

Second-Party Opinion

Oberbank Sustainable Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Oberbank Sustainable Bond Framework is credible, impactful and aligned with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021 and Social Bond Principles 2023. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Green Buildings (Commercial & Residential), Renewable Energy, Clean Mobility, Circular Economy and Access to Essential Services – are aligned with those recognized by the Green Bond Principles and Social Bond Principles. Sustainalytics considers that the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDGs 3, 4, 7, 9, 11 and 12.



PROJECT EVALUATION AND SELECTION Oberbank's Corporate & International Finance department is responsible for evaluating and classifying eligible loans in accordance with the eligibility criteria of the Framework. For all lending activities, Oberbank evaluates loans for potential ESG risks and applies sector-specific lending guidelines to sectors deemed to have high ESG risks. This is in line with market practice.



MANAGEMENT OF PROCEEDS Oberbank's Asset Liability Management Committee is responsible for the management of proceeds using a portfolio approach and will track the allocation using an internal system. The committee includes representatives from the following departments: Strategic Risk Management, Treasury and Trade, Accounts and Controlling, Credit Management, Private Banking and Asset Management, Corporate and International Finance, General Banking, Secretariat and Communication, Compliance and Internal Audit. Oberbank intends to allocate the proceeds within 18 months of each issuance. Pending allocation, unallocated proceeds will be temporarily held in cash or invested in short-term liquid instruments. This is in line with market practice.



REPORTING Oberbank will report on the allocation of proceeds on its website on an annual basis until full allocation. Allocation reporting will include the volume of the portfolio, the total amount of net proceeds allocated to the portfolio, the balance of unallocated proceeds, if any, the amount or share of new financing vs refinancing, the breakdown of allocated net proceeds by sustainable bond category, the total volume of instruments outstanding and the geographical breakdown of the portfolio. In addition, the Bank intends to report on relevant impact metrics. Sustainalytics views Oberbank's allocation and impact reporting as aligned with market practice.

Evaluation Date	December 2, 2024
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Issuer Location	Linz, Austria
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For inquiries, contact the Sustainable Finance Solutions project team:

Titus Vilches (Amsterdam)

Project Manager

Titus.Vilches@morningstar.com

(+31) 20 797 1563

Javier Frisancho Salinas (Amsterdam)

Project Manager

Javier.frisanchosalinas@morningstar.com

(+31) 20 751 1359

Astrid Bruchou (Amsterdam)

Project Support

Natalia Gotishan (Amsterdam)

Project Support

Camilla Bovati (Amsterdam)

Project Support

Nachiket Goli (Mumbai)

Project Support

Andrew Johnson (Paris)

Client Relations

susfinance.emea@sustainalytics.com

(+44) 20 3880 0193

Introduction

Oberbank AG (“Oberbank” or the “Bank”) is a regional bank headquartered in Linz, Austria, offering financial services such as funding, payments, asset management and hedging to retail and corporate customers. With branches in Germany, Czechia, Hungary and Slovakia, Oberbank is also a key member of the 3-Banken Group, alongside BKS Bank AG and Bank für Tirol und Vorarlberg AG. Established in 1869, Oberbank employs approximately 2,150 people and serves 59,000 corporate customers and 274,000 retail customers, as of December 2023.¹

Oberbank has developed the Oberbank Sustainable Bond Framework dated November 2024 (the “Framework”) under which it intends to issue green, social and sustainability bonds, in various formats such as covered bonds,² subordinated bonds senior preferred debt and senior non-preferred debt. Oberbank intends to use the proceeds to finance or refinance, in whole or in part, existing or future loans for projects intended to support the transition to an environmentally sustainable economy and generate positive social outcomes.

The Framework defines eligibility criteria under the following environmental categories:

1. Green Buildings (Commercial & Residential)
2. Renewable Energy
3. Clean Mobility
4. Circular Economy

The Framework defines eligibility criteria under the following social category:

5. Access to Essential Services

Oberbank engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework’s environmental and social credentials and its alignment with the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP) and Social Bond Principles 2023 (SBP).³ The Framework will be published in a separate document.⁴

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent⁵ opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2023, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.17, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Oberbank’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Oberbank representatives have confirmed that (1) they understand it is the sole responsibility of Oberbank to ensure that the information provided is complete, accurate and up to date; (2) they have provided Sustainalytics with

¹ Oberbank AG, “Oberbank Investor Presentation”, (2024), at: https://www.oberbank.com/documents/20195/12173179/irglobal_bi_investorenpraesentation_ENG.pdf

² Oberbank has confirmed to Sustainalytics that i) the net proceeds from covered bonds will be allocated to loans eligible under the Framework and ii) the amount of the eligible loans will exceed all outstanding bonds and liabilities at all times.

³ The Sustainability Bond Guidelines, Green Bond Principles and Social Bond Principles are administered by the International Capital Market Association and are available at: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/>

⁴ The Oberbank Sustainable Bond Framework is available on Oberbank AG’s website at: <https://www.oberbank.at/bondinvestoren>

⁵ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

all relevant information and (3) any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework. Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Oberbank.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Oberbank has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Oberbank Sustainable Bond Framework

Sustainalytics considers the Oberbank Sustainable Bond Framework to be credible, impactful and aligned with the four core components of the GBP and SBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
 - The eligible categories – Green Buildings (Commercial & Residential), Renewable Energy, Clean Transportation, Circular Economy and Access to Essential Services – are aligned with those recognized by the GBP and SBP.
 - Under the Green Buildings (Commercial & Residential) category, Oberbank may finance or refinance the construction, acquisition and renovation of new and existing residential and non-residential buildings, as well as expenditures on energy performance improvements in buildings, according to the following criteria:
 - Construction and acquisition of buildings:
 - Buildings built after 31 December 2020 with a primary energy demand (PED) at least 10% lower than the threshold set in the national nearly zero-energy buildings (NZEB) requirements.
 - Buildings built before 31 December 2020 that either have an energy performance certificate (EPC) rated A or are in the top 15% of energy-efficient buildings in terms of PED in the relevant area.
 - Buildings that are certified to: ÖGNI/DGNB Gold or above;⁶ BREEAM Excellent or above;⁷ or LEED Gold or above.⁸
 - Renovation of existing buildings:
 - Major renovations that are expected to either achieve the local NZEB requirements or lead to at least a 30% reduction in PED. Sustainalytics notes that the EU Taxonomy⁹ requires renovations to comply with the requirements for "major renovations" set in the applicable national and regional building

⁶ DGNB: <https://www.dgnb.de/en/certification/buildings>

⁷ BREEAM: <https://bregroup.com/products/breeam/>

⁸ LEED: <https://www.usgbc.org/leed>

⁹ European Commission, "Annex to the Commission Delegated Regulation (EU)", at: https://ec.europa.eu/finance/docs/level-2-measures/taxonomyregulation-delegated-act-2021-2800-annex-1_en.pdf

regulations implementing the EPBD,¹⁰ so that the energy performance of the building or renovated part meets the cost-optimal minimum energy requirements of the EPBD. Sustainalytics therefore encourages Oberbank to report on the actual improvement on primary energy demand performance or energy savings achieved in comparison with the existing building stock in the area or region. Additionally, the Bank has confirmed that it will finance only the renovation expenditures of the buildings and not the whole construction expenditure.

- Expenditures to improve a building's energy performance, including the manufacture, installation, maintenance and repair of equipment, such as devices for measuring, regulating and controlling the energy performance of buildings, including applications for smart homes, LED lights, high efficiency windows and doors, insulation products with low thermal conductivity and heating metering.
 - The Bank has confirmed that it will not finance gas smart meters and equipment primarily driven or powered by fossil fuels.
 - The Bank has confirmed the exclusion of buildings designed for the purpose of extraction, storage, transportation or manufacture of fossil fuels from this category.
 - Sustainalytics considers the expenditures under this category to be aligned with market practice.
- Under the Renewable Energy category, Oberbank may finance or refinance the following projects:
- Construction, production and maintenance of renewable energy installations according to the following criteria:
 - Solar power PV and heat generation from solar power, including solar thermal plants. Oberbank has confirmed that more than 85% of electricity generated from solar thermal plants will be sourced from solar energy.
 - Onshore wind energy projects.
 - Hydropower projects, which: i) are run-of-river plants without an artificial reservoir; ii) have a power density greater than 5 W/m²; or iii) have life cycle emissions below 100 gCO₂e/kWh. Considering the longevity of hydropower assets, newly constructed facilities effectively lock in energy generation for a very extended period. Therefore, Sustainalytics encourages the Bank to favour newly constructed projects with emissions intensities below the 50 gCO₂e/kWh threshold.
 - Generation of electricity, heating, cooling and cogeneration of heating, cooling and power from geothermal projects with direct emissions below 100 gCO₂/kWh.
 - Generation of electricity, heating, cooling and cogeneration of heating, cooling and power from bioenergy, including biogas, biofuels and green hydrogen:
 - Oberbank has confirmed to Sustainalytics that bioenergy projects will use: i) forestry and agricultural residues that come from PEFC of FSC certified forests; ii) wastewater and sewage sludge, excluding wastewater from fossil fuel operations; and iii) palm kernel shells or palm oil mill effluents from palm oil operations that are RSB- or RSPO-certified.
 - Oberbank has confirmed that forestry and agricultural projects exclude: i) waste from non-RSPO certified palm oil operations; and ii) animal fats, oil and other animal processing by-products; and iii) animal manure from industrial livestock production.
 - Oberbank has confirmed to Sustainalytics that projects may procure animal manure from small-scale livestock. The use of livestock residue for biomass energy may improve the environmental performance of some agricultural operations, however, livestock farming has a

¹⁰ European Commission, "Energy Performance of Buildings Directive", at: https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive_en#legislative-timeline

significant carbon and water footprint that is not addressed by using its by-products in energy generation. Furthermore, such farming techniques may contribute to land degradation, biodiversity loss and deforestation. Nevertheless, Sustainalytics considers the use of residues from day-to-day operations of existing facilities for energy generation to provide positive impacts in the short term.

- Generation of green hydrogen by electrolysis powered exclusively by renewable energy.
 - Generation of heating or cooling from waste heat and electric heat pumps.
 - Oberbank has confirmed the exclusion of waste heat from fossil fuel production and operations.
 - Oberbank has confirmed that it will exclude the financing of heat pumps that rely on high-GWP refrigerants, and the borrower will promote a robust refrigerant leak control, detection and monitoring system ensuring recovery, reclamation, recycling or destruction of refrigerants at end of life.
 - Investments in equipment for the production of renewable energy and green hydrogen technologies. The Bank has confirmed that the financed equipment is dedicated to the production of components for renewable energy.
 - Construction and operation of new transmission and distribution networks for green hydrogen and other low-carbon gases, including converting existing natural gas networks to 100% hydrogen, and retrofitting gas transmission and distribution systems to enable the integration of hydrogen and other low-carbon gases.
 - The Bank has communicated to Sustainalytics that it will not finance new pipelines to distribute natural gas and systems distributing natural gas blended with hydrogen.
 - Investments in construction and operation of storage, transmission and distribution of electricity, as well as the production of high-, medium- and low-voltage electrical equipment to support transmission and distribution.
 - Oberbank has communicated to Sustainalytics that expenditures under this category will also include storage of thermal energy and hydrogen. Oberbank has confirmed to Sustainalytics the exclusion of storage related to waste heat generated from fossil fuel production and operations from financing.
 - Oberbank has confirmed that projects will comply with at least one of the following criteria: i) the system is dedicated to connecting renewables to the power grid; or ii) the system supports or integrates at least 90% renewable electricity to the power grid; or iii) if less than 90% of the electricity transmitted on the grid is renewable, Oberbank has confirmed that the project will be located in Austria, Germany, Hungary, Czechia and Slovakia where at least 67% of newly enabled generation capacity in the system is below the threshold value of 100 gCO₂e/kWh measured on a life cycle basis over a five-year period.
 - The Bank has confirmed that for new pumped hydropower storage, an environmental and social impact assessment will be carried out by a credible body. Pumped hydropower storage with significant controversies related to E&S risks or impacts, such as loss of habitat, biodiversity and displacement of people will not be financed.
 - Investments in district heating and cooling distribution networks. The Bank has confirmed that distribution networks are primarily (more than 50%) powered by renewables, waste heat or both.
 - Sustainalytics considers the expenditures under this category to be aligned with market practice.
- Under the Clean Mobility category, Oberbank may finance or refinance the following:

- The purchase or leasing¹¹ of hydrogen-powered or electric vehicles with zero direct emissions for the transportation of passengers and freight. These include cars, trucks, motorcycles, wheeled and cargo bicycles, personal mobility devices, rail vehicles and inland water transport vehicles. The Bank has confirmed to Sustainalytics that vehicles dedicated to the transportation of fossil fuels or fossil fuel blended with alternative fuels will be excluded from the Framework.
- Investments in equipment and entire industrial plants for the production of electric or hydrogen powered vehicles, personal mobility devices, railway vehicles, and their components. The Bank has confirmed that the assets financed under this activity are wholly dedicated to zero direct emission vehicles and dual-motor railway cars that have zero direct CO₂ emissions when operated on a track with necessary infrastructure and use a conventional engine where such infrastructure is not available.
- Investments in infrastructure for rail transport. The Bank has confirmed that the infrastructure will support electric vehicles with zero direct emissions for the transportation of passengers and freight.
- Construction and operation of hydrogen refuelling stations, electric vehicle charging stations and related equipment. The Banks has confirmed that parking facilities will be excluded from financing.
- Sustainalytics considers the expenditures under this category to be aligned with market practice
- Under the Circular Economy category, Oberbank may finance or refinance the acquisition of technologies and processes that promote the objectives of Circular Economy, including:
 - Facilities for the collection, transport, treatment, dismantling, sorting, de-pollution and recycling of waste and secondary waste.
 - Oberbank has disclosed to Sustainalytics that waste collection projects will be limited to those that ensure source segregation of waste. Oberbank has also communicated to Sustainalytics that investments in transport will include special transport vehicles for waste collection and recycling, such as cranes, with potential financing of internal combustion engine vehicles due to the limited availability of electric and hydrogen-powered alternatives in the waste management sector. Sustainalytics notes that the investment is aligned with the technical screening criteria from the EU Taxonomy. Sustainalytics further recognizes the environmental benefits of investing in source-separated waste collection projects and acknowledges that zero emission collection vehicles currently represent a relatively small portion of the overall waste management fleet. Nonetheless, Sustainalytics considers it market practice to finance vehicles having up to 25 gCO₂/tkm and encourages Oberbank to prioritize the financing of zero emission vehicles as they become increasingly available or with 25 gCO₂/tkm.
 - Regarding electronic waste, the Bank will ensure the presence of robust waste management processes to mitigate associated risks with electronic waste recycling. This is in line with market practice.
 - Under de-pollution activities, the Bank intends to finance projects aimed at mitigating air, water and soil pollution by removing toxic substances and ensuring the safe collection and disposal of harmful waste. The financing may also include the processing of scrap vehicles and metals to prevent harmful materials from contaminating landfills, while also facilitating the extraction of valuable and recyclable components from end-of-life vehicles. Oberbank has confirmed to Sustainalytics that it will exclude: i) expenditures related to prevention of air pollution from fossil fuel production and from technologies that are inherently reliant on fossil fuels as an energy source; ii) de-pollution measures that are related to the contamination from the borrower's own activities; iii) disposal activities. This in line with market practice.

¹¹ Regarding leasing, Oberbank has communicated to Sustainalytics that it will consider allocating the proceeds from a financial instrument issued under the Framework with a similar tenor to the lease period.

- Sustainalytics notes that the processing of mixed residual waste for energy-from-waste or waste-to-energy (WtE) is excluded from the Framework.
- Production of household appliances, including electric and electronic equipment in the highest two classes of energy efficiency under Regulation (EU) 2017/1369 and the delegated acts adopted under it.¹² Sustainalytics notes that Oberbank's reliance on EU energy labels to define eligibility in this category is consistent with the EU Taxonomy. However, Sustainalytics encourages the Bank to adhere to the DNSH criteria for Activity 3.5 – Manufacture of energy efficiency for buildings for the financing of household appliances.
- Under the Access to Essential Services category, Oberbank may finance or refinance expenditures related to education and vocational training, as well as social and healthcare services.
 - Projects related to education and vocational training include the construction of new school buildings, the expansion of kindergarten facilities, classroom equipment, digital teaching devices, and training programmes in facilities offering public education services. Oberbank has confirmed to Sustainalytics that the financed facilities, which are sponsored by federal, state and municipal institutions as well non-profit associations in Austria, will be accessible to all regardless of ability to pay.
 - Projects related to social and healthcare projects include medical equipment for hospitals, construction of rehabilitation centres, group practices,¹³ local medical care centre, medical practices. Oberbank has communicated to Sustainalytics that the healthcare facilities and services financed under the Framework are limited to public, non-profit institutions, or private institutions affiliated with Austria's national health insurance scheme, ensuring it will be made accessible to all regardless of ability to pay.¹⁴
 - Sustainalytics considers these projects to be socially impactful.
- The Framework excludes financing to:
 - Companies involved in labour law and human rights violations, illegal business practices or if controversial environmental practices are known or become known in the course of the business relationship.
 - Activities and industries including: i) nuclear energy; ii) illegal substances; iii) harmful substances;¹⁵ iv) gems and conflict materials; v) companies active in the fishing industry or process or sell fishery products that do not comply with nationally and internationally recognized standards; vi) trade in protected animals or export leather, as well as animal testing; vii) high-volume fracking and extraction of oil sand and crude oil; viii) extraction, production, energy generation, of coal, as well as construction of new and refurbishment of existing coal-fired power plants, and new business with companies whose primary business is trading coal; ix) controversial heavy weapons; x) embryo research; xi) pornography industry and comparable industries; xii) mining; and xiii) illegal gambling.
 - Countries and central governments: i) on the Financial Action Task Force on Money Laundering list,¹⁶ as well as the EU high-risk countries list;¹⁷ ii) that have not ratified the 2015 Paris Climate Agreement; iii) which restrict freedom of the press and media;¹⁸ and iv) subject to the UN, US or EU sanctions.
- Project Evaluation and Selection:

¹² European Parliament, "Regulation (EU) 2017/1369", at: <https://eur-lex.europa.eu/eli/reg/2017/1369/oj>

¹³ Oberbank defines group practices as doctors working in the same building with national health insurance contracts.

¹⁴ Austria has a universal and affordable healthcare system. The federal government sets the legal framework and regulates social health insurance. Nearly all residents have social health insurance (only 0.1% lacking coverage in 2021) which funds most healthcare services. Hospital care is provided by public hospitals managed by state governments, while private hospitals and providers contract with social health insurance funds for outpatient services. European Observatory on Health Systems and Policies, "State of Health in the EU: Austria", (2023), at: <https://eurohealthobservatory.who.int/publications/m/austria-country-health-profile-2023>

¹⁵ Oberbank defines harmful substances as prohibited chemical compounds or chemical compounds that are being gradually banned and other harmful substances (e.g. hazardous or highly hazardous pesticides or pharmaceuticals, such as unbound asbestos fibres).

¹⁶ Financial Action Task Force, "Jurisdictions under Increased Monitoring", (2024), at: <https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/increased-monitoring-june-2024.html>

¹⁷ European Commission, "Commission Delegated Regulation (EU) 2020/855", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020R0855>

¹⁸ Reporters without borders, "Press Freedom Index", (2024), at: <https://rsf.org/en/index>

- Oberbank's Corporate & International Finance department is responsible for evaluating and classifying eligible loans in accordance with the eligibility criteria of the Framework. The Bank's Treasury unit assigns projects to this financing Framework.¹⁹
- For all lending activities, Oberbank evaluates loans for potential ESG risks and applies sector-specific lending guidelines to sectors deemed to have high ESG risks. Oberbank has environmental and social risk management processes which are applicable to all allocation decisions made under the Framework. Sustainalytics considers the environmental and social risk management systems to be adequate and aligned with the requirements of the GBP and SBP. For additional details see Section 2.
- Based on the established process for project evaluation and selection, and the presence of a risk management process, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - Oberbank's Asset Liability Management Committee is responsible for the management of net proceeds using a portfolio approach and will track allocation using an internal system. The committee includes members of the Strategic Risk Management, Treasury and Trade, Accounts and Controlling, Credit Management, Private Banking and Asset Management, Corporate and International Finance, General Banking, Secretariat and Communication, Compliance and Internal Audit.
 - Oberbank intends to allocate the proceeds within 18 months of each issuance. Pending allocation, unallocated proceeds will be temporarily held in cash or invested in short-term liquid instruments.
 - Based on the use of an internal tracking system and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market.
- Reporting:
 - The Bank will report on allocation of proceeds on its website on an annual basis until full allocation.
 - Oberbank will report on the allocation of proceeds on an aggregate basis by category for all instruments issued. Allocation reporting will include: i) the volume of the portfolio; ii) the total amount of net proceeds allocated to the portfolio; iii) the balance of unallocated proceeds, if any; iv) the amount or share of new financing vs refinancing; v) the breakdown of allocated net proceeds per use of proceeds category; vi) the total volume of instruments outstanding; and vii) the geographical breakdown of the portfolio.
 - Oberbank intends to align its impact reporting with the ICMA Harmonised Framework for Impact Reporting.^{20,21} The impact metrics may include: i) annual electricity or emissions saved in relation to individual renovation measures (in kWh or in CO₂e); ii) annual emissions saved through the generation of renewable energy compared to the country-specific electricity mix (in CO₂e); iii) annual number and capacity of renewable energy plants connected to transmission networks (in kW); iv) quantity of produced secondary raw materials or recycled starting material (in tonnes); v) number of systems for collection, transport, treatment, dismantling, sorting pollutant removal and material recycling; vi) number of training places financed; vii) number of beds or care places financed; and viii) number of financed apartments.
 - Based on the commitments to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Sustainability Bond Guidelines 2021

Sustainalytics has determined that the Oberbank Sustainable Bond Framework aligns with the four core components of the GBP and SBP.

¹⁹ Oberbank has informed Sustainalytics that its sustainable bank accounts are assigned to different financing frameworks, among which the Framework reviewed in this Second-Party Opinion. The Treasury department is responsible for preparing potential issuances for each. Sustainalytics has only provided a Second-Party Opinion for Oberbank Sustainable Bond Framework dated October 2024. Oberbank has confirmed that there will no double counting between the Framework dated October 2024 and other frameworks.

²⁰ ICMA, "Handbook: Harmonised Framework for Impact Reporting", (2023), at: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Handbook-Harmonised-framework-for-impact-reporting-June-2023-220623.pdf>

²¹ ICMA, "Handbook: Harmonised Framework for Impact Reporting for Social Bonds", (2023), at: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Harmonised-framework-for-impact-reporting-for-social-bonds-June-2023-220623.pdf>

Alignment with the EU Taxonomy

Sustainalytics has assessed each of the Framework's eligible use of proceeds criteria against the relevant criteria in the EU Taxonomy. For SC, please see Table 1. For Minimum Safeguards, please see below.

Table 1 provides an overview of the alignment of Oberbank AG's Framework with the applicable SC criteria of the EU Taxonomy.

Table 1: Summary of Alignment of Framework Criteria with the EU Taxonomy

EU Taxonomy Activities corresponding to Framework Criterion	Alignment with Technical Screening Criteria		Alignment per EU Environmental Objective					
	SC	DNSH	Mitigation	Adaptation	Water	Circular Economy	Pollution	Eco-systems
7.1. Construction of new buildings	■	*						
7.7. Acquisition and ownership of buildings	■	*						
7.2. Renovation of existing buildings	■	*						
3.5. Manufacture of energy efficiency equipment for buildings	■	*						
7.3. Installation, maintenance and repair of energy efficiency equipment	■	*						
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	■	*						
7.6. Installation, maintenance and repair of renewable energy technologies	■	*						
3.1. Manufacture of renewable energy technologies	■	*						
3.2. Manufacture of equipment for the production and use of hydrogen	☒	*						
3.20. Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and	■	*						
4.9. Transmission and distribution of electricity	■	*						
4.10. Storage of electricity	■	*						
4.11. Storage of thermal energy	■	*						
4.12. Storage of hydrogen	■	*						
4.14. Transmission and distribution networks for renewable and low-carbon gases	■	*						

4.1. Electricity generation using solar photovoltaic technology	■	*						
4.3. Electricity generation from wind power	■	*						
4.21. Production of heat/cool from solar thermal heating	■	*						
4.5. Electricity generation from hydropower	□	*						
4.8. Electricity generation from bioenergy	☒	*						
4.20. Cogeneration of heat/cool and power from bioenergy	☒	*						
4.24. Production of heat/cool from bioenergy	☒	*						
3.10. Manufacture of hydrogen	☒	*						
4.25. Production of heat/cool using waste heat	■	*						
4.16. Installation and operation of electric heat pump	□	*						
4.6. Electricity generation from geothermal energy	□	*						
4.18. Cogeneration of heat/cool and power from geothermal energy	□	*						
4.22. Production of heating/cooling from geothermal energy	□	*						
4.15. District heating/cooling distribution	■	*						
6.1. Passenger transport by interurban rail transport	■	*						
6.2. Freight rail transport	■	*						
6.3. Urban and suburban transport, road passenger transport	■	*						
6.4. Operation of personal mobility devices, cycle logistics	■	*						
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	■	*						
6.6. Freight transport services by road	■	*						
6.7. Inland passenger water transport	■	*						

6.8. Inland freight water transport	■	*						
3.18. Manufacture of automotive and mobility components	■	*						
3.19. Manufacture of rail rolling stock constituents	■	*						
3.18. Manufacture of automotive and mobility components	■	*						
6.14. Infrastructure for rail transport	■	*						
6.15. Infrastructure enabling low-carbon road transport and public transport	■	*						
7.4. Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	■	*						
2.3. Collection and transport of non-hazardous and hazardous waste	□	*						
2.4. Treatment of hazardous waste	■	*						
2.6. Depollution and dismantling of end-of-life products	■	*						
2.7. Sorting and material recovery of non-hazardous waste	□	*						
1.2. Manufacture of electrical and electronic equipment	□	*						

Legend	
Aligned	■
Partially aligned	□
Not aligned	☒
Not applicable	—
Not assessed	*
Grey shading indicates the primary EU Environmental Objective	

Alignment with the EU Taxonomy's Minimum Safeguards

The EU Taxonomy recommends that companies have policies aligned with international and regional guidelines and regulations pertaining to human rights, labour rights, and combating bribery and corruption. Specifically, activities should be carried out in alignment with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Additionally, companies should be in compliance with the International Labour Organisation's (ILO) declaration on Fundamental Rights and Principles at Work.

Based on a consideration of the policies and management systems applicable to Framework criteria, as well as the regulatory context in which financing will occur, Sustainalytics is of the opinion that the EU Taxonomy's Minimum Safeguards requirements will be met.

Human and Labour Rights

Oberbank has implemented the following policies and procedures regarding human rights:

- As a member of the UN Global Compact (UNGC),²² Oberbank is committed to implementing the UNGC's ten universal principles, which include human rights and fair labour practices, as well as addressing the 17 UN Sustainable Development Goals.²³ The Bank's Code of Conduct mandates that all employees²⁴ adhere to international conventions and standards, including the European Convention on Human Rights,²⁵ the OECD Guidelines for Multinational Enterprises,²⁶ the UN Guiding Principles on Business and Human Rights,²⁷ and the ILO Declaration on Fundamental Principles and Rights at Work.^{28,29}
- Oberbank provides multiple channels for employees to report discrimination and human rights violations, including a whistleblower system and a feedback button accessible through the Bank's intranet.³⁰ Additionally, the Bank's Code of Conduct for Supplier and Business Partners requires fair treatment of employees, protection of privacy, and prevention of harassment and discrimination.³¹ This code also prohibits forced labour, child labour, and undeclared work.³²
- Oberbank does not engage in business relationships with companies where labour and human rights violations are known or become evident during the course of the business relationship.³³ Private customers are not subject to this exclusion criteria, but the Bank conducts a Know Your Customer Process (KYC) to verify compliance.³⁴

Based on the work of its research services and its ESG Risk Rating assessment, Sustainalytics evaluated the performance of Oberbank in the area of human rights and labour rights and has not detected involvement in any relevant controversies that would suggest that the above policies are not adequate in addressing key risks.

Sustainalytics is of the opinion that these measures appropriately safeguard minimum standards on human and labour rights in relation to the activities of the Framework.

Anti-bribery and anti-corruption

Oberbank has implemented the following anti-bribery and anti-corruption policies and procedures:

- Oberbank has developed Anti-Corruption Guidelines incorporating applicable regulations on anti-corruption and bribery prevention, including the OECD Anti-Bribery Convention on Combating Bribery of Foreign Public Officials in International Business Transactions,³⁵ the UN Convention against Corruption,³⁶ the U.S. Foreign Corrupt Practices Act,³⁷ the UK Bribery Act,³⁸ the Austrian Criminal Code,³⁹ the Federal Act against Unfair Competition,⁴⁰ and the Austrian Law on the Responsibility of Associations.^{41,42} These guidelines, applicable to all Bank's employees, explicitly prohibit the acceptance and giving of gifts, invitations and other benefits.⁴³

²² United Nations, "The Ten Principles of the UN Global Compact", at: <https://unglobalcompact.org/what-is-gc/mission/principles>

²³ Oberbank, "Annual Report 2023", at: https://www.oberbank.com/documents/20195/21703/irglobal_k_gb23_eng.pdf/721916db-0ea7-42d3-5834-1b15a921c6c8?t=1717995642698

²⁴ The Code of Conduct applies to all companies in which the Bank holds at least 50% shareholding, including those active within the Bank's operating markets in Austria, Germany, Slovakia, Hungary, and the Czech Republic.

²⁵ Council of Europe, "The European Convention on Human Rights", at: <https://www.coe.int/en/web/human-rights-convention/home>

²⁶ OECD, "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct", at: <https://mneguidelines.oecd.org/mneguidelines/>

²⁷ UN Human Rights, "Guiding Principles on Business and Human Rights", (2011), at:

https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinessshr_en.pdf

²⁸ ILO, "ILO Declaration on Fundamental Principles and Rights at Work", at: <https://www.ilo.org/ilo-declaration-fundamental-principles-and-rights-work>

²⁹ Oberbank, "Code of Conduct", (2023), at: https://www.oberbank.com/documents/20732/412157/ir_CoC_Verhaltenskodex_ENG.pdf

³⁰ Oberbank, "Annual Report 2023", at: https://www.oberbank.com/documents/20195/21703/irglobal_k_gb23_eng.pdf/721916db-0ea7-42d3-5834-1b15a921c6c8?t=1717995642698

³¹ Oberbank, "Code of Conduct for Suppliers and Business Partners of Oberbank AG", (2023), at:

https://www.oberbank.com/documents/20732/65241/ir_CoC_Verhaltenskodex_Suppliers_ENG.pdf

³² Ibid.

³³ Oberbank AG, "Sustainable Corporate Lending Framework", at: https://www.oberbank.at/documents/20195/7000096/obk_Sustainable_LF_ENG.pdf

³⁴ Ibid.

³⁵ OECD, "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions", at:

<https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0293>

³⁶ United Nations, "United Nations Convention against Corruption", at: <https://www.unodc.org/corruption/en/uncac/index.html>

³⁷ U.S. Department of Justice – Criminal Division, "Foreign Corrupt Practices Act", at: <https://www.justice.gov/criminal/criminal-fraud/foreign-corrupt-practices-act#:~:text=The%20Foreign%20Corrupt%20Practices%20Act,in%20obtaining%20or%20retaining%20business.>

³⁸ The Law Society, "Bribery Act 2010", (2022), at: <https://www.lawsociety.org.uk/topics/regulation/bribery-act-2010#:~:text=The%20Bribery%20Act%202010%2C%20which,the%20public%20or%20private%20sectors.>

³⁹ Federal Chancellery of Austria, "Bundesrecht konsolidiert: Gesamte Rechtsvorschrift für Verbandsverantwortlichkeitsgesetz", (2024), at:

<https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=20004425>

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Oberbank, "Compliance at Oberbank", at: <https://www.oberbank.com/compliance>

⁴³ Ibid.

Additionally, secondary employment, as well as shareholdings and board functions in other companies must be disclosed in advance and require approval.⁴⁴

- Oberbank does not engage in business relationships with companies where illegal business practices, including money laundering, fraud, corruption, bribery, or financing of terrorism, are known or become evident during the business relationship.⁴⁵ All companies are screened for anti-corruption compliance according to the UNGC principles.^{46,47}
- Oberbank's Code of conduct includes a zero-tolerance policy for bribery and corruption, while the Code of Conduct for Suppliers and Business Partners addresses corruption, bribery, money laundering and conflicts of interest.^{48,49} Suppliers and business partners are required to ensure that no personal dependence, obligation or influence arises from gifts, services or other benefits.⁵⁰
- The Banks has a whistleblower system in place for the confidential reporting of information in the event of suspected violations of the law or financial crimes, including money laundering, fraud, corruption, embezzlement, breach of trust, bribery, extortion, and favouritism.⁵¹

Based on the work of its research services and its ESG Risk Rating assessment, Sustainalytics evaluated the performance of Oberbank in relation to anti-bribery and anti-corruption matters, and has not detected involvement in any relevant controversies that would suggest that the above policies are not adequate in addressing key risks.

Sustainalytics is of the opinion that these measures provide the minimum safeguards required for anti-bribery and anti-corruption matters in relation to the activities of the Framework.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Oberbank's policies, guidelines and commitments are sufficient to demonstrate that the activities and projects to be financed under the Framework will be carried out in alignment with the EU Taxonomy's Minimum Safeguards.

Section 2: Sustainability Strategy of Oberbank

Contribution to Oberbank's sustainability strategy

Oberbank integrates ESG considerations into its operations and lending portfolio through a sustainability strategy that focuses on decarbonizing operations and expanding its sustainable product portfolio.^{52,53} Under its sustainability strategy, Oberbank has set the following environmental and social goals to be achieved by 2025: i) achieve carbon neutrality in scope 1 and 2 emissions; ii) allocate at least EUR 1.5 billion in sustainable loans for energy-efficient housing projects; iii) label 50% of new issuances in accordance with ESG criteria (i.e. green and social bonds); and iv) achieve 30% women representation in management positions, with a target of 40% by 2030.⁵⁴ Additionally, in 2023, Oberbank initiated the development of a decarbonization strategy for its entire portfolio, aiming to incorporate validated science-based climate targets by 2024.⁵⁵ For governance, the Sustainability Steering Committee, comprising the Management Board, department heads and the head of the ESG Unit, is responsible for the Bank's overall performance against its sustainability strategy and monitors the achievement of targets.⁵⁶

To address the environmental and social impacts of its core lending activities, the Bank has developed a Sustainable Corporate Lending Framework with defined ESG criteria for corporate customers, excluding the following economic activities from financing: nuclear energy, coal, gems and conflict materials, high-volume

⁴⁴ Ibid.

⁴⁵ Oberbank AG, "Sustainable Corporate Lending Framework", at: https://www.oberbank.at/documents/20195/7000096/obk_Sustainable_LF_ENG.pdf

⁴⁶ United Nations, "The Ten Principles of the UN Global Compact", at: <https://unglobalcompact.org/what-is-gc/mission/principles>

⁴⁷ Oberbank, "Annual Report 2023", at: https://www.oberbank.com/documents/20195/21703/irglobal_k_gb23_eng.pdf/721916db-0ea7-42d3-5834-1b15a921c6c8?t=1717995642698

⁴⁸ Oberbank, "Code of Conduct", (2023), at: https://www.oberbank.com/documents/20732/412157/ir_CoC_Verhaltenskodex_ENG.pdf

⁴⁹ Oberbank, "Code of Conduct for Suppliers and Business Partners of Oberbank AG", (2023), at:

https://www.oberbank.com/documents/20732/65241/ir_CoC_Verhaltenskodex_Suppliers_ENG.pdf

⁵⁰ Ibid.

⁵¹ Oberbank, "Compliance at Oberbank", at: <https://www.oberbank.com/compliance>

⁵² Oberbank AG, "Sustainability in Brief 2023", at: https://www.oberbank.com/documents/20195/15526479/irglobal_nachhaltigkeit23_kurz_ENG.pdf

⁵³ Oberbank AG, "Annual Report 2023", at: https://www.oberbank.com/documents/20195/21703/irglobal_k_gb23_eng.pdf

⁵⁴ Oberbank AG, "Sustainability strategy & guidelines", at: <https://www.oberbank.com/strategy-and-guidelines>

⁵⁵ Ibid.

⁵⁶ Oberbank AG, "Annual Report 2023", at: https://www.oberbank.com/documents/20195/21703/irglobal_k_gb23_eng.pdf

fracking and extraction of oil sands, crude oil, fishing and trading of endangered and threatened species.⁵⁷ In 2023, funding for sustainable projects under the referred framework reached EUR 1 billion, with green commercial buildings accounting for 73% of the total sustainable corporate lending portfolio, followed by renewable energy and clean mobility projects with shares of 11% and 7%, respectively.⁵⁸ Oberbank also offers financing products for retail customers focusing on sustainability, including sustainable housing loans for energy-efficient homes, which amounted to EUR 1.034 billion in 2023.⁵⁹ Furthermore, the Bank introduced green living and green mobility programmes in 2024, offering financing to customers seeking sustainability improvements for their homes or sustainable mobility solutions, such as electric and hydrogen-powered vehicles.⁶⁰

Sustainalytics is of the opinion that the Framework is aligned with the Bank's overall sustainability strategy and initiatives and will further the Bank's action on its key environmental and social priorities. Nevertheless, Sustainalytics encourages Oberbank to set quantifiable and time-bound targets emissions associated with the Bank's financing and investments activities and to continually report on its progress against these targets. In this regard, Sustainalytics notes that the Bank aims to incorporate science-based decarbonization targets into its sustainability strategy by the end of 2024.

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the proceeds from the instruments issued under the Framework will be directed towards eligible projects that are expected to have positive environmental and social impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may include issues involving: i) land use and biodiversity loss associated with large-scale infrastructure development; ii) emissions, effluents and waste generated in construction; iii) occupational health and safety (OHS); iv) community relations; and v) business ethics and predatory lending. Sustainalytics acknowledges that the Bank plays a limited role in the development of the specific projects that it finances, however, by offering lending and financial services, it is exposed to risks associated with the customers or projects that it may finance.

Sustainalytics is of the opinion that Oberbank is able to manage and mitigate potential risks through the implementation of the following:

- To address the overall environmental and social risks in financed projects, Oberbank has a Sustainable Corporate Lending Framework, which includes: i) regular ESG risk assessment of the overall portfolio; ii) an ESG score for all corporate clients; iii) a sustainability check for companies through a dedicated web-based questionnaire to identify key ESG issues; and iv) providing advisory services to identify and assess customers' material ESG risks. The Bank's ESG score evaluates risks associated with six ESG factors and risk-mitigating measures, and is directly integrated into loan decisions, so that financing is extended only to companies with low or medium risk.⁶¹
- Regarding risks related to land use and biodiversity loss, Oberbank has a Supplier Code of Conduct which requires suppliers and business partners to comply with applicable environmental regulations and standards.⁶² Sustainalytics notes that projects financed under the Framework are expected to comply with Directive 2014/52/EU, which requires projects that are likely to have significant environmental impacts to be adequately assessed before approval. It also requires such projects to have in place adequate measures to avoid, prevent, reduce and, if possible, offset adverse effects on the environment, in particular on species and habitats. For projects requiring significant land use, the directive mandates land use-related impacts to be identified, described and assessed through an environmental impact assessment. Large-scale projects must also limit impacts on land and soil, including organic matter, erosion, compaction and sealing.⁶³ In addition, Oberbank has communicated to Sustainalytics that it requires its corporate clients to comply with all applicable laws, conventions and agreements, including following the Convention on Biological Diversity, the Bern Convention and the Ramsar Convention on Wetlands.
- With regard to emissions, effluents and waste generated in construction, the EU regulation on construction and demolition waste requires companies in the EU to carry out waste management

⁵⁷ Oberbank AG, "Sustainable Corporate Lending Framework", at: https://www.oberbank.at/documents/20195/7000096/obk_Sustainable_LF_ENG.pdf

⁵⁸ Oberbank AG, "Annual Report 2023", at: https://www.oberbank.com/documents/20195/21703/irglobal_k_gb23_eng.pdf

⁵⁹ Ibid.

⁶⁰ Oberbank AG, "Sustainable finance", at: <https://www.oberbank.at/finanzierungen>

⁶¹ Oberbank AG, "Sustainable Corporate Lending Framework", at: https://www.oberbank.at/documents/20195/7000096/obk_Sustainable_LF_ENG.pdf

⁶² Oberbank AG, "Code of Conduct for Suppliers and Business Partners", at:

https://www.oberbank.com/documents/20732/65241/ir_CoC_Verhaltenskodex_Suppliers_ENG.pdf

⁶³ European Commission, "Directive 2014/52/EU on the assessment of the effects of certain public and private projects on the environment", (2014), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014L0052>

without endangering human health or causing harm to the environment.⁶⁴ Moreover, Oberbank requires its suppliers and business partners to deploy systems for the safe handling, transport, storage, disposal and recycling of wastewater, waste materials and emissions.⁶⁵

- To manage OHS risks, the EU Directive 89/391/EEC related to workers' health and safety establishes minimum safety and health requirements. The directive requires employers to implement necessary measures to prevent occupational risks, improve working conditions, provide adequate instructions and training, among other health and safety provisions at the workplace.⁶⁶ Oberbank has confirmed to Sustainalytics that it evaluates borrowers' adherence to relevant health and safety regulations and standards as part of its ESG risk screening process.
- Regarding risks related to community relations, Oberbank conducts regular stakeholder engagement through public meetings and ESG focus groups, incorporating stakeholder feedback into its decision-making process and sustainability strategy. Moreover, the Bank has a grievance mechanism enabling stakeholders, including communities, to raise concerns about impacts on communities.⁶⁷
- On risks related to business ethics and predatory lending, Oberbank's Code of Conduct requires a zero-tolerance policy for bribery and corruption and describes the Bank's processes to prevent, detect, manage and mitigate unethical business practices related to conflicts of interest, bribery and corruption, money laundering, tax evasion and data protection.⁶⁸ Similarly, the Bank's Code of Conduct for Suppliers and Business Partners outlines the guidelines and requirements for promoting ethical behaviour, addressing human and labour rights and measures to prevent corruption, money laundering and terrorist financing. Before entering into a relationship, Oberbank requires the potential suppliers to sign its Terms and Conditions of Purchase, through which suppliers and their subcontractors commit to comply with the Bank's Code of Conduct.⁶⁹ Furthermore, Oberbank has implemented an anonymous whistleblower reporting system in line with the Austrian Whistleblower Protection Act, which is available to employees and third parties to report unlawful activities, misconduct and instances of violation of the Bank's Code of Conduct.⁷⁰ Regarding risks associated with predatory lending, the Austrian Consumer Credit Act mandates lenders to disclose clear and transparent information regarding the terms and conditions of credit agreements, the right to withdrawal, avoidance of misleading marketing and advertising, and maximum interest rates.⁷¹
- The Bank has its headquarters in Austria and intends to finance projects in Austria and Germany, which are recognized as Designated Countries under the Equator Principles, indicating the presence of robust environmental and social governance systems, legislation and institutional capacity to mitigate common environmental and social risks associated with the projects financed under the Framework.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Oberbank has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All use of proceeds categories are aligned with those recognized by the GBP and SBP. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

⁶⁴ European Commission, "Directive 2008/98/EC on waste", (2008), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32008L0098&from=EN>

⁶⁵ Oberbank AG, "Code of Conduct for Suppliers and Business Partners", at: https://www.oberbank.com/documents/20732/65241/ir_CoC_Verhaltenskodex_Suppliers_ENG.pdf

⁶⁶ European Commission, "Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work", (1989), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:01989L0391-20081211&qid=1691606114488>

⁶⁷ Oberbank AG, "Annual Report 2023", at: https://www.oberbank.com/documents/20195/21703/irglobal_k_gb23_eng.pdf

⁶⁸ Oberbank AG, "Code of Conduct", at: https://www.oberbank.com/documents/20732/412157/ir_CoC_Verhaltenskodex_ENG.pdf

⁶⁹ Oberbank AG, "Code of Conduct for Suppliers and Business Partners", at: https://www.oberbank.com/documents/20732/65241/ir_CoC_Verhaltenskodex_Suppliers_ENG.pdf

⁷⁰ Oberbank AG, "Compliance at Oberbank", at: <https://www.oberbank.com/compliance#:~:text=Oberbank%20also%20expects%20suppliers%20and,through%20gifts%2C%20services%20or%20benefit>

⁷¹ Austrian Economic Chambers, "Verbraucherkreditgesetz und Ratenzahlungsgeschäfte", at: <https://www.wko.at/vertragsrecht/verbraucherkreditgesetz-ratenzahlungsvereinbarungen>

Importance of financing green buildings in Austria and Germany

The buildings sector accounted for 35% of energy-related emissions in the EU in 2021. These emissions result mostly from the direct use of fossil fuels and the generation of electricity and heat for building operations.⁷² The EU has committed to reduce GHG emissions from buildings by 60% compared to 2015 in line with its pledge to cut GHG emissions by 55% by 2030 compared to 1990 levels.^{73,74} In line with this goal, the revised Energy Performance of Buildings Directive of March 2023 aims to increase renovation rates in the EU, especially for the worst-performing buildings in each member state.⁷⁵

In Austria, electricity and heating of buildings accounted for 14% of total energy-related GHG emissions as of 2020.^{76,77} The Austrian government's Climate and Energy Strategy intends to reduce GHG emissions from buildings by 3 million tonnes by 2030 compared to 2016.⁷⁸ To meet this goal, the government has committed to: i) increase the average annual building renovation rate to 3% annually between 2020 and 2030; ii) phase out all oil and coal heating systems by 2035; and iii) restrict the installation of gas-fired boilers in new buildings from 2025.^{79,80} These initiatives are supported by the country's Recovery and Resilience Plan, which has earmarked more than EUR 4 billion towards investments in low-emission buildings and the phase-out of oil and gas heating in private homes.^{81,82}

In Germany, buildings account for 20% of the country's emissions, which make up 24% of net GHG emissions in the EU.^{83,84} In 2021, building operations, mainly for hot water and heating, accounted for approximately 35% of Germany's total final energy consumption.⁸⁵ The German government has set a target to make the country's building stock climate neutral by 2050 and to reduce the primary energy consumption of the buildings sector by at least 80% by 2050 relative to 2008 levels.^{86,87} To achieve this, the German government has adopted several measures to increase the energy efficiency and the use of renewable energy in the buildings sector. In August 2023, Germany earmarked EUR 18.9 billion for subsidies to encourage the construction of new energy-efficient buildings and the renovation of existing ones, starting in 2024.⁸⁸ Additionally, in September 2023, the Building Energy Act was amended to require newly installed heating systems from January 2024 to be powered by at least 65% renewable energy.⁸⁹ The amendment also requires that all heating systems currently running on fossil fuel to transition to renewable energy by 2045.⁹⁰

⁷² European Environment Agency, "Greenhouse gas emissions from energy use in buildings in Europe", (2023), at: <https://www.eea.europa.eu/en/analysis/indicators/greenhouse-gas-emissions-from-energy?activeAccordion=546a7c35-9188-4d23-94ee-005d97c26f2b>

⁷³ European Commission, "Stepping Up Europe's 2030 climate ambition", (2020), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0562>

⁷⁴ European Commission, "A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives", (2020), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1603122220757&uri=CELEX:52020DC0662>

⁷⁵ European Commission, "Energy Performance of Buildings Directive", (2023), at: https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive_en

⁷⁶ IEA, "Austria 2020 Energy Policy Review", at: https://iea.blob.core.windows.net/assets/ea419c67-4847-4a22-905a-d3ef66b848ba/Austria_2020_Energy_Policy_Review.pdf

⁷⁷ Climate Watch, "Global. Historical Emissions", at: https://www.climatewatchdata.org/ghg-emissions?breakBy=sector&end_year=2020®ions=AUT§ors=energy%2Cbuilding%2Celectricity-heat%2Cfugitive-emissions%2Cmanufacturing-construction%2Cother-fuel-combustion%2Ctransportation&start_year=1990

⁷⁸ Government of Austria, Federal Ministry for Sustainability and Tourism, "Integrated National Energy and Climate Plan for Austria", (2019), at: https://energy.ec.europa.eu/system/files/2020-03/at_final_necp_main_en_0.pdf

⁷⁹ IEA, "Austria 2020 Energy Policy Review", at: https://iea.blob.core.windows.net/assets/ea419c67-4847-4a22-905a-d3ef66b848ba/Austria_2020_Energy_Policy_Review.pdf

⁸⁰ Government of Austria, "Out of a Sense of Responsibility for Austria - Government Programme 2020–2024", at: file:///C:/Users/cbovati/Downloads/GovProgramme-Short_EN_BF.pdf

⁸¹ European Parliament, "Austria's National Recovery and Resilience Plan," (2023), at: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/729465/EPRS_BRI\(2022\)729465_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/729465/EPRS_BRI(2022)729465_EN.pdf)

⁸² European Commission, "Austria's recovery and resilience plan", at: https://commission.europa.eu/business-economy-euro/economic-recovery/recovery-and-resilience-facility/country-pages/austrias-recovery-and-resilience-plan_en

⁸³ European Parliament, "Climate action in Germany", (2021), at: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/690661/EPRS_BRI\(2021\)690661_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/690661/EPRS_BRI(2021)690661_EN.pdf)

⁸⁴ Climate Transparency, "Country Profile, Germany", (2021), at: https://www.germanwatch.org/sites/default/files/ct_report_2021_-_country_profile_germany.pdf

⁸⁵ German Federal Ministry for Economic Affairs and Energy, "Enhancing energy efficiency in buildings", at: <https://www.bmwi.de/Redaktion/EN/Dossier/enhancing-energy-efficiency-in-buildings.html>

⁸⁶ German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, "Climate Action Plan 2050", (2016), at: https://www.bmuv.de/fileadmin/Daten_BMU/Pool/Broschueren/klimaschutzplan_2050_en_bf.pdf

⁸⁷ Ibid.

⁸⁸ Reuters, "German cabinet approves 58 bln euro green investment plan for 2024", (2023): <https://www.reuters.com/world/europe/german-cabinet-approves-58-bl-eur-green-investments-plan-2024-2023-08-09/>

⁸⁹ German Federal Government, "Climate-friendly heating: new Building Energy Act to be implemented", (2023), at: <https://www.bundesregierung.de/breg-en/news/new-building-energy-act-2185010>

⁹⁰ Ibid.

Based on the above, Sustainalytics is of the opinion that Oberbank's financing of green buildings in Austria and Germany is expected to contribute to the decarbonization of the real estate sector in these countries and will further support the EU's climate goals.

Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Oberbank Sustainable Bond Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings (Commercial & Residential)	9. Industry, Innovation, and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Clean Mobility	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible, and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Circular Economy	12. Responsible production and consumption	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Access to Essential Services	3. Good Health and Wellbeing	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all
	4. Quality Education	4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

Conclusion

Oberbank has developed the Oberbank Sustainable Bond Framework under which it will issue green, social and sustainability bonds, such as covered bonds and subordinated bonds, and other instruments, such as senior preferred debt and senior non-preferred debt, and use the proceeds to finance or refinance, in whole or in part, existing or future loans for projects that support the transition to an environmentally sustainable economy and generate positive social outcomes.

The Oberbank Sustainable Bond Framework outlines a process for tracking, allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics considers the Oberbank Sustainable Bond Framework to be aligned with the overall sustainability strategy of the Bank and that the use of proceeds will contribute to the advancement of the UN Sustainable Development Goals 3, 4, 7, 9, 11 and 12. Additionally, Sustainalytics is of the opinion that Oberbank has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Sustainalytics has assessed the Framework for alignment with the EU Taxonomy's criteria for Substantial Contribution (SC) to its environmental objectives and Minimum Safeguards. For more details, please see Section 1 and Appendix 1.

Based on the above, Sustainalytics is confident that Oberbank is well positioned to issue green, social and sustainability bonds and that the Oberbank Sustainable Bond Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021 and Social Bond Principles 2023.

Appendices

Appendix 1: Approach to Assessing Alignment with the EU Taxonomy

Sustainalytics has assessed each of the eligible green use of proceeds criteria in the Framework against the criteria for the relevant activity in the EU Taxonomy. This appendix describes Sustainalytics' process and presents the outcome of its assessment of alignment with the Taxonomy's applicable technical screening criteria for substantial contribution (SC) to an environmental objective of the EU Taxonomy. Sustainalytics' assessment involves two steps:

1. Mapping Framework Criteria to Activities in the EU Taxonomy

The initial step in Sustainalytics' assessment process involves mapping each criterion in the Framework to a relevant and applicable activity in the EU Taxonomy. Note that each Framework criterion may be relevant and applicable to more than one activity in the EU Taxonomy and vice versa. Sustainalytics recognizes that some Framework criteria relate to projects that do not map well to a specific activity in the EU Taxonomy. In such cases, Sustainalytics has mapped to the activity that is most relevant with respect to the primary environmental objective established in the EU Taxonomy.

In some cases, the Framework criteria cannot be mapped to an activity in the EU Taxonomy, as some activities are not yet covered by the EU Taxonomy. In other cases, some categories which are traditionally included in green bonds may not be associated with a specific EU Taxonomy activity. While recognizing that financing projects in these areas may still have environmental benefits, Sustainalytics has not assessed these criteria for alignment.

Table 2 below displays the outcome of Sustainalytics' mapping process for this report.

2. Determining Alignment with EU Taxonomy Criteria

The second step in Sustainalytics' process is to determine the alignment of each criterion with relevant criteria in the EU Taxonomy. Alignment with the SC criteria is usually based on the specific criteria contained in the issuer's Framework, and may in many cases also be based on management systems and processes or regulatory compliance. To assess alignment with the EU Taxonomy's Minimum Safeguards Sustainalytics has conducted an assessment of policies, management systems and processes applicable to the use of proceeds criteria, including the regulatory context in the geographical location of activities and projects. (See Section 1, above.)

Sustainalytics' detailed assessment of alignment is provided in Appendix 2.

Table 2: Framework mapping table

Framework Category	Framework Criterion (Eligible Use of Proceeds)	EU Taxonomy Activity	Corresponding NACE Code	Environmental Objective	Refer to Table
Green Buildings	Financing of new construction, acquisition and ownership of residential and non-residential buildings	7.1. Construction of new buildings	F41.1, F41.2, and F43	Mitigation	Table 3
		7.7. Acquisition and ownership of buildings	L68	Mitigation	Table 4
	Financing of major building renovations	7.2. Renovation of existing buildings	F41 and F43	Mitigation	Table 5
	Individual renovation measures that improve the energy efficiency of the building, financing the manufacture, installation, maintenance and repair of	3.5. Manufacture of energy efficiency equipment for buildings	C16.23, C23.11, C23.20, C23.31, C23.32, C23.43, C.23.61, C25.11, C25.12, C25.21, C25.29, C25.93, C27.31, C27.32, C27.33,	Mitigation	Table 6

	energy-efficient building equipment.		C27.40, C27.51, C28.11, C28.12, C28.13, C28.14		
		7.3. Installation, maintenance and repair of energy efficiency equipment	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12	Mitigation	Table 7
		7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28	Mitigation	Table 8
Renewable Energy	Construction, production and maintenance of renewable energy installations	7.6. Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C16, C17, C22, C23, C25, C27, or C28	Mitigation	Table 9
	Equipment for the production of renewable energy and green hydrogen technologies	3.1. Manufacture of renewable energy technologies	C25, C27, C28	Mitigation	Table 10
		3.2. Manufacture of equipment for the production and use of hydrogen	C25, C27, C28	Mitigation	Table 11
	Storage, transmission, distribution of renewable energy and the production of the necessary equipment	3.20. Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	C26.51, C27.1, C27.3, C27.9, C33.13, C33.14, C33.2	Mitigation	Table 12
		4.9. Transmission and distribution of electricity	D35.12 and D35.13	Mitigation	Table 13
		4.10. Storage of electricity	No associated code	Mitigation	Table 14
		4.11. Storage of thermal energy	No associated code	Mitigation	Table 15
		4.12. Storage of hydrogen	No associated code	Mitigation	Table 16
		4.14. Transmission and distribution networks for renewable and low-carbon gases	D35.12 and D35.13	Mitigation	Table 17
	Power generation by means of photovoltaic (solar energy)	4.1. Electricity generation using solar photovoltaic technology	D35.11 and F42.21	Mitigation	Table 18

	Power generation by means of wind energy	4.3. Electricity generation from wind power	D35.11 and F42.22	Mitigation	Table 19
	Heat generation by means of solar energy	4.21. Production of heat/cool from solar thermal heating	D35.30	Mitigation	Table 20
	Electricity generation from small hydropower	4.5. Electricity generation from hydropower	D35.11 and F42.22	Mitigation	Table 21
	Electricity/heating/cooling generation from bioenergy, such as bioenergy (e.g. wood), biogas, biofuels	4.8. Electricity generation from bioenergy	D35.11	Mitigation	Table 22
		4.20. Cogeneration of heat/cool and power from bioenergy	D35.11 and D35.30	Mitigation	Table 23
		4.24. Production of heat/cool from bioenergy	D35.30	Mitigation	Table 24
	Green hydrogen	3.10. Manufacture of hydrogen	C20.11	Mitigation	Table 25
	Heat/cold generation from waste heat	4.25. Production of heat/cool using waste heat	D35.30	Mitigation	Table 26
	Heating/cooling with electric heat pumps	4.16. Installation and operation of electric heat pump	D35.30 and F43.22	Mitigation	Table 27
	Geothermal plants	4.6. Electricity generation from geothermal energy	D35.11 and F42.22	Mitigation	Table 28
		4.18 Cogeneration of heat/cool and power from geothermal energy	D35.11 and D35.30	Mitigation	Table 29
		4.22 Production of heating/cooling from geothermal energy	D35.30	Mitigation	Table 30
Clean Mobility	District heating/cooling distribution networks and conversion to low-temperature profiles and/or for heating/cooling from renewable energy generation	4.15. District heating/cooling distribution	D35.30	Mitigation	Table 31
	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no	6.1. Passenger transport by interurban rail transport	H49.10 and N77.39	Mitigation	Table 32
		6.2. Freight rail transport	H49.20 and N77.39	Mitigation	Table 33
		6.3. Urban and suburban transport, road passenger transport	H49.31, H49.3.9, N77.39 and N77.11	Mitigation	Table 34

	<p>direct CO₂ emission. I.e. purely electric or hydrogen-powered vehicles like</p> <ul style="list-style-type: none"> • Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or • Rail vehicles or • Inland water transport vehicle 	6.4. Operation of personal mobility devices, cycle logistics	N77.11 and N77.21	Mitigation	Table 35
		6.5. Transport by motorbikes, passenger cars and light commercial vehicles	H49.32, H49.39 and N77.11	Mitigation	Table 36
		6.6. Freight transport services by road	H49.4.1, H53.10, H53.20 and N77.12	Mitigation	Table 37
		6.7. Inland passenger water transport	H50.30	Mitigation	Table 38
		6.8. Inland freight water transport	H50.4	Mitigation	Table 39
	Investment in equipment for the production of electric or hydrogen-powered vehicles and their components	3.18. Manufacture of automotive and mobility components	C22.2, C26.1, C26.2, 26.3, 26.4, C28.14, C28.15, C29.2, C29.3, and C33.17	Mitigation	Table 40
	Investment in equipment for the manufacture of components of railway vehicles.	3.19. Manufacture of rail rolling stock constituents	C30.2, C27.1, C27.9	Mitigation	Table 41
	Plants for the production of automotive and mobility components for CO ₂ -emission-free vehicles and rail vehicles.	3.18. Manufacture of automotive and mobility components	C22.2, C26.1, C26.2, 26.3, 26.4, C28.14, C28.15, C29.2, C29.3, and C33.17	Mitigation	Table 40
	Investments in infrastructure for rail transport	6.14. Infrastructure for rail transport	C25.99, C27.9, C30.20, F42.12, F42.13, M71.12, M71.20, F43.21, and H52.21	Mitigation	Table 42
	Investments in Electricity charging stations and hydrogen refuelling stations	6.15. Infrastructure enabling low-carbon road transport and public transport	F42.11, F42.13, M71.12 and M71.20	Mitigation	Table 43

	and equipment for their production	7.4. Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28	Mitigation	Table 44
Circular Economy	Waste and secondary raw materials: facilities for collection, transport, treatment, dismantling, sorting, de-pollution and recycling	2.3. Collection and transport of non-hazardous and hazardous waste	E38.11, E38.12 and F42.9	Circular Economy	Table 45
		2.4. Treatment of hazardous waste	E38.22, E38.32, F42.9	Circular Economy	Table 46
		2.6. Depollution and dismantling of end-of-life products	E38.31, E38.32 and E42.99	Circular Economy	Table 47
		2.7. Sorting and material recovery of non-hazardous waste	E38.32 and F42.9	Circular Economy	Table 48
	Production of electrical and electronic equipment with the EU Ecolabel	1.2. Manufacture of electrical and electronic equipment	C26 and C27	Circular Economy	Table 49

Appendix 2: Comprehensive EU Taxonomy Alignment Assessment

The tables below provide a detailed assessment of the alignment of the Framework criteria with the technical screening criteria for substantial contribution to an environmental objective for each relevant EU Taxonomy activity.

Table 3

Framework Activity Assessed	Financing of new construction, acquisition and ownership of residential and non-residential buildings	
EU Taxonomy Activity	7.1. Construction of new buildings	
Corresponding NACE Code	F41.1, F41.2, and F43	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Oberbank has confirmed to Sustainalytics that the PED defining the energy performance of the building resulting from the construction will be at least 10% lower than the threshold set for the NZEB requirements implementing Directive 2010/31/EU. The energy performance is certified using an as-built EPC. 2. For buildings larger than 5,000 m², Oberbank is unable to provide information regarding testing done for airtightness and thermal integrity, and how the GWP is calculated and disclosed to investors and clients. <p>Sustainalytics considers this activity to be partially aligned given that Oberbank may rely on green building certifications that present limitations in demonstrating alignment with the EU Taxonomy.</p>	Partially aligned

Table 4

Framework Activity Assessed	Financing of new construction, acquisition and ownership of residential and non-residential buildings	
EU Taxonomy Activity	7.7. Acquisition and ownership of buildings	
Corresponding NACE Code	L68	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Buildings built before 31 December 2020 will have an EPC A. Alternatively, the building is in the top 15% of the national building stock expressed in operational PED. 2. Buildings built after 31 December 2020 will have a PED at least 10% lower than the national NZEB requirements. Sustainalytics notes that this is in line with the criteria in Section 7.1 of Annex I of the EU Taxonomy Climate Delegated Act that are relevant at the time of the acquisition. 3. For large non-residential buildings (with an effective rated output for heating systems, systems for combined space heating and ventilation, air conditioning systems or systems for combined air conditioning and ventilation of over 290 kW), Sustainalytics notes that Oberbank has not identified projects related to this activity yet and, hence, is unable to demonstrate how the building is operating efficiently through energy performance monitoring and assessment at this stage. Sustainalytics encourages Oberbank to update this EU Taxonomy assessment to include such projects, should they be financed in the future. <p>Sustainalytics considers this activity to be partially aligned with the EU Taxonomy given that Oberbank may rely on green building certifications that present limitations in demonstrating alignment.</p>	Partially aligned

Table 5

Framework Activity Assessed	Financing of major building renovations	
EU Taxonomy Activity	7.2. Renovation of existing buildings	
Corresponding NACE Code	F41 and F43	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed to Sustainalytics that major building renovations will comply with the applicable requirements for major renovations.</p> <p>Alternatively, the Framework outlines that the renovation leads to a reduction in PED of at least 30%.</p> <p>Sustainalytics views investments under this activity to be aligned with the applicable criteria.</p>	Aligned

Table 6

Framework Activity Assessed	Individual renovation measures that improve the energy efficiency of the building, financing the manufacture, installation, maintenance and repair of energy-efficient building equipment.	
EU Taxonomy Activity	3.5. Manufacture of energy efficiency equipment for buildings	
Corresponding NACE Code	C16.23, C23.11, C23.20, C23.31, C23.32, C23.43, C.23.61, C25.11, C25.12, C25.21, C25.29, C25.93, C27.31, C27.32, C27.33, C27.40, C27.51, C28.11, C28.12, C28.13, C28.14	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed to Sustainalytics that it intends to finance the manufacturing of the following products and their key components under this economic activity:</p> <ul style="list-style-type: none"> a) windows with U-value lower or equal to 1.0 W/m²K; b) doors with U-value lower or equal to 1.2 W/m²K; c) external wall systems with U-value lower or equal to 0.5 W/m²K; d) roofing systems with U-value lower or equal to 0.3 W/m²K; e) insulating products with a lambda value lower or equal to 0.06 W/mK; f) household appliances in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that regulation; g) light sources rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that regulation; h) space heating and domestic hot water systems rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that regulation; i) cooling and ventilation systems rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that regulation; j) presence and daylight controls for lighting systems; k) heat pumps compliant with the technical screening criteria set out in Section 4.16 of Annex 1 of the EU Taxonomy Climate Delegated Act; l) façade and roofing elements with a solar shading or solar control function, including those that support the growing of vegetation; 	Aligned

	<ul style="list-style-type: none"> m) energy-efficient building automation and control systems for residential and non-residential buildings; n) zoned thermostats and devices for the smart monitoring of the main electricity loads or heat loads for buildings, and sensing equipment; o) products for heat metering and thermostatic controls for individual homes connected to district heating systems, for individual flats connected to central heating systems serving a whole building, and for central heating systems; p) district heating exchangers and substations compliant with the district heating/cooling distribution activity set out in Section 4.15 of this of Annex 1 of the EU Taxonomy Climate Delegated Act; q) products for smart monitoring and regulating of heating system, and sensing equipment. <p>Based on the above, Sustainalytics views this activity to be aligned with the EU Taxonomy.</p>	
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Table 7

Framework Activity Assessed	Individual renovation measures that improve the energy efficiency of the building, financing the manufacture, installation, maintenance and repair of energy-efficient building equipment.	
EU Taxonomy Activity	7.3. Installation, maintenance and repair of energy efficiency equipment	
Corresponding NACE Code	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>The Framework will be used to finance the following individual measures, provided that they comply with the minimum requirements set for individual components and systems in the applicable national measures implementing Directive 2010/31/EU and, where applicable, are rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that regulation:</p> <ul style="list-style-type: none"> (a) addition of insulation to existing envelope components, such as external walls (including green walls), roofs (including green roofs), lofts, basements and ground floors (including measures to ensure airtightness, measures to reduce the effects of thermal bridges and scaffolding) and products for the application of the insulation to the building envelope (including mechanical fixings and adhesive); (b) replacement of existing windows with new energy efficient windows; (c) replacement of existing external doors with new energy efficient doors; (d) installation and replacement of energy efficient light sources; (e) installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies; (f) installation of low water and energy using kitchen and sanitary water fittings which comply with technical specifications set out in Appendix E to the Annex of the EU Taxonomy Climate Delegated Act and, in case of shower solutions, mixer showers, shower outlets and taps, have a max water flow of 6 L/min or less attested by an existing label in the European Union market. <p>Based on the above, Sustainalytics views this activity to be aligned with the EU Taxonomy.</p>	Aligned

Table 8

Framework Activity Assessed	Individual renovation measures that improve the energy efficiency of the building, financing the manufacture, installation, maintenance and repair of energy-efficient building equipment.	
EU Taxonomy Activity	7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	
Corresponding NACE Code	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has communicated to Sustainalytics that they may finance the following individual measures, as per the applicable SC criteria:</p> <p>Installation, maintenance and repair of building automation and control systems, building energy management systems (BEMS), lighting control systems and energy management systems (EMS).</p> <p>Based on the above, Sustainalytics views this activity to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 9

Framework Activity Assessed	Construction, production and maintenance of renewable energy installations	
EU Taxonomy Activity	7.6. Installation, maintenance and repair of renewable energy technologies	
Corresponding NACE Code	F42, F43, M71, C16, C17, C22, C23, C25, C27, or C28	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has communicated to Sustainalytics that they may finance the following individual measures, installed on-site as technical building systems, as per the following criteria:</p> <ul style="list-style-type: none"> a) installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment; b) installation, maintenance and repair of solar hot water panels and the ancillary technical equipment; c) installation, maintenance, repair and upgrade of heat pumps contributing to the targets for renewable energy in heat and cool in accordance with Directive (EU) 2018/2001 and the ancillary technical equipment; d) installation, maintenance and repair of wind turbines and the ancillary technical equipment; e) installation, maintenance and repair of solar transpired collectors and the ancillary technical equipment; f) installation, maintenance and repair of thermal or electric energy storage units and the ancillary technical equipment; g) installation, maintenance and repair of high efficiency micro CHP (combined heat and power) plant; h) installation, maintenance and repair of heat exchanger/recovery systems. <p>Based on the above, Sustainalytics views this activity to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 10

Framework Activity Assessed	Equipment for the production of renewable energy and green hydrogen technologies	
EU Taxonomy Activity	3.1. Manufacture of renewable energy technologies	
Corresponding NACE Code	C25, C27, C28	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of equipment for renewable energy technologies, which are eligible by default.	Aligned

Table 11

Framework Activity Assessed	Equipment for the production of renewable energy and green hydrogen technologies	
EU Taxonomy Activity	3.2. Manufacture of equipment for the production and use of hydrogen	
Corresponding NACE Code	C25, C27, C28	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank was unable to confirm compliance with the following criteria:</p> <ul style="list-style-type: none"> a) The activity complies with the life cycle GHG emissions savings requirement of 73.4% for hydrogen, resulting in life cycle GHG emissions lower than 3tCO₂e/tH₂. b) The life cycle GHG emissions savings are calculated using the methodology referred to in Article 28(5) of Directive (EU) 2018/2001⁹¹ or, alternatively, using ISO 14067:2018⁹² or ISO 14064-1:2018.⁹³ c) Quantified life cycle GHG emission savings are verified in line with Article 30 of Directive (EU) 2018/2001⁹⁴ where applicable, or by an independent third party. d) Where the CO₂ that would otherwise be emitted from the manufacturing process is captured for the purpose of underground storage, the CO₂ is transported and stored underground, in accordance with the technical screening criteria set out in Sections 5.11 and 5.12 of the Annex of the EU Taxonomy Climate Delegated Act. <p>Hence, Sustainalytics has assessed this activity to be not aligned with the EU Taxonomy criteria.</p>	Not aligned

⁹¹ European Parliament, "Directive (EU) 2018/2001", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG

⁹² ISO, "14067:2018, Greenhouse gases – Carbon footprint of products – Requirements and guidelines for quantification", at: <https://www.iso.org/standard/71206.html>

⁹³ ISO, "14064-1:2018, Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals", at: <https://www.iso.org/standard/66453.html>

⁹⁴ European Parliament, "Directive (EU) 2018/2001", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG

Table 12

Framework Activity Assessed	Storage, transmission, distribution of renewable energy and the production of the necessary equipment	
EU Taxonomy Activity	3.20. Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	
Corresponding NACE Code	C26.51, C27.1, C27.3, C27.9, C33.13, C33.14, C33.2	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Oberbank has confirmed that the activity follows the applicable SC criteria. 2. Oberbank has confirmed the exclusion of the following from financing under the Framework: <ol style="list-style-type: none"> a) Infrastructure dedicated to creating a direct connection or expanding an existing direct connection between a substation or network and a power production plant that is more greenhouse gas intensive than 100 gCO₂e/kWh measured on a life cycle basis. b) Products, equipment, systems and software that are installed in an infrastructure dedicated to the extraction, transport, distribution, storage, manufacturing or transformation of fossil fuels. 3. The Bank has confirmed that switchgears with insulating or breaking medium using, or whose functioning relies on gases with global warming potential above 10 will not be financed under the Framework. The Bank also communicated that power ranges and switchgears containing SF6 will be excluded from financing. 4. The Bank has confirmed that: i) all products, equipment and systems will comply with the mandatory energy and material efficiency performance requirements in Directive 2009/125/EC, and that ii) manufacturers refer to the latest applicable performance requirements in the European Union. <p>Based on the above, Sustainalytics views this activity to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 13

Framework Activity Assessed	Storage, transmission, distribution of renewable energy and the production of the necessary equipment	
EU Taxonomy Activity	4.9. Transmission and distribution of electricity	
Corresponding NACE Code	D35.12 and D35.13	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Oberbank has confirmed that: a) the transmission and distribution infrastructure or equipment is in the electricity interconnected European system; and that b) more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO₂e/kWh measured on a life cycle basis in accordance with electricity generation criteria over a rolling five-year period; 2. The Bank has communicated that the activity will consist of: <ol style="list-style-type: none"> a) construction and operation of direct connection, or expansion of existing direct connection, of low-carbon electricity generation below the threshold of 100 gCO₂e/kWh measured on a life cycle basis to a substation or network. b) construction and operation of EV charging stations and supporting electric infrastructure for the electrification of transport, subject to compliance with the technical screening criteria under the transport Section of Annex 1 of the European Taxonomy Climate Delegated Act. 	Aligned

	<p>c) installation of transmission and distribution transformers that comply with the Tier 2 (1 July 2021) requirements set out in Annex I to the Commission Regulation (EU) No 548/2014⁹⁵ and, for medium power transformers with highest voltage for equipment not exceeding 36 kV, with AA0 level requirements on no-load losses set out in standard EN 50588-1.</p> <p>Based on the above, Sustainalytics views this activity to be aligned with the EU Taxonomy criteria.</p>	
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Table 14

Framework Activity Assessed	Storage, transmission, distribution of renewable energy and the production of the necessary equipment	
EU Taxonomy Activity	4.10. Storage of electricity	
Corresponding NACE Code	No dedicated NACE code	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has communicated that the activity consists of the construction and operation of electricity storage equipment and services, including pumped hydropower storage and large battery storage.</p> <p>Sustainalytics considers this activity to be aligned with the of the EU Taxonomy.</p>	Aligned

Table 15

Framework Activity Assessed	Storage, transmission, distribution of renewable energy and the production of the necessary equipment	
EU Taxonomy Activity	4.11. Storage of thermal energy	
Corresponding NACE Code	No dedicated NACE code	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>The activity includes the financing of activity stores thermal energy, including underground thermal energy storage (UTES) or aquifer thermal energy storage (ATES), which is eligible by default.</p>	Aligned

⁹⁵ European Parliament, "Commission Regulation (EU) No 548/2014", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0548-20191114#:~:text=COMMISSION%20REGULATION%20%28EU%29%20No%20548%2F2014%20of%2021%20May,power%20transformers%20%28OJ%20L%20152%2022.5.2014%2C%20p.%201%29>

Table 16

Framework Activity Assessed	Storage, transmission, distribution of renewable energy and the production of the necessary equipment	
EU Taxonomy Activity	4.12. Storage of hydrogen	
Corresponding NACE Code	No dedicated NACE code	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>The Framework activity consists of: a) the construction of hydrogen storage facilities; and the b) conversion of existing underground gas storage facilities into storage facilities dedicated to hydrogen storage.</p> <p>Hence, Sustainalytics views this activity to be aligned with the EU Taxonomy.</p>	Aligned

Table 17

Framework Activity Assessed	Storage, transmission, distribution of renewable energy and the production of the necessary equipment	
EU Taxonomy Activity	4.14. Transmission and distribution networks for renewable and low-carbon gases	
Corresponding NACE Code	D35.12 and D35.13	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>This activity consists of the following measures:</p> <ul style="list-style-type: none"> a) construction or operation of new transmission and distribution networks dedicated to hydrogen or other low-carbon gases; b) conversion or repurposing of existing natural gas networks to 100% hydrogen; c) retrofit of gas transmission and distribution networks that enables the integration of hydrogen and other low-carbon gases in the network, including any gas transmission or distribution network activity that enables the increase of the blend of hydrogen or other low carbon gasses in the gas system. <p>The Bank also confirmed that the activity includes leak detection and repair of existing gas pipelines and other network elements to reduce methane leakage.</p> <p>Based on the above, Sustainalytics views this activity to be aligned with the EU Taxonomy.</p>	Aligned

Table 18

Framework Activity Assessed	Power generation by means of photovoltaic (solar energy)	
EU Taxonomy Activity	4.1. Electricity generation using solar photovoltaic technology	
Corresponding NACE Code	D35.11 and F42.21	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	This activity consists of financing electricity generation using solar PV technology, which is eligible by default.	Aligned

Table 19

Framework Activity Assessed	Power generation by means of wind energy	
EU Taxonomy Activity	4.3. Electricity generation from wind power	
Corresponding NACE Code	D35.11 and F42.22	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	This activity consists of financing electricity generation from onshore wind power, which is eligible by default.	Aligned

Table 20

Framework Activity Assessed	Heat generation by means of solar energy	
EU Taxonomy Activity	4.21. Production of heat/cool from solar thermal heating	
Corresponding NACE Code	D35.30	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	This activity consists of financing heat generation from solar power. The Bank confirmed the use of solar thermal plants, which are eligible by default.	Aligned

Table 21

Framework Activity Assessed	Electricity generation from small hydropower	
EU Taxonomy Activity	4.5. Electricity generation from hydropower	
Corresponding NACE Code	D35.11 and F42.22	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed compliance with the following:</p> <ul style="list-style-type: none"> a) the electricity generation facility is a run-of-river plant and does not have an artificial reservoir; b) the power density of the electricity generation facility is above 5 W/m²; c) the life cycle GHG emissions from the generation of electricity from hydropower, are lower than 100 gCO₂e/kWh. <p>However, the Bank was unable to confirm that: i) GHG emissions will be calculated using Recommendation 2013/179/EU⁹⁶ or, alternatively, using ISO 14067:2018,⁹⁷ ISO 14064-1:2018⁹⁸ or the G-res tool,⁹⁹ and that ii) quantified life cycle GHG emissions will be verified by an independent third party.</p> <p>Hence, Sustainalytics views this activity to be partially aligned with the applicable SC criteria.</p>	Partially aligned

Table 22

Framework Activity Assessed	Electricity, heating and cooling generation from bioenergy, such as bioenergy (e.g. wood), biogas, biofuels	
EU Taxonomy Activity	4.8. Electricity generation from bioenergy	
Corresponding NACE Code	D35.11	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Oberbank will only finance installations with a total rated thermal input below 2 MW and using gaseous biomass fuels, therefore SC criterion 1 will not apply. 2. The Bank will only finance installations with a total rated thermal input below 2 MW and using gaseous biomass fuels, therefore SC criterion 2 will not apply. 3. The Bank was unable to confirm that, where the installations rely on anaerobic digestion of organic material, the production of the digestate meets the criteria in Sections 5.6 and criteria 1 and 2 of Section 5.7 of Annex 1 of the EU Taxonomy Climate Delegated Act, as applicable. 4. The criteria in sections 1 and 2 do not apply to electricity generation installations with a total rated thermal input below 2 MW and using gaseous biomass fuels. 5. The Bank will not finance installations with a total rated thermal input from 50 to 100 MW, therefore the respective SC criteria do not apply. 	Not aligned

⁹⁶ European Parliament, "2013/179/EU: Commission Recommendation of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32013H0179>

⁹⁷ ISO standard 14067:2018, Greenhouse gases – Carbon footprint of products – Requirements and guidelines for quantification (version of [adoption date]: <https://www.iso.org/standard/71206.html>)

⁹⁸ ISO standard 14064-1:2018, Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals (version of [adoption date]: <https://www.iso.org/standard/66453.html>)

⁹⁹ G-res Tool, "About the G-res Tool", at: <https://www.grestool.org/about-tool>

	<p>6. The Bank will not finance installations with a total rated thermal input above 100 MW, therefore the respective SC criteria do not apply.</p> <p>Sustainalytics notes that criteria 1, 2, 5 and 6 do not apply. Oberbank was unable to confirm compliance with criterion 3. Based on the above, Sustainalytics considers the activity to be not aligned with the applicable SC criteria of the EU Taxonomy.</p>	
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Table 23

Framework Activity Assessed	Electricity, heating and cooling generation from bioenergy, such as bioenergy (e.g. wood), biogas, biofuels	
EU Taxonomy Activity	4.20. Cogeneration of heat/cool and power from bioenergy	
Corresponding NACE Code	D35.11 and D35.30	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Oberbank will only finance installations with a total rated thermal input below 2 MW and using gaseous biomass fuels, therefore criterion 1 will not apply. 2. The Bank will only finance installations with a total rated thermal input below 2 MW and using gaseous biomass fuels, therefore criterion 2 will not apply. 3. The Bank was unable to confirm that, where the installations rely on anaerobic digestion of organic material, the production of the digestate meets the criteria in Sections 5.6 and criteria 1 and 2 of Section 5.7 of Annex 1 of the EU Taxonomy Climate Delegated Act, as applicable. 4. The criteria in sections 1 and 2 do not apply to electricity generation installations with a total rated thermal input below 2 MW and using gaseous biomass fuels. <p>Sustainalytics notes that criteria 1 and 2 do not apply. Oberbank was unable to confirm compliance with criteria 3. Based on the above, Sustainalytics considers the activity to be not aligned with the applicable SC criteria of the EU Taxonomy.</p>	Not aligned

Table 24

Framework Activity Assessed	Electricity, heating and cooling generation from bioenergy, such as bioenergy (e.g. wood), biogas, biofuels	
EU Taxonomy Activity	4.24. Production of heat/cool from bioenergy	
Corresponding NACE Code	D35.30	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Oberbank will only finance installations with a total rated thermal input below 2 MW and using gaseous biomass fuels, therefore criterion 1 will not apply. 2. The Bank will only finance installations with a total rated thermal input below 2 MW and using gaseous biomass fuels, therefore criterion 2 will not apply. 3. The Bank was unable to confirm that, where the installations rely on anaerobic digestion of organic material, the production of the digestate meets the criteria in Sections 5.6 and criteria 1 and 2 of Section 5.7 of Annex 1 of the EU Taxonomy Climate Delegated Act, as applicable. 	Not aligned

	Sustainalytics notes that criteria 1 and 2 do not apply. Oberbank was unable to confirm compliance with criterion 3. Based on the above, Sustainalytics considers the activity to be not aligned with the SC criteria of the EU Taxonomy.	
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Table 25

Framework Activity Assessed	Green hydrogen	
EU Taxonomy Activity	3.10. Manufacture of hydrogen	
Corresponding NACE Code	C20.11	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank was unable to confirm compliance with the following SC criteria:</p> <ul style="list-style-type: none"> a) The activity complies with the life cycle GHG emissions savings requirement of 73.4% for hydrogen, resulting in life cycle GHG emissions lower than 3 tCO₂e/tH₂. b) The life cycle GHG emissions savings are calculated using the methodology referred to in Article 28(5) of Directive (EU) 2018/2001¹⁰⁰ or, alternatively, using ISO 14067:2018¹⁰¹ or ISO 14064-1:2018.¹⁰² c) Quantified life cycle GHG emission savings are verified in line with Article 30 of Directive (EU) 2018/2001¹⁰³ where applicable, or by an independent third party. d) Where the CO₂ that would otherwise be emitted from the manufacturing process is captured for the purpose of underground storage, the CO₂ is transported and stored underground, in accordance with the technical screening criteria set out in Sections 5.11 and 5.12 of the Annex of the Climate Delegated Act. <p>Hence, Sustainalytics has assessed this activity to be not aligned with the EU Taxonomy criteria.</p>	Not aligned

Table 26

Framework Activity Assessed	Heating and cooling generation from waste heat	
EU Taxonomy Activity	4.25. Production of heat/cool using waste heat	
Corresponding NACE Code	D35.30	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	This activity consists of financing heating and cooling generation from waste heat, which is eligible by default.	Aligned

¹⁰⁰ Ibid.¹⁰¹ ISO, "14067:2018, Greenhouse gases — Carbon footprint of products — Requirements and guidelines for quantification", at: <https://www.iso.org/standard/71206.html>¹⁰² ISO, "14064-1:2018, Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals", at: <https://www.iso.org/standard/66453.html>¹⁰³ European Parliament, "Directive (EU) 2018/2001", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG

Table 27

Framework Activity Assessed	Heating/cooling with electric heat pumps	
EU Taxonomy Activity	4.16. Installation and operation of electric heat pump	
Corresponding NACE Code	D35.30 and F43.22	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed that electric heat pumps will have refrigerants with GWP below 675.</p> <p>However, the Bank was unable confirm that heat pumps will meet the energy efficiency requirements in the regulations implementing Directive 2009/125/EC.¹⁰⁴</p> <p>Based on the above, Sustainalytics considers the activity to be partially aligned with the SC criteria of the EU Taxonomy.</p>	Partially aligned

Table 28

Framework Activity Assessed	Geothermal plants	
EU Taxonomy Activity	4.6. Electricity generation from geothermal energy	
Corresponding NACE Code	D35.11 and F42.22	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed that the life cycle GHG emissions from the generation of electricity from geothermal energy are lower than 100 gCO₂e/kWh.</p> <p>However, the Bank was unable to confirm that: i) GHG emissions will be calculated using Recommendation 2013/179/EU¹⁰⁵ or, alternatively, using ISO 14067:2018,¹⁰⁶ ISO 14064-1:2018,¹⁰⁷ and that ii) quantified life cycle GHG emissions will be verified by an independent third party.</p> <p>Therefore, Sustainalytics considers the activity to be partially aligned with the SC criteria of the EU Taxonomy.</p>	Partially aligned

¹⁰⁴ European Parliament, "Directive 2009/125/EC", at: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32009L0125>

¹⁰⁵ European Parliament, "Commission Recommendation 2013/179/EU", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32013H0179>

¹⁰⁶ ISO, "14067:2018, Greenhouse gases – Carbon footprint of products – Requirements and guidelines for quantification", at: <https://www.iso.org/standard/71206.html>

¹⁰⁷ ISO, "14064-1:2018, Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals" at: <https://www.iso.org/standard/66453.html>

Table 29

Framework Activity Assessed	Geothermal plants	
EU Taxonomy Activity	4.18. Cogeneration of heat/cool and power from geothermal energy	
Corresponding NACE Code	D35.11 and D35.30	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed that the life cycle GHG emissions from the combined generation of heating, cooling and power from geothermal energy are lower than 100 gCO₂e/kWh.</p> <p>However, the Bank was unable to confirm that: i) GHG emissions will be calculated using Recommendation 2013/179/EU¹⁰⁸ or, alternatively, using ISO 14067:2018,¹⁰⁹ ISO 14064-1:2018,¹¹⁰ and that ii) quantified life cycle GHG emissions will be verified by an independent third party.</p> <p>Therefore, Sustainalytics considers this activity to be partially aligned with the SC criteria of the EU Taxonomy.</p>	Partially aligned

Table 30

Framework Activity Assessed	Geothermal plants	
EU Taxonomy Activity	4.22. Production of heating/cooling from geothermal energy	
Corresponding NACE Code	D35.30	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed that the life cycle GHG emissions from the generation of heating and cooling from geothermal energy are lower than 100 gCO₂e/kWh.</p> <p>However, the Bank was unable to confirm that: i) GHG emissions will be calculated using Recommendation 2013/179/EU¹¹¹ or, alternatively, using ISO 14067:2018,¹¹² ISO 14064-1:2018,¹¹³ and that ii) quantified life-cycle GHG emissions will be verified by an independent third party.</p> <p>Therefore, Sustainalytics considers the activity to be partially aligned with the SC criteria of the EU Taxonomy.</p>	Partially aligned

Table 31

¹⁰⁸ European Parliament, "2013/179/EU", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32013H0179>

¹⁰⁹ ISO, "ISO 14067:2018, Greenhouse gases – Carbon footprint of products – Requirements and guidelines for quantification", at : <https://www.iso.org/standard/71206.html>

¹¹⁰ ISO, "ISO 14064-1:2018, Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals", at: <https://www.iso.org/standard/66453.html>

¹¹¹ European Parliament, "2013/179/EU", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32013H0179>

¹¹² ISO, "ISO 14067:2018, Greenhouse gases – Carbon footprint of products – Requirements and guidelines for quantification", at: <https://www.iso.org/standard/71206.html>

¹¹³ ISO, "ISO 14064-1:2018, Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals", at: <https://www.iso.org/standard/66453.html>

Framework Activity Assessed	District heating/cooling distribution networks and conversion to low-temperature profiles and/or for heating/cooling from renewable energy generation	
EU Taxonomy Activity	4.15. District heating/cooling distribution	
Corresponding NACE Code	D35.30	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed that the system meets the definition of efficient district heating and cooling systems laid down in Article 2, point 41, of Directive 2012/27/EU.¹¹⁴</p> <p>Additionally, the Framework clarifies that the activity consists in the modification to lower temperature regimes.</p> <p>Based on the above, Sustainalytics views this activity as aligned with the EU Taxonomy criteria.</p>	Aligned

Table 32

Framework Activity Assessed	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no direct CO ₂ emission. I.e. purely electric or hydrogen-powered vehicles like Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or Rail vehicles or Inland water transport vehicles	
EU Taxonomy Activity	6.1. Passenger transport by interurban rail transport	
Corresponding NACE Code	H49.10 and N77.39	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of passenger rail vehicles with zero direct emissions, which is eligible by default.	Aligned

¹¹⁴ European Parliament, "Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC Text with EEA relevance", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32012L0027>

Table 33

Framework Activity Assessed	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no direct CO ₂ emission. I.e. purely electric or hydrogen-powered vehicles like Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or Rail vehicles or Inland water transport vehicles	
EU Taxonomy Activity	6.2. Freight rail transport	
Corresponding NACE Code	H49.10 and N77.39	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of rail vehicles with zero direct emissions, which is eligible by default and outlines the exclusion of trains and wagons that are dedicated to the transport of fossil fuels.	Aligned

Table 34

Framework Activity Assessed	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no direct CO ₂ emission. I.e. purely electric or hydrogen-powered vehicles like Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or Rail vehicles or Inland water transport vehicles	
EU Taxonomy Activity	6.3. Urban and suburban transport, road passenger transport	
Corresponding NACE Code	H49.31, H49.3.9, N77.39 and N77.11	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing for fully electric, hydrogen-powered, or other zero-emission vehicles, which is eligible by default.	Aligned

Table 35

Framework Activity Assessed	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no direct CO ₂ emission. I.e. purely electric or hydrogen-powered vehicles like Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or Rail vehicles or Inland water transport vehicles	
EU Taxonomy Activity	6.4. Operation of personal mobility devices, cycle logistics	
Corresponding NACE Code	N77.11 and N77.21	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of wheeled and cargo bicycles and devices for personal mobility (e.g. scooters), with no direct CO ₂ emissions, which is eligible by default.	Aligned

Table 36

Framework Activity Assessed	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no direct CO ₂ emission. I.e. purely electric or hydrogen-powered vehicles like Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or Rail vehicles or Inland water transport vehicles	
EU Taxonomy Activity	6.5. Transport by motorbikes, passenger cars and light commercial vehicles	
Corresponding NACE Code	H49.32, H49.39 and N77.11	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of vehicles that are fully electric, hydrogen-powered or otherwise with zero emissions, which is eligible by default.	Aligned

Table 37

Framework Activity Assessed	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no direct CO ₂ emission. I.e. purely electric or hydrogen-powered vehicles like Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or Rail vehicles or Inland water transport vehicles	
EU Taxonomy Activity	6.6. Freight transport services by road	
Corresponding NACE Code	H49.4.1, H53.10, H53.20 and N77.12	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of vehicles that are fully electric, hydrogen-powered or otherwise with zero emissions and outlines the exclusion of vehicles that are dedicated to the transport of fossil fuels, which is eligible by default.	Aligned

Table 38

Framework Activity Assessed	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no direct CO ₂ emission. I.e. purely electric or hydrogen-powered vehicles like Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or Rail vehicles or Inland water transport vehicles	
EU Taxonomy Activity	6.7. Inland passenger water transport	
Corresponding NACE Code	H50.30	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of vessels that are fully electric, hydrogen-powered or otherwise with zero emissions, which is eligible by default.	Aligned

Table 39

Framework Activity Assessed	Investments in electric or hydrogen-powered vehicles, for passenger and freight transport by road, water, company and rail including financing the purchase or leasing of vehicles with no direct CO ₂ emission. I.e. purely electric or hydrogen-powered vehicles like Cars, trucks (all classes), motorcycles, wheeled and cargo bicycles, devices for personal mobility (e.g. scooters), vehicles for intra company transportation or Rail vehicles or Inland water transport vehicles	
EU Taxonomy Activity	6.8. Inland freight water transport	
Corresponding NACE Code	H50.4	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of vessels that are fully electric, hydrogen-powered or otherwise with zero emissions and outlines the exclusion of vessels that are dedicated to the transport of fossil fuels.	Aligned

Table 40

Framework Activity Assessed	Investment in equipment for the production of electric or hydrogen-powered vehicles and their components and plants for the production of automotive and mobility components for CO ₂ emission free vehicles and rail vehicles	
EU Taxonomy Activity	3.18. Manufacture of automotive and mobility components	
Corresponding NACE Code	C22.2, C26.1, C26.2, 26.3, 26.4, C28.14, C28.15, C29.2, C29.3, and C33.17	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Oberbank has confirmed to Sustainalytics that they intend to finance the manufacturing, repairs, maintenance, retrofits, repurposing and upgrading the components that are essential for delivering and improving the environmental performance for the following vehicles: <ol style="list-style-type: none"> a. urban, suburban and road passenger transport devices, where the direct (tailpipe) CO₂ emissions of the vehicles are zero; b. c. vehicles designated as categories M2 and M3 where the direct (tailpipe) CO₂ emissions of the vehicles are zero; d. vehicles of category M1 and N1 classified as light-duty vehicles where specific emissions of CO₂, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631¹¹⁵ of the European Parliament and of the Council, are zero; e. vehicles of category L with tailpipe CO₂ emissions equal to 0g CO₂e/km calculated in accordance with the emission test laid down in Regulation (EU) 168/2013;¹¹⁶ f. vehicles of categories N2 and N3, and N1 classified as heavy-duty vehicles, not dedicated to transporting fossil fuels with a technically permissible maximum laden mass not exceeding 7,5 tonnes that are 'zero-emission heavy-duty vehicles' as defined in Article 3, point (11), of Regulation (EU) 2019/1242 of the European Parliament and of the Council. 2. Additionally, Oberbank confirms that the economic activity manufactures, repairs, maintains, retrofits, repurposes and upgrades mobility components for personal mobility devices with a propulsion that comes from the physical activity of the user, from a zero-emissions motor, or a mix of zero-emissions motor and physical activity. <p>Based on the above, Sustainalytics views this to be aligned with the EU Taxonomy criteria.</p>	Aligned

¹¹⁵ EU, "Regulation 2019/631", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0631>¹¹⁶ EU, "Regulation 168/2013", at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202402838

Table 41

Framework Activity Assessed	Investment in equipment for the manufacture of components of railway vehicles.	
EU Taxonomy Activity	3.19. Manufacture of rail rolling stock constituents	
Corresponding NACE Code	C30.2, C27.1, C27.9	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed to Sustainalytics that they intend to finance the manufacturing, installation, retrofits, repairs, maintaining, upgrading or repurposing the products, equipment, systems or software related to the following rail constituents detailed in Point 2.7 of Annex II to Directive (EU) 2016/797 or provides related technical consulting services:</p> <p>These constituents and services are essential to the environmental performance, operation and functioning over the lifetime of the technologies listed below:</p> <ul style="list-style-type: none"> a) trains, passenger coaches and wagons that have zero direct (tailpipe) CO₂ emissions that comply with Section 3.3. of Annex I to this Regulation. b) trains, passenger coaches and wagons that have zero direct tailpipe CO₂ emission when operated on a track with necessary infrastructure and use a conventional engine where such infrastructure is not available (bimode) that comply with Section 3.3. of Annex I to this Regulation. <p>Based on the above, Sustainalytics views this to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 42

Framework Activity Assessed	Investments in infrastructure for rail transport	
EU Taxonomy Activity	6.14. Infrastructure for rail transport	
Corresponding NACE Code	C25.99, C27.9, C30.20, F42.12, F42.13, M71.12, M71.20, F43.21, and H52.21	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed to Sustainalytics that they activity complies with the criteria in a and c below:</p> <ul style="list-style-type: none"> a) the infrastructure (as defined in Annex II.2 to Directive (EU) 2016/797 of the European Parliament and of the Council) is either: <ul style="list-style-type: none"> i. electrified trackside infrastructure and associated subsystems: infrastructure, energy, on-board control-command and signalling, and trackside control-command and signalling subsystems as defined in Annex II.2 to Directive (EU)2016/797. ii. new and existing trackside infrastructure and associated subsystems where there is a plan for electrification as regards line tracks, and, to the extent necessary for electric train operations, as regards sidings, or where the infrastructure will be fit for use by zero tailpipe CO₂ emission trains within 10 years 	Aligned

	<p>from the beginning of the activity: infrastructure, energy, on-board control-command and signalling, and trackside control-command and signalling subsystems as defined in Annex II.2 to Directive (EU)2016/797;</p> <p>iii. until 2030, existing trackside infrastructure and associated subsystems that are not part of the TEN-T network and its indicative extensions to third countries, nor any nationally, supranationally or internationally defined network of major rail lines: infrastructure, energy, on-board control-command and signalling, and trackside control-command and signaling subsystems as defined in Annex II.2 to Directive (EU) 2016/797.</p> <p>b) Oberbank has communicated to Sustainalytics that they do not intend to finance activities related to infrastructure and installations that are dedicated to transshipping freight between the modes: terminal infrastructure and superstructures for loading, unloading and transshipment of goods;</p> <p>c) infrastructure and installations are dedicated to the transfer of passengers from rail to rail or from other modes to rail.</p> <p>d) Oberbank has communicated to Sustainalytics that they do not intend to finance activities related to digital tools that enable an increase in efficiency, capacity or energy saving</p> <p>Additionally, Oberbank also confirmed the exclusion of transport and storage of fossil fuels.</p> <p>Based on the above, Sustainalytics views this activity to be aligned with the EU Taxonomy criteria.</p>	
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Table 43

Framework Activity Assessed	Investments in Electricity charging stations and hydrogen refuelling stations and equipment for their production	
EU Taxonomy Activity	6.15. Infrastructure enabling low-carbon road transport and public transport	
Corresponding NACE Code	F42.11, F42.13, M71.12 and M71.20	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Oberbank has confirmed that the activity complies with a and c of the following criteria:</p> <p>a) the infrastructure is dedicated to the operation of vehicles with zero tailpipe CO₂ emissions: electric charging points, electricity grid connection upgrades, hydrogen fuelling stations or electric road systems (ERS);</p> <p>b) Oberbank has communicated to Sustainalytics that they do not intend to finance activities related to infrastructure and installations that are dedicated to transshipping freight between the modes: terminal infrastructure and superstructures for loading, unloading and transshipment of goods;</p> <p>c) the infrastructure and installations are dedicated to urban and suburban public passenger transport, including associated signalling systems for metro, tram and rail systems.</p> <p>Additionally, Oberbank also confirmed the exclusion of transport and storage of fossil fuels.</p> <p>Based on the above, Sustainalytics views this activity to be aligned with the applicable EU Taxonomy criteria.</p>	Aligned

Table 44

Framework Activity Assessed	Investments in Electricity charging stations and hydrogen refuelling stations and equipment for their production	
EU Taxonomy Activity	7.4. Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	
Corresponding NACE Code	F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28	
<i>Applicable SC Criteria</i>	<i>Alignment Assessment</i>	
Climate Change Mitigation	The Framework includes financing of the installation, maintenance or repair of charging stations for electric vehicles, which is eligible by default	Aligned

Table 45

Framework Activity Assessed	Waste and secondary raw materials: facilities for collection, transport, treatment, dismantling, sorting, de-pollution and recycling	
EU Taxonomy Activity	2.3. Collection and transport of non-hazardous and hazardous waste	
Corresponding NACE Code	E38.11, E38.12 and F42.9	
Applicable SC Criteria	Alignment Assessment	
Transition to a Circular Economy	<ol style="list-style-type: none"> 1. Oberbank has confirmed that all separately collected and transported waste is segregated at source and intended for preparation for reuse or recycling operations. 2. The Bank has confirmed compliance with the following: i) source segregated waste is collected separately and it not commingled with other waste streams, ii) for source segregated non-hazardous waste, collection in commingled fractions takes place only where it meets one of the conditions laid down in Article 10, paragraph 3, indents (a), (b) or (c) of Directive 2008/98/EC¹¹⁷ of the European Parliament and of the Council, and iii) different types of hazardous waste may be placed together in a hazardous waste box, cabinet or similar solution under the condition that each waste type is properly packaged to keep the waste separate in the box or cabinet and that hazardous waste is sorted in waste types after collection from households. 3. The Bank has communicated that municipal waste will be excluded under financing. 4. Oberbank was unable to confirm that the activity continuously monitors and assesses the quantity and quality of wastes collected based on predefined Key Performance Indicators (KPIs). <p>Sustainalytics notes that the Bank could not confirm adherence to criterion 4. Therefore, Sustainalytics considers the activity to be partially aligned with the SC criteria of the EU Taxonomy.</p>	Partially Aligned

Table 46

Framework Activity Assessed	Waste and secondary raw materials: facilities for collection, transport, treatment, dismantling, sorting, de-pollution and recycling	
EU Taxonomy Activity	2.4. Treatment of hazardous waste	
Corresponding NACE Code	E38.22, E38.32, F42.9	
Applicable SC Criteria	Alignment Assessment	
Transition to a Circular Economy	<p>Oberbank has confirmed compliance with the criteria under the EU Taxonomy:</p> <ol style="list-style-type: none"> a) the activities consist of the material recovery of secondary raw materials (including chemical substances and critical raw materials) from source segregated hazardous waste; b) the recovered materials are substituting primary raw materials, including critical raw materials, or chemicals in production processes; c) 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>Based on the above, Sustainalytics views this activity as aligned with the EU Taxonomy criteria.</p>	Aligned

¹¹⁷ European Parliament, "Directive 2008/98/EC", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32008L0098>

Table 47

Framework Activity Assessed	Waste and secondary raw materials: facilities for collection, transport, treatment, dismantling, sorting, de-pollution and recycling	
EU Taxonomy Activity	2.6. Depollution and dismantling of end-of-life products	
Corresponding NACE Code	E38.31, E38.32 and E42.99	
Applicable SC Criteria	Alignment Assessment	
Transition to a Circular Economy	<ol style="list-style-type: none"> 1. Oberbank has confirmed that 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: (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 identifiable 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. 2. Oberbank has confirmed that dismantling and depolluting WEEE will comply with Article 8 of Directive 2012/19/EU¹¹⁸ and in Annexes VII and VIII to that Directive as the relevant directives have been transposed into national laws across its operating markets. Further it confirmed that dismantling and depolluting of ELVs complies with Article 6 and 7 of Directive 2000/53/EC¹¹⁹ and in Annex I to that Directive. 3. The Bank has confirmed compliance with the following requirements, as the relevant directives have been transposed into national laws across its operating markets into national laws in the Bank's operating markets. Specifically, for the dismantling and depollution of scrap ships, the facility is included in the European List of ship recycling facilities as laid down in Commission Implementing Decision (EU) 2016/2323,¹²⁰ and for the construction of a new facility or the upgrade of an existing facility, which is not yet included in the European List of ship recycling facilities, the facility fulfils all requirements set out in Article 13 of Regulation (EU) No 1257/2013¹²¹ of the European Parliament and of the Council and has applied to be included in the European List of ship recycling facilities. 4. The Bank has confirmed that for the dismantling and depollution of Waste from Electrical and Electronic Equipment (WEEE) and End-of-Life vehicles (ELVs), waste originates from collection points meeting the applicable requirements set by Union and national legislation. <p>Based on the above, Sustainalytics views this activity as aligned with the EU Taxonomy criteria.</p>	Aligned

¹¹⁸ European Parliament, "Directive 2012/19/EU of the European Parliament and of the Council of 4 July 2012 on waste electrical and electronic equipment (WEEE)", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32012L0019>

¹¹⁹ European Parliament, "Directive 2000/53/EC of the European Parliament and of the Council of 18 September 2000 on end-of life vehicles - Commission Statements", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32000L0053>

¹²⁰ European Parliament, "Commission Implementing Decision (EU) 2016/2323 of 19 December 2016 establishing the European List of ship recycling facilities pursuant to Regulation (EU) No 1257/2013 of the European Parliament and of the Council on ship recycling", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016D2323>

¹²¹ European Parliament, "Regulation (EU) No 1257/2013 of the European Parliament and of the Council of 20 November 2013 on ship recycling and amending Regulation (EC) No 1013/2006 and Directive 2009/16/EC", at: <https://eur-lex.europa.eu/eli/reg/2013/1257/oj>

Table 48

Framework Activity Assessed	Waste and secondary raw materials: facilities for collection, transport, treatment, dismantling, sorting, de-pollution and recycling	
EU Taxonomy Activity	2.7. Sorting and material recovery of non-hazardous waste	
Corresponding NACE Code	E38.32 and F42.9	
Applicable SC Criteria	Alignment Assessment	
Transition to a Circular Economy	<ol style="list-style-type: none"> Oberbank has confirmed that the non-hazardous waste feedstock originates from one or multiple of the following sources: <ul style="list-style-type: none"> (a) separately collected and transported waste, including in commingled fractions; (b) non-hazardous waste fractions originating from dismantling and depollution activities from end-of-life products; (c) construction and demolition waste from selective demolition or otherwise segregated at source; (d) non-hazardous waste fractions originating from sorting of mixed waste intended for recycling where the facility meets a defined quality criteria of performance and the waste is coming from areas complying with separate collection obligations laid out in Directive 2008/98/EC.¹²² The Bank was unable to confirm compliance with the applicable SC criteria for material recovery. The Bank was unable to confirm compliance with the applicable SC criteria for proper management of waste. The Bank confirmed that the activity converts or allows the conversion of waste into secondary raw materials, including critical raw materials, that are suitable for the substitution of primary raw materials in production processes. <p>Sustainalytics notes that the Bank was unable to confirm compliance with criteria 2, 3 and 4. Hence, Sustainalytics views this activity as partially aligned with the EU Taxonomy criteria.</p>	Partially aligned

Table 49

Framework Activity Assessed	Production of electrical and electronic equipment with the EU Ecolabel	
EU Taxonomy Activity	1.2. Manufacture of electrical and electronic equipment	
Corresponding NACE Code	C26 and C27	
Applicable SC Criteria	Alignment Assessment	
Transition to a Circular Economy	<ol style="list-style-type: none"> Oberbank has confirmed that the economic activity manufactures electrical and electronic equipment complies with all EU Ecolabel criteria applicable to that specific product category, in accordance with Regulation (EC) No 66/2010¹²³ of the European Parliament and of the Council, in particular the operator of the activity provides the proof of compliance with all requirements listed, in accordance with the verification criteria foreseen by the EU Ecolabel criteria 	Partially aligned

¹²² European Parliament, "Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32008L0098>

¹²³ European Parliament, "Regulation (EC) No 66/2010 of the European Parliament and of the Council of 25 November 2009 on the EU Ecolabel", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32010R0066>

	However, the Bank was unable to confirm adherence to the applicable SC criterion 2.	
	Based on the above, Sustainalytics considers the activity to be partially aligned with the SC criteria of the EU Taxonomy.	

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