

Sustainable Lending Framework

Oberbank SUSTAINABLE

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Preamble

The revised version of our Sustainable Lending Framework came into force in January 2024. The reason for the revision of our Sustainable Corporate Lending Framework was the publication of environmental objectives three to six of the EU Taxonomy. As a result, new sustainable categories and financing activities have been included in our Lending Framework. The scope of application was also changed: Whereas the first edition only covered corporate financing, this framework also includes retail financing in the scope of the project evaluation and audit. The Sustainable Corporate Lending Framework has thus become a "Sustainable Lending Framework".

Another change to the Sustainable Lending Framework was implemented in the area of impact reporting: Since 2021, Oberbank has calculated and published our financed greenhouse gas emissions using the PCAF methodology (see Oberbank's Sustainability Report: <https://www.oberbank.at/strategy>) The greenhouse gas emissions saved and social impacts are also published annually as part of the impact reporting for our products "Oberbank Green Bond" and "Sustainable Accounts" (see: <https://www.oberbank.at/kennzahlen-berichte>). Due to these extensive publications and the much more precise presentation of the greenhouse gas emissions of our financing using the PCAF method, separate impact reporting of the Sustainable Lending Framework is not required.

The framework applies to corporate and retail customer financing in all Oberbank markets.

Oberbank AG

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

With over 2,100 employees, it serves both private and corporate customers and provides its customers with a full range of financial services.

Sustainability at Oberbank

Sustainability strategy and goals

Sustainable thinking and action have always been an integral part of Oberbank's value-based strategy. With all measures and activities within the framework of our sustainability strategy, Oberbank aims to contribute to the sustainable development of the environment and society

Oberbank's sustainability strategy combines measures and strategic goals in the three areas of E-Environment, S-Social and G-Governance.

Oberbank's sustainable activities are recognized by national and international rating agencies and awards. All current information and publications on the topic of sustainability at Oberbank are available at [oberbank.at/nachhaltigkeit](https://www.oberbank.at/nachhaltigkeit).

ESG risks - Sustainable lending policy

From Oberbank's perspective, the issue of sustainability is also inseparably linked to the management of a bank's credit risks. Sustainability risks may have a negative impact on Oberbank's borrowers and, consequently, on our credit risk. Climate-related sustainability risks include physical risks such as extreme weather events that are favored by climate change and can cause severe (also financial) damage. For example, climate-related disasters can interrupt supply chains or destroy business models due to changes in environmental conditions.

On the other hand, companies can be severely affected by climate-related transition risks, as changes in policy (e.g. CO2 taxes) or technological changes (e.g. electromobility) can pose a threat to companies that fail to adapt. Increasing awareness of climate protection and changing social expectations can lead to a significant change in consumer behavior. Sustainability risks in the areas of social issues and corporate governance can also have a negative impact on a company's net assets, financial position and results of operations. For example, reputational risks can hinder the sale of the products produced.

In addition to other economic factors, ESG criteria are also taken into account when making financing decisions. In addition, Oberbank offers a sustainability check on its website, the results of which form the basis for sustainability discussions with customers.

These ESG soft facts, the results of the sustainability check and the resulting questions serve as the basis for customer meetings with our corporate customer advisors (sustainability meeting). In these meetings, Oberbank's corporate customer advisors identify and assess the material ESG risks of our customers.

In addition, an ESG risk assessment of the overall portfolio is carried out at least twice a year. This is published once a year in the sustainability statement.

Sustainability organization at Oberbank

A sustainability organization was established at Oberbank in 2019 to ensure that sustainability is firmly anchored in the various departments.

The ESG unit was established on January 1, 2022. This unit bears the main responsibility for Oberbank's sustainability strategy and the implementation activities derived from it. It is the first point of contact and coordination for various sustainability agendas within the Group. All relevant topics and inquiries converge at this position. Necessary activities are assigned to the sustainability officers in the respective departments and their implementation is accompanied and monitored.

In addition, the ESG unit is also responsible for the ongoing involvement of external stakeholders and the organization of the sounding board.

Oversight			
Oberbank AG Supervisory Board			
Management Board			
Board of Directors			
Dr. Franz Gasselsberger, MBA Florian Hagenauer, MBA Martin Seiter, MBA Mag.^a Isabella Lehner, MBA Management Board Member responsible for sustainability			
Strategy and steering			
ESG Unit	Sustainability Steering Committee	Stakeholder Sounding Board	Green Bond Committee
Sustainability hub	Full Management Board & department heads	Members from the private and public sector, interest groups and advisors	Full Management Board, responsible department heads and sustainability officers
Implementation			
Employees of the ESG Unit Sustainability officers of the central departments All employees when working on projects and brainstorming			

Illustration 1 Organizational chart sustainability organization

Oberbank Sustainable Lending Framework

Based on our sustainability strategy, we see it as our responsibility to accompany our customers through the transition to sustainable economic growth and to provide them with the best possible support in achieving the Paris climate goals.

To obtain uniform criteria for the assessment of environmentally and socially sustainable financing, a Sustainable Corporate Lending Framework was developed in June 2022 that is closely aligned with the technical assessment criteria of environmental objectives one and two (climate change mitigation and adaptation) of the EU Taxonomy (Regulation (EU) 2020/852). In November 2023, the EU published the technical assessment criteria for environmental objectives 3 to 6:

- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Additions to the criteria for the environmental goals of climate protection and climate change adaptation were also published in November 2023.

Based on these assessment criteria, we have revised our Sustainable Corporate Lending Framework and expanded it in line with our sustainability strategy.

With this framework, we not only regulate sustainable financing in the corporate customer segment, but also extend the assessment to financing in the retail customer segment. Thus, the Corporate Lending Framework will become a comprehensive Sustainable Lending Framework for all Oberbank markets.

The framework consists of the following core elements:

- Use of proceeds
- Process for evaluation and selection
- Management of proceeds
- Reporting and review

Use of proceeds

Together with the ESG criteria for loan and investment financing described in the Annex, this framework defines which projects Oberbank considers to be sustainable. These sustainable financings serve to use the proceeds from sustainable financial investment products, such as sustainable bonds or deposits in sustainable accounts. Together, these new and existing financings of suitable sustainable projects form the basis for the Oberbank Sustainable Finance Pool, our portfolio of Oberbank sustainable financings.

Sustainable loan and investment financing includes investment loans, refinancing, lease financing and promissory note loans if they meet the environmental, social and corporate governance criteria described in the Annex.

Financing in the environment sector

Appropriate sustainable financing in this area makes a contribution to the environmental goals of the European Union:

1. Climate protection
2. Adaptation to climate change
3. Sustainable use and conservation of water and marine resources
4. Transition to a circular economy
5. Prevention and reduction of environmental pollution
6. Protection and restoration of biodiversity and ecosystems

Oberbank is also committed to the SDGs of the United Nations, and so this sustainable financing contributes to the SDGs, which are listed in the individual categories.

Below you will find the categories of eligible, sustainable, ecological financing derived from this.

In the Environment area, the Sustainable Finance Pool comprises the following categories:

- Green Buildings
- Research and development
- Renewable energy
- Energy efficiency
- Clean mobility
- Circular economy
- Conservation of natural resources and biodiversity

Green Buildings

Financed by the

- New construction and acquisition of energy-efficient residential and non-residential buildings (offices, retail outlets, etc.)
- New construction and acquisition of residential and non-residential buildings certified to the following internationally recognized building standards:
 - ÖGNI/DGNB at least Silver Standard
 - BREEAM certification at least "Good"
 - LEED certification at least "Silver" standard
- Major building renovations that improve energy efficiency
- Individual renovation measures that improve the energy efficiency of the building
- Systems (production machines, processes) for the manufacture of energy-efficient building equipment such as thermally insulating windows, insulating materials, etc.



Research and development (R&D reduction of greenhouse gas emissions)

The project funding is intended to bring a solution to the market that is not yet available on the market. The implementation of the technologies, products or other solutions being researched leads to an overall reduction in net greenhouse gas emissions over their entire life cycle (cf: Annex I, Regulation (EU) 2020/852; 9.1.3, p 200).



Renewable energy

It finances the construction, operation and production facilities for the manufacture and storage of renewable energy technologies. Here are the details:

- **Renewable energies:**
 - Power generation using photovoltaics
 - Power generation from wind
 - Heat generation using solar energy
 - Power generation with run-of-river power plants
 - Electricity/heating/cooling generation from bioenergy, such as
 - Biofuels (e.g. wood)
 - Biogas
 - Biofuels
 - Green hydrogen
 - Heat/cold generation from waste heat
 - Heat/cold generation with electric heat pumps
 - Geothermal plants

- Plants for the production of renewable energy technologies and green hydrogen
- Investments in the storage, transmission and distribution of renewable energy and the production of the necessary equipment



Energy efficiency

Replacement investments in machinery, operating and office equipment if the increase in efficiency in kWh/a is at least 25 %.



Clean transportation

This includes financing the purchase or leasing of vehicles without direct CO₂ emissions, i.e. purely electric or hydrogen-powered vehicles.

- Cars, trucks (all classes), motorcycles, bicycles and cargo bikes, devices for personal mobility (e.g. scooters), vehicles for internal company transport
- Rail vehicles
- Inland navigation

The plants for the production of automotive and mobility components for CO₂-emission-free vehicles and rail vehicles are also included.



Circular economy

The circular economy is an economic model that aims to share, lease, reuse, repair, refurbish and recycle in an (almost) closed loop in order to obtain the maximum benefit and value from products, components and materials:¹

¹ Cf. <https://www.europarl.europa.eu/>: Circular economy: definition and benefits, page 2

Investments in this area relate to the acquisition of suitable production technologies and processes to implement the circular economy. Specifically, they include

- Waste and secondary raw materials: facilities for collection, transportation, treatment, dismantling, sorting, pollutant removal and material recycling
- Investments in the production of plastic packaging if circular raw materials are used or reusable packaging is produced and is recyclable on a large scale.
- Investments in the manufacture of electrical and electronic equipment with the EU Ecolabel
- Investments in plants for the manufacture of Cradle-to-Cradle certified products with at least SILVER certification.



Excursus: Cradle-to-Cradle certified

"Cradle to Cradle® is a design principle that was developed in the 1990s by Prof. Dr. Michael Braungart, William McDonough and EPEA Hamburg. It stands for innovation, quality and good design. Translated, it means "from the cradle to the cradle" and describes the safe and potentially infinite circulation of materials and nutrients in cycles. All ingredients are chemically harmless and recyclable. Waste in today's sense, as generated by the previous "take-make-waste" model, no longer exists, only usable nutrients"². As this certification standard requires a high level of integration of the circular economy into a company, it was included as a sustainability criterion in the area of the circular economy.

Environmentally sustainable management of living resources and land use and terrestrial biodiversity

Financing in this area relates to water conservation and the preservation and improvement of biodiversity.

Sustainable water management

Investments are financed in the

- Water supply: Water extraction, water treatment and water supply systems for human and industrial use.

Biodiversity

This category includes investment financing

- for the conservation, including restoration, of habitats, ecosystems and species. This includes afforestation and the rehabilitation and restoration of forests, including natural forest regeneration.
- in the operation of an organic farm certified according to EU Regulation 2018/848.



² Cradle to Cradle - Rethinking products - EPEA: <https://epea.com/ueber-uns/cradle-to-cradle>

Financing in the area of social

Financing in this area contributes to sustainable social development that serves the common good and supports the general public.

Access to basic social services is financed in the following areas:

- **Education and vocational training:** Investments and projects in connection with various types of schools (compulsory and vocational schools), universities, universities of applied sciences, kindergartens, adult education, and early education programs.
- **Social and healthcare services:** Investments and projects in connection with childcare facilities, retirement and nursing homes, workshops for the disabled, spa and rehabilitation centers, hospitals, and hospices to ensure basic healthcare.
- **Non-profit housing:** Investments and projects in housing construction by non-profit housing associations.
- **Social subsidies:** subsidized investment/interest subsidies or investment premiums for investments and projects granted by the EU or the federal and state governments to cushion social or economic hardship in the corporate sector, provided there is an EU-wide emergency, such as a pandemic or political crisis, or in the event of a natural disaster. The measures are aimed at preserving jobs or mitigating unemployment in cross-border crises.



The criterion for socially sustainable financing is based on the investor's focus on the common good. The investment is classified as socially sustainable if the investor/borrower is a public body (federal government, federal states, local authorities) or non-profit institution. Proof of non-profit status must be provided in accordance with national tax legislation on tax concessions based on non-profit status.

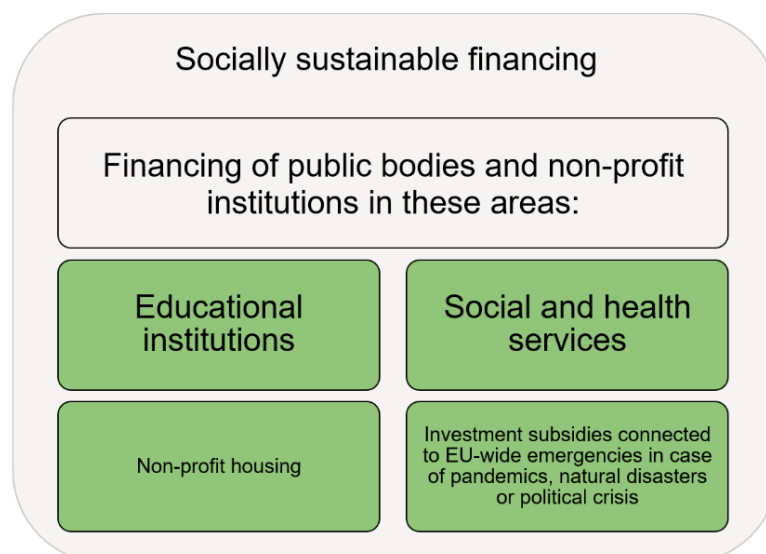


Illustration 2 Socially sustainable financing

Governance rules for sustainable financing

In the area of sustainable governance, Oberbank distances itself from industries, companies and business practices if labor law and human rights violations or illegal and controversial business or environmental practices are known or become known in the course of the business relationship. To this end, a comprehensive portfolio review was also carried out.

Exclusion criteria for absolutely excluded transactions were formulated for this purpose. The exclusion criteria for sustainability aspects are mandatory for new customer business and new business areas for existing customers and are not subject to approval. This check is carried out automatically when the financing is created and processed by the specialist department.

The current version was published in May 2022. A revision is currently underway, and publication is planned for April 2024. (see <https://www.oberbank.at/strategie>).

Exclusion criteria

Oberbank considers the following economic activities and sectors to have increased ESG risk potential and excludes them:

- Nuclear energy
- Illegal substances (addictive substances)
- Harmful substances
- Gems and conflict minerals
- Fishing
- Trade in protected animals or export leather and animal testing
- High-volume fracking and extraction of oil sands
- Crude oil
- Coal
- Controversial and heavy weapons
- Embryo research
- Pornography industry and comparable industries



Detailed information and examples can be found on the Oberbank website <https://www.oberbank.at/strategie>.

Process for evaluation and selection

Oberbank has established a detailed credit process for sustainable financing.

The process for identification and verification supplements the standardized credit application process according to internal guidelines.

Loans classified as sustainable are removed from the Oberbank Sustainable Portfolio in the event of (early) repayment, redemption, sale or loss of eligibility status.

The use of funds over the term of the financing is contractually regulated and our customers are obliged to report any changes in the use of funds immediately.

Management of proceeds

The proceeds from sustainable investment products (green bonds, etc.) are used exclusively for lending and investment activities in suitable sustainable projects in accordance with this framework. This sustainable financing is pooled internally in a portfolio approach in the Sustainable Finance Pool. Allocation is made by means of an internal identification of the individual loan financing as environmentally or socially sustainable financing, which is mapped in the core banking system.

Reporting and review

Impact reporting

The development of the exposure to sustainable financing is included in the internal reporting and published in the sustainability statement. To be able to evaluate the impact of our green investment products and accounts at a later stage, we consider the ICMA Principles to be an important basis for our impact reporting. In order to be able to collect the relevant data when the financing is recorded, impact factors are defined for each category, which are subsequently published for each product in accordance with the OBK bond frameworks or account frameworks. Where possible, the impact factors are preferably stated as a measurable figure, e.g. as a reduction in GHG emissions or energy savings. Where this is not possible or the data is not available, a qualitative description of the impact is used.

Quantitative impacts are adjusted to the volume of financing utilized. The impact factors in the area of social financing are based on training places on the one hand and the number of beds on the other. In the area of social funding, the financing volume was selected as the impact factor.

This impact reporting is published as part of Oberbank's impact reporting on the individual products.

Impact factors

The following impact factors were selected:

ICMA category	Impact factor/results indicator
Green Building	o saved to CO ₂ Ä /a in relation to the average HWB according to Austrian building typology ((cf. A typology of Austrian residential buildings, brochure Episcop, ed. Austrian Energy Agency, Vienna 2015)
Individual measures	o Individual renovation measures: kWh/a saved or to CO ₂ Ä /a, if data available; otherwise description of the renovation measures

Renewable energy	<ul style="list-style-type: none"> o Savings to CO₂Ä /a through the generation of renewable electricity compared to the country-specific electricity mix o Heat from biomass: savings to CO₂Ä /a in relation to the use of natural gas
Manufacture	o Number and capacity of plant(s) for the production of renewable energy technologies or green hydrogen
Storage	o Capacity of storage facilities for renewable energies in kWh/a
Transmission networks	o Number and capacity of renewable energy installation(s) connected to the transmission grids (kW/a), if any
Energy efficiency	o kWh/a or CO ₂ Ä /a saved compared to the country-specific electricity mix
Clean mobility	o Vehicles (trucks, cars): saved tons of CO ₂ Ä /a according to average mileage
	o Number of production facilities financed including description (production quantities, if available)
Conservation of natural resources and biodiversity	o Amount of water treated or recovered in m ³ and/or description of the positive environmental impact, such as water savings, improvement of water bodies, etc.
	o Size of the afforested, protected area in ha or description of the positive environmental impact, such as improvement of ecosystems, improvement of the condition of water bodies, species protection, etc.
Circular economy	<ul style="list-style-type: none"> o if available: Quantity (to) of produced secondary raw materials or recycled source material o Process description of the financing project
Manufacture	<p>Number of systems</p> <ul style="list-style-type: none"> o for collection, transportation, treatment, dismantling, sorting, pollutant removal and material recycling o for the production of packaging made from recyclable plastic o for the production of electrical/electronic devices o for the production of Cradle-to-Cradle at least SILVER certified products o If available: Production capacity and/or description of the positive environmental impact, such as raw material savings, energy savings, extension of product life, etc.
Research and development (reduction of greenhouse gas emissions)	<ul style="list-style-type: none"> o If available: Number of solutions placed on the market (e.g. products) o and description of the purpose of the research, including a description of the reduction in greenhouse gas emissions
School and vocational training	<p>Prerequisite: Owner of the facility: Federal, state and municipal institutions; non-profit associations; exception: apprentice workshops in companies</p> <p>Indicator: o Number of training places financed</p>
Social and healthcare services	<p>Prerequisite: Facility provider: federal, state, municipal institutions; non-profit associations and private providers with health insurance contracts</p> <p>Indicator:</p>

	o Number of beds or care places financed
Non-profit Residential construction	Prerequisite: non-profit status of the property developer o Number of financed apartments
Social support (AT, DE)	Prerequisite: for cross-border emergencies in the areas of pandemic, natural disasters, political crisis Indicator: o Financing volume

Review

The framework is reviewed once a year by the steering committee. The framework is reviewed to ensure that it is up to date in line with regulatory requirements and the strategic direction, and the results are presented to and approved by the Executive Board.

ANNEX

Sustainable Finance Lending Framework - Criteria

The list below shows the technical assessment criteria that must be met for classification as ESG financing and inclusion in the Sustainable Finance Pool. Unless otherwise stated, the assessment criteria apply in all OBK markets.


Environmental - Criteria for environmentally sustainable financing



Financing makes the following contribution to the environmental objectives of the EU taxonomy:


SC (substantial contribution): Fulfillment of the substantial contribution to the environmental objective of the respective activity according to the EU taxonomy


PSC (partly substantial contribution): Partial fulfillment of the substantial contribution to the environmental objective of the respective activity according to the EU taxonomy



Oberbank criterion: sustainable criterion defined by Oberbank



ICMA Categories	Investment occasions / economic activity	Contribution to the environmental target and economic activity according to Taxonomy Regulation (EU) 2020/852 ^{SEPI} (SC, PSC, OBK criterion)	Green Activity/Criterion
 <p>Green Building</p>	<p>Financing of new construction and acquisition of residential and non-residential buildings</p>	<p>ET 1 7.1. Construction of new buildings PSC ET 1 7.7. Acquisition and ownership of buildings SC (buildings after 31.12.2020 according to 7.1 PSC)</p>	<p>PSC in AT and DE: New buildings or acquired buildings correspond to nearly zero-energy buildings (NZEB) - 10 % according to national specifications AT: Building category 13 (requirements U-values according to OIB RL 6 fulfilled) or purchase of a building built before 31.12.2020 has at least energy performance certificate class A or is among the top 15% of the most energy-efficient buildings expressed as operational Primary Energy Demand (PED) of the national building stock</p> <p>OBK criterion: CZ, SK, HU: At least energy efficiency class A (PED) in the national energy performance certificate</p> <p>and/or OBK criterion: Building certificate Minimum certification level ÖGNI/DGNB: at least silver standard BREEAM certification at least Good standard LEED certification at least silver standard</p>


 <p>Green Building</p>	<p>Financing of major building renovations: A major renovation includes the building envelope and the heating systems or the renovation costs amount to more than 25% of the building value.</p>	<p>ET 1 7.2. Renovation of existing buildings SC</p>	<p><u>SC AT:</u> After refurbishment, the building meets the national requirements for NZEB (PEBSK n.ern.): Residential building: 44 kWh/m²a Office building: 87 kWh/m²a or reduces the primary energy requirement by at least 30 %. <u>SC DE:</u> Requirements for major renovations according to national specifications or reduces primary energy demand by at least 30%</p>
 <p>Green Building</p>	<p>Individual renovation measures: Financing the manufacture, installation, maintenance and repair of energy-efficient building equipment</p>	<p>ET 1 3.5 Manufacture of energy efficiency Equipment for buildings SC</p> <p>ET 1 7.3. Installation, maintenance and repair of energy efficiency equipment SC</p> <p>ET 1 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings SC</p>	<p>o Building insulation, façade greening: thermal insulation products Lamda values not exceeding 0.06 W/mK</p> <p>Energy-efficient building equipment, such as:</p> <ul style="list-style-type: none"> - Replacement of existing windows and exterior doors: windows U-value maximum 1.0 W/m²K, doors U-value max. 1.2 W/m²K - Installation and replacement of energy-efficient light sources*; - installation, replacement, maintenance and repair of heating, ventilation and airconditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies *: in the case of heat pumps, a relative global warming potential of 675 of the refrigerant not exceeded - Installation of water- and energy-saving kitchen and sanitary fittings that ensure maximum water flow rate not exceeding 6 litres/min, attested by an existing label in the Union market. - energy-efficient building automation and control systems for residential and non-residential buildings <p>*Light sources, refrigeration and ventilation systems, space heaters and water heating systems are classified in the two highest energy efficiency classes</p>



 <p>Renewable energy</p>	<p>Financing for the construction, generation and maintenance of renewable energy plants* for the production of: electricity, heating/cooling, biogas, green hydrogen, biofuels and biofuels**</p> <p>Investments in plants for the production of renewable energy technologies and green hydrogen</p>	<p>ET 1 3.1 Manufacture of renewable energy technologies; SC</p> <p>ET 1 3.2 Manufacture of equipment for the production and use of hydrogen PSC</p> <p>ET 1 4.1 Electricity generation using photovoltaic technology SC</p> <p>ET 1 4.3. Electricity generation from wind power SC</p> <p>ET 1 4.5 Electricity generation from hydropower PSC</p> <p>ET 1 4.6 Electricity generation from geothermal energy PSC</p> <p>ET 1 4.8 Electricity generation from bioenergy PSC</p> <p>ET 1 4.13. Manufacture of biogas and biofuels for use in transport and of bioliquid PSC</p> <p>ET 1 4.16. Installation and operation of electric heat pumps SC</p> <p>ET 1 4.18. Cogeneration of heat/cool and power from geothermal energy PSC</p> <p>ET 1 4.20. Cogeneration of heat/cool and power from bioenergy PSC</p> <p>ET 1 4.22. Production of heating/cooling from geothermal energy PSC</p> <p>ET 1 4.24. Production of heating/cooling from bioenergy PSC</p> <p>ET 1 4.25. Production of heating/cooling from waste heat SC</p>	<p>o Power generation using solar PV technology and plants for the production of photovoltaic technology</p> <p>o Heat generation using solar hot water panels and plants for the production of solar technology</p> <p>o Electricity generation from wind power and plants for the production of wind power turbines</p> <p>o Manufacture of equipment for the production and use of hydrogen; <u>PSC*</u></p> <p>o Power generation using run-of-river power plant <u>PSC</u>: Run-of-river power plant without an artificial reservoir; the power density is at least 5 W/m²</p> <p>o Electricity generation and/or heating/cooling from geothermal energy <u>PSC*</u></p> <p>o Production of electricity and/or heating/cooling from bioenergy and production of equipment for the generation of electricity from bioenergy. <u>PSC**</u></p> <p>o Production of biogas and biofuels for transport and bioliquids PSC**</p> <p>o Manufacture of equipment (3.1) for the production of biogas, biofuels and bioliquids</p> <p>o Energy-efficient, electric heat pumps with a refrigerant whose relative global warming potential does not exceed 675 and equipment for the production (3.1) of these heat pumps</p> <p>o Production of heat/cold from waste heat, heat exchanger/recovery systems and production of systems (3.1) for heat/cold recovery from waste heat.</p> <p>*The life cycle GHG emissions for RE products are < 100 g CO₂e/kWh</p> <p>**For the production of biofuels for transportation and for the production of liquid and gaseous biofuels, no food and feed crops are used that are</p>
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		ET 1 7.6 Installation, maintenance and repair of renewable energy technologies on-site SC	still suitable for animal feed or human consumption. Production of digestate is in accordance with national regulations
 <p>Renewable energy</p>	<p>Investments (construction and operation) in the storage, transmission and distribution of renewable energy and the production of the necessary facilities</p>	<p>ET 1 3.20. Manufacture, installation and maintenance of high-, medium- and low-voltage electrical equipment for electricity transmission and distribution that make or enable significant contributions to climate change mitigation PSC</p> <p>ET 1 4.9 Transmission and distribution of electricity PSC</p> <p>ET 1 4.10 Storage of electricity (construction and operation), including pumped storage power plants PSC</p> <p>ET 1 4.11 Storage of thermal energy SC</p> <p>ET 1 4.12 Storage of hydrogen PSC</p> <p>ET 1 4.14. Transmission and distribution networks for renewable and low-CO₂ gases PSC</p> <p>ET 1 4.15. District heating/cooling distribution PSC</p> <p>ET 1 6.15. Infrastructure for low-CO₂ road and public transport PSC</p> <p>ET 1 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) SC</p>	<p>o High, medium and low-voltage lines incl. connections to a transformer station incl. equipment for the construction of these lines <u>PSC</u>: Construction and operation of a direct connection or expansion of an existing direct connection for low-CO₂ electricity generation to a transformer station or grid, incl. transmission and distribution transformers*</p> <p>o Electric charging stations and hydrogen filling stations <u>PSC</u>: Construction and operation of hydrogen filling stations and charging stations for electric vehicles and supporting electrical infrastructure for the electrification of transport</p> <p>o Equipment for the production of charging stations</p> <p>o Electricity storage incl. pumped storage power plants <u>PSC</u>: The activity comprises the construction and operation of electricity storage facilities including pumped storage power plants</p> <p>o Heat storage: The activity includes the storage of thermal energy, including geothermal storage or aquifer heat storage.</p> <p>o Hydrogen storage <u>PSC</u>: Construction of hydrogen storage facilities and conversion of existing underground gas storage facilities into hydrogen storage facilities</p> <p>o District heating/cooling distribution networks <u>PSC</u>: conversion to profiles with low temperatures and/or for heating/cooling from renewable energy generation</p> <p>o Transmission and distribution networks for renewable and low-CO₂ gases (especially hydrogen) <u>PSC</u>: construction or operation of new transmission and distribution networks for hydrogen or other low CO₂ gases; conversion/conversion of existing natural gas networks to 100% hydrogen; retrofitting of gas transmission and distribution networks to enable the integration of hydrogen and other low CO₂ gases into the network, including all activities in the gas transmission or distribution network that enable a higher admixture of hydrogen or other low CO₂ gases in the gas network</p> <p>*The life cycle GHG emissions are < 100 g CO₂Ä/kWh</p>




 <p>Energy efficiency</p>	<p>Replacement investments in machinery, operating and office equipment</p>		<p><u>OBK criterion:</u> Energy efficiency increase of at least 25 %, confirmed by a technically experienced person from the company</p>
 <p>Clean transportation</p>	<p>Investments in:</p> <p>Vehicles with electric or hydrogen drives, for the transportation of passengers and goods by road, water, road and rail</p> <p>Rail infrastructure</p> <p>Systems for the production of electric or hydrogen-powered vehicles and their components</p> <p>Equipment for the manufacture of components for rail vehicles</p>	<p>ET1 3.18. Manufacture of automotive and mobility components for CO2 emission-free vehicles SC</p> <p>ET1 3.19 Manufacture of components of rolling stock SC</p> <p>ET 1 6.1. Passenger transport by railSC*</p> <p>ET 1 6.2. Freight rail transport SC*</p> <p>ET 1 6.3. Urban and suburban transport, road passenger transport SC</p> <p>ET 1 6.4. Operation of personal mobility devices, cycle logistics SC</p> <p>ET 1 6.5. Transport by motorcycles, passenger cars and light commercial vehicles SC*</p> <p>ET 1 6.6. Freight transport services by road (taxable) SC*</p> <p>ET 1 6.7. Inland passenger water transport SC *</p> <p>ET 1 6.8. Inland freight water transport SC *</p> <p>ET1 6.14. Infrastructure for rail transport SC*</p>	<p><u>OBK criterion:</u> Vehicles** and inland waterway vessels without direct CO₂ exhaust emissions and rail vehicles, including dual-powered railcars, for the purpose of personal mobility and passenger or freight transport*</p> <p>o Rail transport infrastructure (electrified, trackside infrastructure, stations, terminal infrastructure)</p> <p>o Plants for the production of vehicles with exclusively electric or hydrogen drives and their components</p> <p>o Equipment for the manufacture of components for rail vehicles</p> <p>*Excludes vehicles, ships, trains and freight wagons for the transportation of fossil fuels (e.g. oil, coal)</p> <p>**Vehicles includes (electric and hydrogen drive, no hybrid drive): Cars, trucks of all classes, buses, personal mobility devices (bikes, scooters, etc.) and additionally (OBK criterion) in-house vehicles (e.g. forklift trucks)</p>


 <p>Environmentally sustainable management of living resources and land use and terrestrial biodiversity</p>	<p>Sustainable Water management Investments in the construction, extension, operation and renewal of the</p> <ul style="list-style-type: none"> o Water supply o Water collection and water treatment systems for operational purposes 	<p>ET3 2.1 Water supply PSC</p> <p>ET4 2.2 Production of alternative water resources for purposes other than human consumptionPSC</p>	<ul style="list-style-type: none"> o Water collection, treatment and supply systems intended for human consumption based on the abstraction of natural resources of water from surface or ground water sources.. <p>PSC: The operation of the water supply system does not result in a deterioration of the status of the affected water bodies, nor does it prevent the water body from achieving good status and good ecological potential in accordance with Directive 2000/60/EC.</p> <p>.</p> <ul style="list-style-type: none"> o Extraction of treated water, facilities for harvesting rain and storm water and facilities for collection and treatment of grey water <p>PSC: The resource (greywater) is segregated at source; The water is suitable for reuse after proper treatment depending on the level of contamination and subsequent reuse; The performance is attested by a building certification or is available in the technical design documents.</p>
	<p>Biodiversity</p> 	<p>ET 6 1.1 Conservation, including restoration of habitats, ecosystems and species PSC</p> <p>ET1 1.1 Afforestation PSC</p> <p>ET1 1.2 Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event PSC</p>	<p>Initiating, development and implementation of conservation activities, including restoration activities, aimed at maintaining or improving the status and trends of terrestrial, freshwater and marine habitats, ecosystems and populations of related animal and plant species.</p> <p><u>PSC:</u> Maintenance of good status of ecosystems, species, habitats or habitats of species</p> <ul style="list-style-type: none"> o Establishment of forest through planting, deliberate seeding or natural regeneration on land that, until then, was under a different land use or not used <p><u>PSC:</u> Forest management plan</p> <ul style="list-style-type: none"> o Rehabilitation and restoration of forests as defined in national law. <p><u>PSC:</u> Forest management plan</p> <ul style="list-style-type: none"> o <u>OBK criterion:</u> Investments in the operation of an organic farm certified in accordance with EU Regulation 2018/848

<p style="text-align: center;">^</p> <div style="text-align: center;">  <p>Circular economy</p> </div>	<p>Investments in production technologies and processes suitable for the circular economy</p> <p>o Waste (hazardous and non-hazardous), end-of-life products and secondary raw materials: facilities for collection, transportation, treatment, dismantling, sorting, pollutant removal and material recycling</p> <p>o Plants for the production of plastic packaging if circular raw materials are used or reusable packaging is produced and this is recyclable on a large scale.</p> <p>o Plants for the production of electrical and electronic equipment with the EU Ecolabel</p> <p>o Plants for the production of Cradle to Cradle at least SILVER certified products</p>	<p>ET4 2.3 Collection and transport of non-hazardous and hazardous waste PSC</p> <p>ET4 2.4 Treatment of hazardous waste PSC</p> <p>ET4 2.5 Recovery of bio-waste by anaerobic digestion and composting PSC</p> <p>ET4 2.6 Depollution and dismantling of end-of-life products PSC</p> <p>ET4 2.7 Sorting and material recovery of non-hazardous waste PSC</p>	<p>OBK criterion: Secondary raw materials are also included in all below mentioned activities</p> <p>o Non-hazardous waste: Facilities for separate collection, treatment, dismantling, sorting, de-pollution, recycling and transportation, including construction and modernization of these facilities.</p> <p>PSC: The economic activity dismantles and depollutes separately collected waste, in state-of-the-art facilities, from complex end-of-life products, such as automobiles, electrical and electronic equipment (EEE) or ships, in order to:</p> <ol style="list-style-type: none"> a) harvest parts and components that are suited for re-use; b) separate non-hazardous and hazardous waste fractions suited for material recovery including recovery of critical raw materials; c) remove hazardous substances, mixtures and components, so that these are contained in an identifiable⁶¹ stream or that are an identifiable part of a stream within the treatment process, and send them to facilities permitted for proper treatment including disposal of hazardous waste; d) enclose documentation of the materials that are sent for further treatment or reuse. <p>o Construction and operation of facilities for the treatment of separately collected biowaste by anaerobic digestion or composting with the resulting production and use of biogas, biomethane, digestate, compost or chemicals.</p> <p>PSC: The biowaste used for anaerobic digestion or composting is source separated and collected separately. If biowaste is collected in biodegradable bags, the bags have the appropriate compostable certification standard EN 13432:200058.</p> <p>o Hazardous waste: This includes the following streams:</p> <ol style="list-style-type: none"> a) solvent reclamation or regeneration; b) regeneration of acids and bases; c) recycling or reclamation of inorganic materials other than metals or metal compounds; d) recovery of components used for pollution abatement; e) recovery of components from catalysts;
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 <p>Circular Economy</p>			<p>f) re-refining of oil lubricants and other industrial waste oils (excluding for use as fuel or incineration).</p> <p>PSC:</p> <ol style="list-style-type: none"> 1. The activities consist of the material recovery of secondary raw materials (including chemical substances and critical raw materials) from source segregated hazardous waste. 2. The recovered materials are substituting primary raw materials, including critical raw materials, or chemicals in production processes⁵². 3. The recovered materials comply with the applicable industry specifications, harmonized standards, or end-of-waste criteria, as well as relevant applicable Union and national legislation.
		<p>ET4 1.1 Manufacture of plastic packaging SC</p> <p>ET4 1.2 Manufacture of electrical and electronic equipment with EU Ecolabel PSC</p>	<p>o Equipment for the production of plastic packaging</p> <p><u>PSC:</u></p> <ul style="list-style-type: none"> - either made from recycled plastic: At least 10 % (by weight) - or is reusable as part of a reuse system - and is recyclable on a large scale <p>o Installations for the manufacture of electrical and electronic equipment</p> <p><u>PSC:</u> with EU Ecolabel in accordance with Regulation (EC) No. 66/2010</p>
			<p><u>OBK criterion:</u> o Equipment for the production of Cradle to Cradle at least SILVER certified products</p>
<p>Research and development (reduction of greenhouse gas emissions)</p> 		<p>IP 1 9.1.3 Research and development PSC</p>	<p><u>PSC:</u> The project financing is intended to bring a solution to the market that is not yet available on the market. The implementation of the technologies, products or other solutions being researched leads to an overall reduction in net greenhouse gas emissions over their entire life cycle. (cf: Annex I, Regulation (EU) 2020/852; 9.1.3, p 200)</p> <p>The implementation of the technologies, products or other solutions being researched will lead to an overall reduction in net greenhouse gas emissions over their entire life cycle.</p>

Social - criteria for socially sustainable financing

ICMA SBP Category	Sub-Categories	Investment reasons	Contribution to the environmental objective (IP) and to economic activity according to taxonomy Regulation (EU) 2020/852 (SC, PSC, OBK criterion)	Social activity/assessment criterion
Access to essential services	 <p>Schooling and vocational training</p>	<p>Investments and projects for educational institutions: Compulsory and vocational schools, universities, universities of applied sciences, adult education and early education programs or kindergartens</p>	<p>New school building, kindergarten expansion, classroom equipment, digital teaching devices; financing of educational programs</p>	<p>Prerequisite: Owner of the facility: Federal, state and municipal institutions; non-profit associations, exception: apprentice workshops</p>
	 <p>Social and healthcare services</p>	<p>Investments and projects in connection with childcare facilities, retirement and nursing homes, workshops for the disabled, spa and rehabilitation centers, hospitals and hospices to ensure basic health care</p>	<p>Medical equipment for public hospitals, construction of rehabilitation centers with health insurance contracts; group practices, local medical care center, medical practices with health insurance contracts</p>	<p>Prerequisite: Facility providers: federal, state and municipal institutions; non-profit associations and private providers with health insurance contracts</p>
Affordable Housing	 <p>Non-profit housing</p>	<p>Investments in residential construction by non-profit housing associations</p>	<p>Construction of residential complexes</p>	<p>Prerequisite: Non-profit status of the borrower</p>

	 <p>Social subsidies (AT,DE)</p>	<p>Investments and projects</p>	<p>Investments supported by social subsidies from the EU, federal or state governments</p>	<p>Prerequisite: Support for EU-wide emergencies in the areas of pandemics, natural disasters and political crises</p>
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Detailed impact calculation basis

ICMA category	Impact factor/results indicator
<p>Green Building</p>	<p>o New construction, acquisition, renovation: saved to CO_{2Ä} /a in relation to the average HWB according to the Austrian building typology for all markets (cf. A typology of Austrian residential buildings, brochure Episcop, published by the Austrian Energy Agency, Vienna 2015)</p> <p><u>Calculation basis:</u> HWB 80 - 140 kWh/m²a Basis 1980-1989 char. Average value for multi-storey residential buildings, 140 kWh/m²a used as basis (Eine Typologie österr. Wohngebäude, Broschüre Episcop, Hrsg. Österr. Energieagentur, Wien 2015; p81) Conversion of saved kWh to CO_{2Ä} : Basis energy source natural gas 236 g CO_{2Ä}/kWh (see OIB RL 6 2011, page 6 conversion factors) due to missing data CEE markets and similar building fabric DE: AT values used for all markets.</p>
<p>Individual measures</p>	<p>o Individual renovation measures: kWh/a saved or to CO_{2Ä} /a, if data available; otherwise description of the renovation measures</p> <p><u>Calculation basis:</u> Conversion of saved kWh into to CO_{2Ä} : Based on natural gas as energy source 236 g CO₂ /kWh (see OIB RL 6 2011, page 6 conversion factors)</p>

ICMA category	Impact factor/results indicator
Renewable energy	<ul style="list-style-type: none"> o Electricity: Savings to CO₂Ä /a through the generation of renewable energy compared to the country-specific electricity mix o Heat from biomass: Savings to CO₂Ä /a in relation to the use of natural gas (conversion factor for natural gas 236 g CO₂Ä /kWh) <p><u>Calculation basis:</u></p> <ul style="list-style-type: none"> - PV: average electricity yield per installed kW all markets: 1050 kWh/a - Wind: average storm yield per installed MW: AT: 2590 MWh/a DE: 1850 MWh/a CEE (like AT): 2590 MWh/a (Source: AT: IG Wind; DE: strom-report.com, Windenergie Deutschland 2023) <p>Savings refer to the electricity production of the system (not to the entire life cycle) and are compared with the country-specific electricity mix in AT, DE, HU, CZ, SK (according to the countries' statistical data).</p>
Manufacture	<ul style="list-style-type: none"> o Number and capacity of plant(s) for the production of renewable energy technologies and green hydrogen
Storage	<ul style="list-style-type: none"> o Capacity of storage facilities for renewable energies in kWh thermal or electrical
Transmission networks	<ul style="list-style-type: none"> o if available: Number and capacity of renewable energy plant(s) connected to the transmission grids (kW/a)
Energy efficiency	<ul style="list-style-type: none"> o kWh/a or CO₂Ä /a saved according to the project description of a technically experienced person from the investing company compared to the country-specific electricity mix (see above)
Clean mobility	<ul style="list-style-type: none"> o Vehicles (trucks, cars): tons of CO saved₂Ä /a according to average mileage <p><u>Basis for calculation:</u></p> <p>Cars: average annual mileage 18,000 km (according to internal portfolio) Basis: diesel car consumption 5 l /100 km (=13 kg CO₂Ä)</p> <p>Trucks: average annual mileage 100,000 km Basis: diesel truck consumption 20 l /100 km (= 53 kg CO₂Ä)</p> <p>Combustion of 1 l diesel releases 2.65 kg CO₂Ä</p> <p>https://www.helmholtz.de/newsroom/artikel/wie-viel-co2-steckt-in-einem-liter-benzin/</p>

ICMA category	Impact factor/results indicator
Production of components	o Number of production facilities financed including description (production quantities, if available)
Conservation of natural resources and biodiversity	o Water management: amount of treated or reclaimed water in m ³ and/or description of the positive environmental impact, such as water savings, improvement of water bodies, etc.
	o Biodiversity: Size of the afforested, protected area in ha or description of the positive environmental impact, such as improvement of ecosystems, improvement of the condition of water bodies, species protection, etc.
Circular economy	o if available: Quantity (to) of secondary raw materials produced or recycled source material
Manufacture	<p>Number of installations:</p> <ul style="list-style-type: none"> o for collection, transportation, treatment, dismantling, sorting, pollutant removal and material recycling o for the production of packaging made from recyclable plastic o for the production of electrical/electronic devices o for the production of Cradle-to-Cradle at least SILVER certified products o If available: Production capacity and/or description of the positive environmental impact, such as raw material savings, energy savings, extension of product life, etc.
Research and development (reduction of greenhouse gas emissions)	<ul style="list-style-type: none"> o If available: Number of solutions placed on the market (e.g. products) o and description of the purpose of the research, including a description of the reduction in greenhouse gas emissions
Education and vocational training	<p>Prerequisite: Owner of the facility: Federal, state and municipal institutions; non-profit associations; exception: apprentice workshops in companies</p> <p>Indicator: number of financed training places</p>
Social and health care:	<p>Prerequisite: Facility provider: federal, state, municipal institutions; non-profit associations and private providers with health insurance contracts</p> <p>Indicator: o Number of beds or care places financed</p>

ICMA category	Impact factor/results indicator
Non-profit housing	Prerequisite: non-profit status of the developer according to national law Indicator: number of financed apartments
Social subsidies (AT, DE)	Prerequisite: for cross-border emergencies in the areas of pandemic, natural disasters, political crisis Indicator: financing volume

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