchmark regulation		
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model				3.1 3.3.1
	ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities				3.2
	E1-2	Policies related to climate change mitigation and adaptation				3.5.1
	E1-3	Actions and resources in relation to climate change policies				3.5.2
	E1-4	Targets related to climate change mitigation and adaptation	GHG emission reduction targets Paragraph 34	SFDR Pillar 3 Benchmark regulation		3.5.3
	E1-5	Energy consumption and mix	Energy consumption from fossil sources disaggregated by sources	SFDR		3.6.1

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Standard	Disclosure requirement	Title	ESRS datapoint derived from other EU legislation	Applicable other EU legislation ^{21 22 23 24}	Datapoint derived from other EU legislation not material?	Section reference
			(only high climate impact sectors) Paragraph 38			
			Energy consumption and mix Paragraph 37	SFDR		
			Energy intensity associated with activities in high climate impact sectors Paragraphs 40 to 43	SFDR		
	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Gross Scope 1, 2, 3 and Total GHG emissions Paragraph 44	SFDR Pillar 3 Benchmark regulation		3.6.2
			Gross GHG emissions Intensity Paragraphs 53 to 55	SFDR Pillar 3 Benchmark regulation		
	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	GHG removals and carbon credits Paragraph 56	EU Climate Law		7.1
	E1-8	Internal carbon pricing				7.1
	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Exposure of the benchmark portfolio to climate-related physical risks Paragraph 66	Benchmark regulation		3.7 7.1
			Disaggregation of monetary amounts by acute and chronic physical risk Paragraph 66 (a)	Pillar 3		

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Standard	Disclosure requirement	Title	ESRS datapoint derived from other EU legislation	Applicable other EU legislation ^{21 22 23 24}	Datapoint derived from other EU legislation not material?	Section reference
			Location of significant assets at material physical risk Paragraph 66 (c)			
			Breakdown of the carrying value of its real estate assets by energy-efficiency classes Paragraph 67 (c)	Pillar 3		
			Degree of exposure of the portfolio to climate-related opportunities Paragraph 69	Benchmark Regulation		
S1		Own workforce				
	ESRS 2 SBM-2	Interests and views of stakeholders				2.3.2
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Risk of incidents of forced labor Paragraph 14 (f)	SFDR		4.1
			Risk of incidents of child labor Paragraph 14 (g)	SFDR		
	S1-1	Policies related to own workforce	Human rights policy commitments Paragraph 20	SFDR		4.2.1
			Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8 Paragraph 21	Benchmark Regulation		

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Standard	Disclosure requirement	Title	ESRS datapoint derived from other EU legislation	Applicable other EU legislation ^{21 22 23 24}	Datapoint derived from other EU legislation not material?	Section reference
			Processes and measures for preventing trafficking in human beings Paragraph 22	SFDR		
			Workplace accident prevention policy or management system Paragraph 23	SFDR		
	S1-2	Processes for engaging with own workforce and workers' representatives about impacts				4.2.2
	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Grievance/complaints handling mechanisms Paragraph 32 (c)	SFDR		4.2.3
	S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions				4.1 4.4 4.5 4.6
	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities				4.1 4.4 4.5 4.6
	S1-6	Characteristics of the undertaking's employees				4.3.1
	S1-7	Characteristics of non-employee workers in the undertaking's own workforce				4.3.2
	S1-8	Collective bargaining coverage and social dialogue				7.1
	S1-9	Diversity metrics				4.4.1

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Standard	Disclosure requirement	Title	ESRS datapoint derived from other EU legislation	Applicable other EU legislation ^{21 22 23 24}	Datapoint derived from other EU legislation not material?	Section reference
	S1-10	Adequate wages				7.1
	S1-11	Social protection				4.4.3
	S1-12	Persons with disabilities				4.3.1
	S1-13	Training and skills development metrics				4.5.1
	S1-14	Health and safety metrics	Number of fatalities and number and rate of work-related accidents Paragraph 88 (b) Paragraph 88 (c)	SFDR Benchmark regulation		7.1
			Number of days lost to injuries, accidents, fatalities or illness Paragraph 88 (e)	SFDR		
	S1-15	Work-life balance metrics				4.4.3
	S1-16	Remuneration metrics (pay gap and total compensation)	Unadjusted gender pay gap Paragraph 97 (a)	SFDR Benchmark regulation		4.4.2
			Excessive CEO pay ratio Paragraph 97 (b)	SFDR		
	S1-17	Incidents, complaints and severe human rights impacts	Incidents of discrimination Paragraph 103 (a)	SFDR		4.6.2
			Non-respect of UNGPs on Business and Human Rights and OECD Paragraph 104 (a)	SFDR Benchmark regulation		
G1		Business conduct				
	ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies				2.2.1

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Standard	Disclosure requirement	Title	ESRS datapoint derived from other EU legislation	Applicable other EU legislation ^{21 22 23 24}	Datapoint derived from other EU legislation not material?	Section reference
						Management report - section XXX ²⁷
	ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities				2.4.2
	G1-1	Business conduct policies and corporate culture	United Nations Convention against Corruption Paragraph 10 (b)	SFDR	Not material	5.2 7.1
			Protection of whistle-blowers Paragraph 10 (d)	SFDR		
	G1-2	Management of relationships with suppliers				5.2 7.1
	G1-3	Prevention and detection of corruption and bribery				5.3.1 7.1
	G1-4	Incidents of corruption or bribery	Fines for violation of anti-corruption and anti-bribery laws Paragraph 24 (a)	SFDR Benchmark regulation		5.3.2
			Standards of anti-corruption and anti-bribery Paragraph 24 (b)	SFDR		
	G1-5	Political influence and lobbying activities				5.4.1
	G1-6	Payment practices				7.1

²⁷ Part of information is incorporated by reference. Please see Section [2.1.2](#) for more details.

7. Appendix B

Appendix B is not part of the sustainability statement and is provided solely for informational purposes.

7.1. Disclosure requirements that are not illustrated

This statement does not illustrate the following disclosure requirements or data points. Please note that the list below excludes voluntary disclosure requirements or data points:

Disclosure requirement	ESRS Reference	Description	Reason
ESRS 2 BP-1	ESRS 2 BP-1 Paragraph 5 b ii	Indication of which subsidiary undertakings included in the consolidation are exempted from individual or consolidated sustainability reporting pursuant to Articles 19a (9) or 29a (8) of Directive 2013/34/EU;	Not applicable
ESRS 2 BP-2	ESRS 2 BP-2 paragraph 9 b	Disclosure of reasons for applying different definitions of time horizons	Not applicable
ESRS 2 BP-2	ESRS 2 BP-2 paragraph 13	Disclosures related to changes in preparation or presentation of sustainability information	Not applicable
ESRS 2 BP-2	ESRS 2 BP-2 paragraph 14	Disclosures related to reporting errors in prior periods	Not applicable
ESRS 2 BP-2	ESRS 2 BP-2 paragraph 15	Disclosure of reference to paragraphs of other standards or framework applied	Not applicable
ESRS 2 BP-2	ESRS 2 BP-2 Paragraph 17a-e	Disclosures on material topics for which information as required by ESRS E4, S1, S2, S3 or S4 is omitted in accordance with ESRS 1 Appendix C.	Not applicable
ESRS 2 GOV-1	ESRS 2 GOV-1 paragraph 21c-e	Information about the composition and diversity of the members of the undertaking's administrative, management and supervisory bodies	Incorporated by reference
ESRS 2 SBM-1	ESRS 2 SBM-1 paragraph 40 aiv	Information on products and services that are banned in certain markets where material	Not applicable
ESRS 2 SBM-1	ESRS 2 SBM-1 paragraph 40 b	Revenue by significant ESRS Sectors	Phased-in provision applied
ESRS 2 SBM-1	ESRS 2 SBM-1 paragraph 40 c	List of additional significant ESRS sectors in which significant activities are developed or in which undertaking is or may be connected to material impacts	Phased-in provision applied
ESRS 2 SBM-1	ESRS 2 SBM-1 AR 12	Mapping of significant activities in accordance with ESRS sectors to provide the information on sectors	Not applicable
ESRS 2 SBM-1	ESRS 2 SBM-1 Paragraph 40 di, ii, iii, iv	Statement indicating, together with related revenues, that the undertaking is active in fossil fuel, chemicals production, controversial weapons, and/or cultivation and production of tobacco.	Not applicable
ESRS 2 SBM-1	ESRS 2 SBM-1 paragraph 41	List of ESRS sectors that are significant for undertaking	Not illustrated for the purpose of this illustrative sustainability statement
ESRS 2 SBM-2	ESRS 2 SBM-2 paragraph 45ciii	Information on steps likely to modify the relationship with and views of stakeholders	Not applicable

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Disclosure requirement	ESRS Reference	Description	Reason
ESRS 2 SBM-3	ESRS 2 SBM-3 paragraph 48e	Anticipated financial effects	Only illustrated for certain data points for the purpose of this illustrative sustainability statement
ESRS 2 IRO-2	ESRS 2 IRO-2 paragraph 57	Disclosure of a detailed explanation of the conclusions of the materiality assessment with regard to climate change if it is concluded that climate change is not material	Not applicable
ESRS 2 MDR-P, MDR-A	ESRS 2 MDR-P, MDR-A paragraph 62	Sustainability matter(s) for which policies and actions have not been adopted	Not applicable
ESRS 2 MDR-A	ESRS 2 MDR-A paragraphs 68d	Disclosure of key actions taken to provide for and cooperate in or support the provision of remedy for those harmed by actual material impacts	Not applicable
E1-1	ESRS E1 E1-1 Paragraph 16c-e	Disclosure of financial resources allocated to the action plan and an explanation of any objective or plans that the undertaking has for aligning its economic activities (revenues, CapEx, OpEx) with the criteria established in Commission Delegated Regulation 2021/2139 (29)	Not illustrated for the purpose of this illustrative sustainability statement
E1-3	ESRS E1 E1-3 Paragraph 29cii and iii	Disclosure of significant monetary amounts of CapEx and OpEx required to implement the actions taken or planned to: (ii) the key performance indicators required under Commission Delegated Regulation (EU) 2021/2178; and (iii) if applicable, the CapEx plan required by the Commission Delegated Regulation (EU) 2021/2178	Not illustrated for the purpose of this illustrative sustainability statement
E1-5	ESRS E1 E1-5 paragraph 38	Disaggregation of total energy consumption from fossil sources for operations in high climate impact sectors.	Not applicable
E1-5	ESRS E1 E1-5 paragraph 39	Disclosure of non-renewable energy production and renewable energy production	Not applicable for non-renewable energy production
E1-5	ESRS E1 E1-5 paragraph 40-43	Disclosure of energy intensity based on net revenue associated with activities in high climate impact sectors	Not applicable
E1-6	ESRS E1 E1-6 AR 43c	Disclosure of biogenic emissions of CO ₂ from the combustion or biodegradation of biomass not included in Scope 1 GHG emissions	Not applicable
E1-6	ESRS E1 E1-6 paragraph 50	Scope 1 and 2 GHG emissions - breakdown between consolidated accounting and other investees not fully consolidated	Not applicable
E1-6	ESRS E1 E1-6 AR 50	Presentation of the Scope 3 GHG emissions by according to the indirect emission categories defined in EN ISO 14064-1:2018	Not applicable
E1-7	ESRS E1 E1-7 paragraph 56	Disclosure of GHG removals and mitigation projects financed through carbon credits.	Not illustrated for the purpose of this illustrative sustainability statement
E1-8	ESRS E1 E1-8 Paragraph 62	Internal carbon pricing	Not applicable
E1-9	ESRS E1 E1-9 Paragraph 66d, 67d, 67d, 69, 70	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Only illustrated for certain data points for the purpose of this illustrative sustainability statement

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Disclosure requirement	ESRS Reference	Description	Reason
S1-2	ESRS S1 S1-2 paragraph 29	Statement in case the undertaking has not adopted a general process to engage with its own workforce	Not applicable
S1-3	ESRS S1 S1-3 paragraph 34	Statement in case the undertaking has not adopted a channel for raising concerns	Not applicable
S1-8	ESRS S1 S1-8 paragraph 58	Collective bargaining coverage and social dialogue	Not material
S1-10	ESRS S1 S1-10 paragraph 67	Adequate wages	Not material
S1-14	ESRS S1 S1-14 paragraph 86	Health and safety metrics	Not material
G1-1	ESRS G1 G1-1 Paragraph 10f	Policies with respect to animal welfare	Not material
G1-2	ESRS G1 G1-2 Paragraph 15	Relationships with suppliers and consideration of social and environmental criteria for their selection	Not material
G1-3	ESRS G1 G1-3 paragraph 19	Plan to adopt procedures to prevent and detect corruption and bribery, if they are not in place	Not applicable
G1-6	ESRS G1 G1-6 paragraph 31	Payment practices	Not material
G1 ESRS 2 GOV-1	ESRS G1 ESRS 2 GOV-1 Paragraph 5b	Disclosure of expertise of administrative, management and supervisory bodies on business conduct matters	Incorporated by reference

7.2. Glossary of abbreviations and terms

Abbreviations	Full term
AR	Application Requirements
BP	Basis for preparation
CO ₂	Carbon Dioxide
CapEx	Capital Expenditure
COO	Chief Operating Officer
CSO	Chief Sustainability Officer
CSRD	Corporate Sustainability Reporting Directive
DEI	Diversity, Equity and Inclusion
DMA	Double materiality analysis
DP	Data point
DR	Disclosure requirements
EAP	Employee assistance program
EEA	European Economic Area
EPC	Energy Performance Certificate
ESMA	European Securities and Markets Authority
ESRS	European Sustainability Reporting Standards
ESRS 2	European Sustainability Reporting Standards 2 General disclosures
ESRS E1	European Sustainability Reporting Standards E1 Climate change
ESRS G1	European Sustainability Reporting Standards G1 Business conduct
ESRS S1	European Sustainability Reporting Standards S1 Own workforce
EUR	Euro
FTE	Full-time equivalent
GFA	Global Framework Agreement
GHG	Greenhouse Gas
GOV	Governance
GWP	Global Warming Potential
HFCs	Hydrofluorocarbons
IPCC	Intergovernmental Panel on Climate Change
IRO	Impacts, Risks and Opportunities
ISO	International Organization for Standardization
LGBTQI	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex
LTIF	Lost Time Incident Frequency
MDR	Minimum disclosure requirement
MWh	Mega-Watt-hours
OECD	Organization for Economic Co-operation and Development
OpEx	Operating Expenditure
SBM	Strategy and business model
SBTi	Science Based Targets Initiative
SCE	Societas Cooperativa Europaea

Abbreviations	Full term
SDGs	Sustainable Development Goals
SE	Societas Europaea
SFDR	Regulation (EU) 2019/2088 of the European Parliament and of the Council (3) (Sustainable Finance Disclosures Regulation)
SME	Small and medium providers
TCFD	Task Force on Climate-Related Financial Disclosures
UN	United Nations
UNGP	United Nations Guiding Principles

Please refer to “ANNEX II ACRONYMS AND GLOSSARY OF TERMS, Table 2 Terms defined in the ESRS” in ESRS as published in the Commission Delegated Regulation 2023/2772 for the definition of the terms used for the preparation of the illustrative sustainability statement in accordance with the ESRS.

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