



---

# Sustainability Statement 2024

in accordance with the basic requirements of the European Sustainability Reporting Standards (ESRS)  
for use as non-financial declaration in accordance with the CSR Directive Implementation Act

## **1 General information**

### **ESRS 2 General disclosures**

#### **BP-1 – General basis for preparation of sustainability statements**

This Sustainability Statement for the 2024 financial year has been prepared on a consolidated basis. It complements the financial statements of Oldenburgische Landesbank AG (OLB), which have been prepared in accordance with the provisions of the German Commercial Code (HGB), and is published as a separate, standalone report outside the management report. The scope of consolidation includes the OLB subsidiaries Weser Funding S.A. (Compartment 4, 5, and 6), OLB-Service GmbH, and QuantFS GmbH.

Based on the results of the due diligence process and the assessment in line with the principle of double materiality, this Sustainability Statement considers the material impacts, risks, and opportunities associated with the bank's own business activities as well as its upstream and downstream value chain. The value chain is described in section SBM-1.

No use has been made of the option to omit specific information relating to intellectual property, know-how, or the outcomes of innovations.

#### **BP-2 – Disclosures in relation to specific circumstances**

The Corporate Sustainability Reporting Directive (CSRD) (Directive (EU) 2022/2464) came into force at the beginning of 2023 and was expected to be transposed into national law during 2024. In anticipation of this, OLB undertook extensive preparations for its first CSRD-compliant reporting obligation for the 2024 financial year. This included, in particular, the application of the European Sustainability Reporting Standards (ESRS), which specify the general requirements of the CSRD and form the framework for sustainability reporting.

It was only towards the end of 2024 that it became foreseeable that the CSRD would not be transposed into German law in time for the 2024 financial year. Since OLB's preparations for the first-time application of the ESRS were already well advanced by that time, the Bank decided to implement the European reporting standard in accordance with the provisions of commercial law governing the non-financial statement, which remain applicable. In line with ESRS terminology, the non-financial statement is referred to as the "Sustainability Statement" in the following.

In this context, OLB has chosen to apply the ESRS partially with respect to Standard S1 (Own Workforce), making use of the option to omit certain disclosure requirements for S1-9 (Diversity Metrics) partially and for S1-16 (Remuneration Metrics) in full, due to cost considerations. As a result, the latter section is omitted entirely.

In previous years, OLB prepared an annual non-financial statement separate from the financial report in accordance with the German CSR Directive Implementation Act (CSR-RUG). For this purpose, the Bank used the reporting framework of the German Sustainability Code (DNK), which included a predefined selection of quantitative performance indicators aligned with the Global Reporting Initiative (GRI). The transition to the ESRS requirements significantly expands the scope of sustainability reporting. Comparability between the two reporting formats is further complicated by the fact that, during the reporting year, Degussa Bank AG was merged into OLB with retroactive effect from 1 January 2024. Until then, Degussa

## OLB Sustainability Statement 2024

Bank's non-financial statement had been an integral part of its annual report within the management report.

The following table contains general disclosure requirements in accordance with ESRS 2, supplemented by content from topic-specific ESRS:

<b>General disclosure requirements in accordance with ESRS 2</b>	<b>Thematic ESRS</b>
GOV-1 – The role of the administrative, management and supervisory bodies	G1 Business conduct
GOV-3 – Integration of sustainability-related performance in incentive schemes	E1 Climate change
SBM-2 – Interests and views of stakeholders	S1 Own workforce S4 Consumers and end-users
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	E1 Climate change S1 Own workforce S4 Consumers and end-users
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	E1 Climate change E2 Pollution E3 Water and marine resources E4 Biodiversity and ecosystems E5 Resource use and circular economy G1 Business conduct

The time horizons used in the Sustainability Statement generally align with standard definitions: “short-term” refers to one year, “medium-term” covers a period of more than one year up to five years, and “long-term” applies to periods exceeding five years.

An exception applies to the ESG risk inventory, which is used to identify and assess material impacts, risks, and opportunities, as well as to subsequent ESG scenario analyses (see section IRO-1). In these cases, the threshold between medium-term and long-term is set at three years. This deviation is due to the role of the ESG risk inventory and ESG scenario analyses: As part of the annual risk inventory, which serves to identify material financial risks, both processes are aligned with the three-year planning horizon of the bank's medium-term business planning.

## OLB Sustainability Statement 2024

### *Sources of estimates and measurement uncertainty*

The reported figures on energy consumption and energy mix (see section E1-5) as well as the associated greenhouse gas emissions from OLB's own operations (Scope 1 and Scope 2 GHG emissions, see section E1-6) are subject to the following significant measurement uncertainties:

<b>Source of measurement uncertainty</b>	<b>Assumptions made</b>
OLB's energy consumption data (excluding Degussa Bank) is generally recorded for the billing period from June 1 of the previous year to May 31 of the reporting year.	The energy consumption values for the billing period are adopted as the consumption values for the reporting year.
Electricity consumption data for the locations at the Oldenburg Campus, Heiligengeiststraße Oldenburg, and various sites with monthly readings are incomplete as of the reporting date.	Consumption for these locations is scaled to the full year 2024 based on the electricity consumption data from the first 11 months of the year.
Some ancillary cost statements for rental properties leased by OLB (excluding former Degussa Bank locations) are not available as of the reporting date.	Energy consumption values and GHG emissions for rental properties with missing ancillary cost statements are excluded due to cost and materiality considerations.
Certain rental properties leased by OLB (excluding former Degussa Bank locations) are billed based on flat-rate energy charges without consumption measurement.	Energy consumption values and GHG emissions for properties with flat-rate energy billing are excluded due to cost and materiality considerations.
The energy consumption data for the former Degussa Bank's worksite branches is either not recorded or not disclosed by the respective landlords.	Energy consumption values and GHG emissions for the worksite branches are excluded due to cost and materiality considerations.
Electricity consumption data for the former Degussa Bank's headquarters for the year 2024 is not available as of the reporting date.	The calculation is based on the electricity consumption data from 2023.
Heat consumption data for the former Degussa Bank's headquarters for the year 2024 is incomplete as of the reporting date.	Consumption for the full year 2024 is scaled based on heat consumption data from the first 11 months of the year.

The disclosure of financed greenhouse gas emissions reported in section E1-6, specifically for Scope 3, Category 15 emissions in the downstream value chain, is subject to estimation uncertainty due to the use of average data as calculation input. These emissions are calculated in accordance with the Partnership for Carbon Accounting Financials (PCAF) methodology. The PCAF standard assesses the reliability of calculations on a five-level quality scale, where level 1 represents the highest quality and level 5 the lowest. Each level is defined by progressively less detailed and more generalized input parameters. The

## OLB Sustainability Statement 2024

input parameters used by OLB predominantly correspond to a quality score of 4, with some estimates incorporated into the data input. However, for the PCAF asset classes Listed Equity and Corporate Bonds and Sovereigns (including LULUCF), primary data is used partially or predominantly, achieving a quality score of 2 or better. Specifically, the following key figures are subject to estimation uncertainty in the compilation of portfolio data for the calculation of financed greenhouse gas emissions:

PCAF asset class	Source of measurement uncertainty	Assumptions made
Business Loans and Un-listed Equity	<ul style="list-style-type: none"> <li>▪ Balance sheet total</li> <li>▪ Turnover</li> </ul>	<p>The first available value is used according to the following priority order:</p> <ol style="list-style-type: none"> <li>1. Most recent standalone financial statement</li> <li>2. Most recent consolidated financial statement</li> <li>3. Standalone financial statement from a historical period</li> <li>4. Consolidated financial statement from a historical period</li> </ol> <p>If no balance sheet total is available, an average value is calculated.</p>
Project Finance		
Commercial Real Estate	Market value	If no market value is available, an approximate value is estimated on the basis of the mortgage lending value.
	Gross floor area	If no gross floor area is available, an average value of comparable properties is used.
Mortgages	Market value	If no market value is available, an approximate value is estimated on the basis of the mortgage lending value.
	Gross floor area for properties in Germany	If no gross floor area is available, an average value of comparable properties is used.
	Gross floor area for properties in the Netherlands	Flat-rate approach: 120 m <sup>2</sup>

The calculation of financed greenhouse gas emissions for Scope 3, Category 15 is based on the loan volume reported as of 31 December 2024, applied retrospectively for the entire year. This means that intra-year fluctuations in loan volume, and consequently in financed greenhouse gas emissions, are not taken into account.

The measurement uncertainties mentioned above do not impact or translate into monetary amounts.

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

OLB operates under a two-tier governance structure consisting of a Management Board and a Supervisory Board. The composition and number of Management Board members are determined by the Supervisory Board in accordance with the bank’s Articles of Association. Currently, the Management Board consists of six members. The table below provides an overview of the full Management Board. It is composed of Stefan Barth (Chief Executive Officer), Rainer Polster (Chief Financial Officer), Chris Eggert (Chief Risk Officer), Aytac Aydin (Chief Sales Officer), and the two Chief Investment Officers, Marc Ampaw and Giacomo Petrobelli. The Management Board includes individuals of German, Swiss, Ghanaian, Turkish, and Italian nationality. All members have over 20 years of professional experience.

Name	Stefan Barth (m)	Rainer Upholstery (m)	Chris Eggert (m)	Aytac Aydin (m)	Marc Kofi Ampaw (m)	Giacomo Petrobelli (m)
Position	Chief Executive Officer (CEO)	Chief Financial Officer (CFO)	Chief Risk Officer (CRO)	Chief Operating Officer (COO)	Chief Investment Officer (CIO)	Chief Investment Officer (CIO)
Entry date	CEO since September 2021	CFO since April 2020	CRO since June 2022	COO since February 2022	CIO since May 2021	CIO since July 2022
Nationality	Germany/ Switzerland	Germany	Germany	Turkey	Germany/ Ghana	Italy

The Supervisory Board of OLB consists of nine members, as stipulated in the bank’s Articles of Association. Six members are elected by the General Meeting from among the shareholders, while three are elected by the employees in accordance with the provisions of the One-Third Participation Act (Drittelbeteiligungsgesetz). The Supervisory Board advises the Management Board on the management of the company and monitors its activities, particularly with regard to compliance with applicable banking regulatory requirements. It has the authority to establish committees from among its members and, where legally permissible, to delegate decision-making powers to them. Responsibilities related to sustainability matters primarily fall under the Audit Committee, which discusses the material impacts, risks, and opportunities associated with sustainability matters. Additionally, the Risk Committee addresses the Bank’s overall risk situation, including ESG risks. OLB has established the following committees: Presidential and Compensation Control Committee (PräsVergA), Audit Committee (PrüfA), Risk Committee (RisikoA), Nomination Committee (NomA), and Credit Committee (KredA). The following table provides an overview of the composition of the Supervisory Board as of the reporting date, including additional information and committee memberships.

In line with transparent corporate governance, OLB assesses the independence of its governing body members based on the German Corporate Governance Code. The independence assessment follows the criteria set out in the Code. The results were presented and acknowledged in a Supervisory Board

## OLB Sustainability Statement 2024

meeting. As of 31 December 2024, 100% of the Supervisory Board members are classified as independent.

Name	Shareholder representative (elected by the Annual General Meeting)						Employee representative (elected by the employees)		
	Axel Bartsch (m)	Manfred Buffer (m)	Brent George Geater (m)	Heike Munro (w)	Sasha Clean (m)	Michele Rabà (m)	Michael Glade (m)	Olaf Hoffmann (m)	Jens Schäferhoff-Grove (m)
Member of the Supervisory Board of OLB since	2019	2018	2018	2023	2018	2021	2018	2022	2018
Committee memberships	Plenum (Chair) PräsVergA (Chair) RiskA CredA TestA NomA	Plenum (deputy chair) PresPerVergA RiskA (Chair) KredA (Chair)	Plenum Presidential award RiskA CreditA NomA	Plenum PrüfA (Chair)	Plenum TestA	Plenum Presidential award NomA	Plenum RiskA CredA	Plenum TestA	Plenum Presidential award
Nationality	Germany	Austria	South Africa	Germany/ Great Brit.	Germany	Italy	Germany	Germany	Germany
Result of the Independence test	Independent	Independent	Independent	Independent	Independent	Independent	Independent	Independent	Independent

The Management Board manages the company and conducts its business under the collective responsibility of its members. As part of its management duties, the Management Board defines the corporate objectives, strategic direction, and business policy. It is therefore also responsible for determining the sustainability strategy and targets, as well as the actions for their implementation. The sustainability strategy is an integral part of the regular, at least annual, discussion of the business strategy with the Supervisory Board. This process takes into account both the impact of the company's own business activities on sustainability matters and the external influence of sustainability factors.

The CFO, in close coordination with the CEO and with the operational support of the Sustainability unit, is responsible for the ongoing development of the strategic framework for sustainability, as well as for the collection of key performance indicators and the development and implementation of processes within the Bank's sustainability policy. The CRO is responsible for overseeing ESG risks and integrating strategic sustainability targets into OLB's risk management framework.

To support the Management Board in specific cross-bank matters, OLB has established various committees with specifically delegated decision-making authority. Beneath these committees, depending on requirements, working groups or task forces with an operational focus but without decision-making authority are established, which may also address sustainability topics depending on their specific mandate. The close cooperation between these bodies ensures that sustainability matters are comprehensively and efficiently integrated across all business areas in accordance with the following business allocation plan.

## OLB Sustainability Statement 2024

Name	Representation	Responsibility
<b>Stefan Barth</b> <sup>1234</sup>	Chris Eggert	<ul style="list-style-type: none"> <li>▪ Board Office</li> <li>▪ Chief of Staff</li> <li>▪ Compliance<sup>5</sup></li> <li>▪ Corporate Communications &amp; Investor Relations</li> <li>▪ Corporate Resilience</li> <li>▪ Governance Excellence, Process &amp; Controls</li> <li>▪ Group Strategy and Mergers and Acquisitions</li> <li>▪ Human Resources</li> <li>▪ Internal Audit</li> <li>▪ Legal</li> <li>▪ Post Integration Management</li> <li>▪ Regulatory Affairs</li> <li>▪ Strategic Projects &amp; Cost Management</li> </ul>
<b>Marc Kofi Ampaw</b>	Aytac Aydin	<ul style="list-style-type: none"> <li>▪ Financing Solution (FS)</li> <li>▪ International Diversified Lending (IDL) &amp; Commercial Real Estate (CRE)</li> <li>▪ Shipping</li> <li>▪ EE Wind</li> </ul>
<b>Aytac Aydin</b> <sup>6</sup>	Marc Kofi Ampaw	<ul style="list-style-type: none"> <li>▪ Operations<sup>7</sup> <ul style="list-style-type: none"> <li>– Central Services &amp; Payment</li> <li>– Internal Services &amp; Contract Management</li> <li>– Branch Operations &amp; Services</li> <li>– Real Estate Management</li> </ul> </li> <li>▪ Central &amp; Digital Sales (CDS)<sup>8</sup> <ul style="list-style-type: none"> <li>– CDS Business Customers</li> <li>– CDS Customer Service &amp; Staff</li> <li>– CDS Mortgage Business</li> <li>– CDS Private Customers</li> </ul> </li> <li>▪ Private Customers<sup>9</sup> <ul style="list-style-type: none"> <li>– OLB Real Estate</li> <li>– Private Banking/Wealth Management</li> <li>– Sales region North</li> <li>– Sales region South</li> <li>– Sales region WorksiteBank</li> <li>– Retail Growth, Strategy and Sales</li> </ul> </li> <li>▪ Project Management Office</li> </ul>

<sup>1</sup> Responsible for risk management to prevent money laundering and terrorist financing, and for compliance with the provisions of Sec. 4 (3) of the German Money Laundering Act (GwG) for OLB AG.

<sup>2</sup> Responsible for human resources and social affairs in the company as Labour Director within the meaning of Section 33 of the German Co-Determination Act (MitbestG).

<sup>3</sup> Responsible for monitoring and maintaining the respective organisational requirements in the company in accordance with Art. 25 Para. 1 Subpara. 2 DV.

<sup>4</sup> Appointed member of the Management Board in accordance with Section 135 (2) AktG.

<sup>5</sup> The full Board of Directors is responsible for compliance-relevant matters that could lead to conflicts of interest for the responsible member of the Board of Directors.

<sup>6</sup> The full Management Board is responsible for matters relating to processes for logging and monitoring authorisations that could lead to conflicts of interest for the responsible Management Board member.

<sup>7</sup> The head of the unit is authorised to issue disciplinary and technical instructions to all directly assigned units.

<sup>8</sup> The head of the unit is authorised to issue disciplinary and technical instructions to all directly assigned units.

<sup>9</sup> The head of the unit is generally authorised to issue disciplinary and technical instructions to all directly assigned units. The "PBWM" unit is excluded from this disciplinary assignment, as it is subordinate to the head of the department in disciplinary terms.



## OLB Sustainability Statement 2024

		<ul style="list-style-type: none"> <li>▪ Information Technology (IT)</li> <li>▪ Business Development, Products &amp; Digital Transformation (BDPDT)</li> <li>▪ Marketing and Analytics</li> <li>▪ Co-operation sales</li> </ul>
<b>Chris Eggert<sup>10</sup></b>	Stefan Barth	<ul style="list-style-type: none"> <li>▪ Credit Risk Management (CRM)</li> <li>▪ CRM Corporates and Specialised Finance</li> <li>▪ CRM Credit Processes &amp; Governance</li> <li>▪ CRM Portfolio Development Unit (PDU)</li> <li>▪ CRM Restructuring</li> <li>▪ CRM Retail Risk and Transaction Management</li> <li>▪ Risk Control</li> </ul>
<b>Giacomo Petrobelli</b>	Dr Rainer Polster	<ul style="list-style-type: none"> <li>▪ Acquisition Finance (AQF)</li> <li>▪ Corporates</li> <li>▪ Corporates Football Finance</li> <li>▪ International Business (IB)</li> <li>▪ Fund Finance</li> </ul>
<b>Dr Rainer Polster<sup>11</sup></b>	Giacomo Petrobelli	<ul style="list-style-type: none"> <li>▪ Finances</li> <li>▪ Controlling</li> <li>▪ Sustainability</li> <li>▪ Treasury &amp; Markets<sup>12</sup></li> </ul>

OLB is committed to strengthening diversity in its leadership structures and has set specific targets for the proportion of women on the Management Board and for the underrepresented gender on the Supervisory Board. The Diversity Policy, which complements the Suitability Policy, defines strategic actions for implementing these targets. The gender diversity of the management and supervisory bodies is calculated as the average ratio of female to male members as of 31 December of each year. As of the end of 2024, the Management Board consisted of six male members, resulting in a calculated gender diversity of 0%. The Supervisory Board had one female member at the end of 2024, corresponding to a gender diversity ratio of 11% as of the reporting date. As part of the annual evaluation process conducted by the Supervisory Board, gender diversity in leadership structures is regularly reviewed for compliance with the established targets.

The targets were revised on 7 December 2023 with an implementation deadline of 30 November 2028. The targets are based on the status quo as of 2 December 2023 and are to be implemented within the following five years. As of 2 December 2023, the proportion of women on the Management Board was 0/6 or 0%. The new target has been set at 20%. The status quo for the underrepresented gender on the Supervisory Board was 1/9 or 11% as of 2 December 2023, with the target for the new period increased to 20%.

In addition to setting targets for the Management Board and Supervisory Board, new targets for female representation in the first two management levels below the Management Board (Level F1 and Level F2) were established on 19 December 2023. The new target for women at both levels is 30%.

<sup>10</sup> Management of the risk controlling function within the meaning of AT 4.4.1 para. 4 MaRisk.

<sup>11</sup> "Designated Person" for participation in trading on Eurex Repo.

<sup>12</sup> The Head of Treasury & Markets is represented by the Head of Treasury & Markets in order to maintain the separation of functions between front office and trading in accordance with BTO points 2 and 3 MaRisk.

Other diversity aspects are not formally reported by OLB at this time.

Employee representation at OLB is ensured through the Works Council, the Youth and Trainee Representation (JAV), and the Representative Body for Severely Disabled Employees. The company has seven local Works Councils and a General Works Council. The General Works Council currently consists of 22 members, who, together with additional members, also serve on the various local Works Councils. The members of the Works Councils are elected by employees, while the General Works Council is elected by the members of the local Works Councils. The responsibilities of the Works Council are regulated under the Works Constitution Act (BetrVG). The General Works Council is responsible for handling matters that affect the entire company or multiple operations and cannot be resolved by individual Works Councils.

Additionally, OLB has three local Youth and Trainee Representations (JAV) and a General Youth and Trainee Representation (GJAV). The GJAV currently consists of three members, who also serve on the various local JAVs. The members of the local JAVs are elected by eligible employees in accordance with Section 61 of the Works Constitution Act (BetrVG), and the GJAV is elected by the members of the local JAVs. The responsibilities of the local JAVs are defined in Section 70 of the BetrVG. The GJAV is responsible for addressing matters affecting the entire company or multiple operations that cannot be resolved by a Youth and Trainee Representation at the individual site level.

Furthermore, there are seven local Representative Bodies for Severely Disabled Employees (SBV) and a General Representative Body for Severely Disabled Employees (GSBV). The (General) Representative Body for Severely Disabled Employees is primarily responsible for promoting the integration of severely disabled individuals into the company. It represents their interests within the company and provides advisory and support services. Further responsibilities are outlined in Section 178 of the German Social Code (SGB IX).

Both the Management Board and the Supervisory Board of OLB have extensive expertise in the financial sector. Additionally, individual position descriptions ensure that the necessary knowledge related to the company's sectors, products, and geographic locations—including sustainability expertise—is present within these bodies. As part of the regular evaluation conducted at least once a year by the Supervisory Board, the structure, size, composition, and performance, as well as the knowledge, skills, and experience of the Management Board and Supervisory Board—both at the individual and collective levels—are assessed. This evaluation ensures that the Management Board and Supervisory Board possess the necessary competencies in corporate management, regulatory compliance, risk management, and adaptability to market changes.

The Management Board conducts implementation and effectiveness reviews of the current financial year's planning during its monthly board meetings and annual strategy meetings. Additionally, in its weekly Management Board meetings, the full Management Board receives detailed reports from the relevant departments on risk developments, deviations from earnings expectations, findings from various control units, and other key matters. Each Management Board member also receives separate updates from their direct reports in scheduled meetings.

Beyond these regular meetings, the Management Board is provided with detailed information on relevant company matters through various committees and working groups. The minutes of committee meetings are subsequently presented to the Management Board during board meetings. The respective rules of

procedure ensure that the necessary information is also communicated from the Management Board to the Supervisory Board.

Furthermore, sustainability-related risks and opportunities are regularly included in Supervisory Board and Management Board meetings or presented as needed. No additional formal reporting obligations currently exist in this regard. OLB does not define specific sustainability targets within its business or risk strategy; therefore, no direct monitoring or management of specific impacts, risks, and opportunities related to such targets is conducted. However, OLB has established a sustainability mission statement within its business strategy and adheres to the principle of acting in a long-term and sustainable manner in its banking operations and with regard to social and environmental considerations. In this context, the Bank aligns itself with the Principles for Responsible Banking and aims to enhance the positive impact of its activities, products, and services on people and the environment while mitigating negative impacts and managing associated risks.

### **G1 Business conduct**

The Management Board establishes strategies, clear principles, guidelines, and behavioural standards to define the framework of the corporate culture. The relevance of these principles is reviewed annually or on an ad hoc basis. The principles are adopted by the Management Board in the form of policies and further detailed in various guidelines and directives issued by the respective departments.

Additional elements shaping the corporate culture include the Articles of Association, the rules of procedure, and the Code of Conduct. The Articles of Association are approved by the General Meeting and set out the fundamental regulations and structures of the company. The rules of procedure for the Management Board and the Supervisory Board define the fundamental responsibilities, competencies, and processes of these bodies and are adopted by the Supervisory Board. The Code of Conduct provides employees with guidance on professional conduct to ensure ethical and legally compliant behaviour. The Code of Conduct is drafted by the Compliance department and adopted by the Management Board.

The annual evaluation of the skills and competencies of the management and supervisory bodies ensures a shared understanding of the professional and functional roles within each body. During the evaluation, members can express training needs and requests. In general, appropriate expertise and knowledge on sustainability-related matters are ensured through regular training sessions, workshops, or internal exchanges with relevant departments. Furthermore, before the appointment of a board member, an individual and collective Fit and Proper assessment is conducted. This assessment evaluates not only the professional qualifications and experience required for the position but also the individual's integrity and reliability.

A dedicated budget is available for the Management Board and Supervisory Board for specialised training. However, due to the fact that structured training actions had not yet been established, no specific budget was allocated for sustainability training in 2024. Nevertheless, meetings of the Supervisory Board's Audit Committee were used to discuss current developments and specific issues in this field, helping to further enhance relevant expertise and capabilities.

To promote a unified leadership culture, the Management Board has defined leadership principles, which were communicated to all leadership levels during an employee town hall. Additionally, a dedicated event was held for all OLB executives to further deepen their understanding of these principles. This ensures

that all leaders and employees, regardless of their position, share a common understanding of the expectations and priorities related to leadership and corporate culture.

**GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies**

OLB conducted a materiality assessment for the first time in the reporting year in accordance with the European Sustainability Reporting Standards (ESRS). The corresponding governance and reporting processes related to material impacts, risks, and opportunities, the implementation of due diligence in the field of sustainability, and the results and effectiveness of the adopted strategies, actions, key performance indicators, and targets are fundamentally embedded within the Bank. The Management Board and the Supervisory Board are regularly informed about sustainability matters as follows:

- The CFO is in ongoing exchange with the Head of Sustainability, both in the context of a weekly standing meeting and beyond. As part of the CFO’s operational responsibility for implementing the sustainability strategy set by the Management Board, the Head of Sustainability provides updates on current ESG activities and developments.
- The full Management Board receives monthly management reports from the Controlling department, including evaluations of key sustainability indicators, such as financed greenhouse gas emissions and the ESG score of the credit portfolio.
- The Supervisory Board’s Audit Committee is informed by the CFO, and if necessary, with input from the Head of Sustainability, at least once per year on material impacts, risks, and opportunities, the implementation of sustainability due diligence, and the results and effectiveness of the adopted sustainability actions, key performance indicators, and targets.
- The Supervisory Board’s Risk Committee examines ESG stress test and scenario analysis results as part of the quarterly risk report presented by the Chief Risk Officer.
- The Supervisory Board is involved in sustainability reporting through its review of the non-financial statement.

The systematic integration of material impacts, risks, and opportunities into corporate strategy oversight, decision-making on key transactions, and risk management by the Management Board and Supervisory Board is in the process of being further developed. Initial approaches include:

- The Management Board has established a sustainability mission statement, which is integrated into the business strategy and reviewed annually or as needed with the Supervisory Board. The Bank follows the double materiality principle, which considers both the impact of its business activities on sustainability factors and the impact of these factors on the Bank.
- OLB’s risk management framework incorporates sustainability risks, including the identification, assessment, and management of risks arising from environmental, social, and governance (ESG) factors. The Management Board and Supervisory Board are involved in approving and reviewing these processes and their results.
- Sustainability matters are taken into account when assessing and approving transactions in ESG-sensitive sectors defined by the Bank, particularly in terms of potential reputational risks and compliance requirements. For credit exposures requiring approval by the Supervisory Board’s Credit Committee for the first time, a preliminary review of sensitive ESG areas by the responsible voting officer is mandatory.

Due to increasing regulatory requirements related to sustainability reporting, the governance and reporting processes outlined above are subject to continuous development, particularly in their focus on material impacts, risks, and opportunities. As this identification process was conducted for the first time in the reporting year, discussions and possible compromises on these topics are still ongoing.

During the reporting year, the Management Board addressed the following topics in relation to material impacts, risks, and opportunities:

- Review of sustainability-related KPIs as part of monthly management reporting.
- Approval of sustainability-related targets for variable remuneration applicable to risk takers and employees outside collective agreements.
- Approval of the non-financial statement for the 2023 financial year.
- Presentation of corporate environmental performance data for 2023 at the virtual town hall meeting for all employees in spring.
- Adoption of the business, risk, and IT strategies, including embedded sustainability matters.
- Approval of the ESG Policy, including the revised PAI resolution and the implementation of sustainability due diligence processes.
- Explanation of the methodology and results of the ESRS materiality assessment.
- Initial discussion of a potential science-based transition plan for OLB.
- Formal determination (resolution) of material impacts, risks, and opportunities related to sustainability matters.
- Regular discussions on the progress of the implementation of DORA (Digital Operational Resilience Act).

During the reporting year, the Supervisory Board's Audit Committee received regular updates from the Management Board, with the involvement of the Head of Sustainability, on key sustainability topics. The Supervisory Board also addressed the following topics in relation to material impacts, risks, and opportunities:

- Approval of sustainability-related targets for variable remuneration of the Management Board.
- Review and approval of the non-financial statement for the 2023 financial year.
- Discussion of the business, risk, and IT strategies, including their embedded sustainability matters.
- Discussion of the methodology and results of the ESRS materiality assessment.
- Approval of the identified material impacts, risks, and opportunities related to sustainability matters.
- Regular updates on the implementation progress of DORA (Digital Operational Resilience Act) within the Audit Committee.

### **GOV-3 – Integration of sustainability-related performance in incentive schemes**

The following section explains the remuneration systems of the Management Board and Supervisory Board with regard to their sustainability-related incentives.

#### *Management Board Remuneration*

The Supervisory Board of OLB is responsible for designing, approving, and updating the remuneration system for individual Management Board members. It is supported in this process by the Presidential and

Compensation Control Committee of the Supervisory Board as well as by the Compensation Officer or their deputy.

In this context, the Supervisory Board ensures that the remuneration system for Management Board members complies with applicable legal and regulatory requirements, particularly those set out in the German Banking Act (KWG), the Remuneration Ordinance for Institutions (InstitutsVergV), and the German Stock Corporation Act (AktG). The appropriateness of the remuneration system for Management Board members, especially in light of legal and regulatory requirements, is reviewed at least once a year by the Supervisory Board, following preparation by the Presidential and Compensation Control Committee.

The remuneration system is designed to be market-competitive while simultaneously promoting solid, value-oriented, and sustainable corporate governance in line with OLB's strategic objectives. It is gender-neutral and aims to support the achievement of the business and risk strategy targets. The integration of the remuneration strategy into OLB's business strategy reflects this strong alignment.

The achievement of the business and risk strategy targets is supported through a combination of fixed and variable remuneration components. OLB ensures an appropriate balance between these two components. In compliance with Section 25a (5) sentences 5 ff. KWG, the General Meeting of the Bank approved a maximum ratio of 200% between variable and fixed remuneration for Management Board members and General Representatives designated for Board appointments. This structure ensures that fixed remuneration is set at a sufficiently high level, preventing dependency on variable compensation and thereby mitigating incentives to take excessive risks.

Fixed remuneration components include a base annual salary and additional fixed benefits, such as the provision of a company car, contributions to occupational pension schemes, or social security subsidies.

To adequately involve Management Board members in the company's success, recognise individual and collective performance, and support the achievement of corporate targets, annual target agreements are established for each financial year. These agreements serve as the basis for determining an annual bonus with a multi-year assessment period. The amount of the annual bonus depends on the degree of achievement of remuneration-related performance indicators (KPIs) specified for the financial year in the individual target agreements approved by the Supervisory Board and the Management Board. These KPIs include institution-wide and division-specific targets.

to financial and risk indicators (e.g. profit, return on equity, risk provisioning, Common Equity Tier 1 capital, liquidity) and other strategic performance metrics (e.g. capital market and growth targets, cost and budget targets), the target agreements also include non-financial, sustainability-oriented targets and indicators, which can be defined at both the corporate and individual levels.

Following the strategic objective of operating a sustainable business in environmental and social terms, the annual target agreements include a separate category of ESG-related targets at the corporate level. The Supervisory Board aims to incorporate all sustainability dimensions (environmental, social, and governance) through corresponding KPIs in this ESG category.

Potential sustainability targets at the corporate and divisional levels include: environmental performance indicators (e.g. reduction of OLB's own CO<sub>2</sub> emissions, increase in taxonomy-aligned lending); employee-related KPIs (e.g. part-time ratio, gender diversity in leadership positions, number and reasons for

employee-initiated departures); social responsibility indicators (e.g. volume of social initiatives and projects); customer-related metrics (e.g. customer satisfaction, client retention, complaint metrics); and regulatory compliance (e.g. AML/fraud prevention).

Wherever possible, sustainability-related targets are quantified using specific KPIs and corresponding target values. These KPIs must be measurable through approved OLB controlling systems, audited methodologies, or an established reporting framework. The Supervisory Board determines the degree of target achievement for each KPI either discretionarily or based on formula-driven or metric-based assessments.

To avoid incentives for short-term risk-taking, the Supervisory Board ensures that sustainability targets are not structured as “all-or-nothing” objectives. Instead, underlying metrics are generally designed with a linear structure to promote continuous progress.

For the 2024 financial year, the Supervisory Board has set qualitative, sustainability-focused performance parameters with a weighting of 15%, applicable to all Management Board members. These include: reduction of financed CO<sub>2</sub> emissions (Scope 3 emissions from the credit portfolio); increase in taxonomy-aligned lending (Green Asset Ratio); strengthening ESG governance (ESG rating); regulatory compliance (e.g. results of the annual financial audit and supervisory reviews); and customer satisfaction (e.g. customer complaints, cancellation rates, Net Promoter Score).

Additionally, individual targets for all Management Board members also include sustainability-related aspects to create specific divisional incentives (e.g. ensuring compliance with all regulatory requirements at the divisional level, constructive leadership behaviour towards management teams). The share of these individual sustainability-related targets ranges between 10% and 20% depending on the division.

The remuneration system also stipulates that in the event of misconduct or breaches of duty, such as violations of legal provisions, internal regulations, or risk, conduct, and compliance rules, a reduction in variable remuneration for the relevant financial year must be considered.

Beyond the annual sustainability-related targets and KPIs, a strong sustainability incentive is ensured by the fact that the entire variable remuneration is subject to a multi-year assessment period. This mitigates short-termism in decision-making.

The sustainability impact of the remuneration system is further reinforced through its deferred payout mechanism, which requires that the majority of variable remuneration is subject to a five-year deferral period. The payout of deferred bonus components is contingent on a positive backtesting review, meaning that payouts occur only if the initial target achievement is retrospectively validated as sustainable by the Supervisory Board.

Furthermore, 50% of variable remuneration is granted in the form of so-called Sustainable Performance Units (SPUs). SPUs are synthetic instruments designed as a key performance metric system that reflects OLB’s long-term enterprise value development. SPUs are subject to a one-year holding period, after which they are paid out based on the value development of the underlying metric system.

### *Supervisory Board Remuneration*

The General Meeting of OLB is responsible for the design, approval, and updates of the Supervisory Board remuneration system.

## OLB Sustainability Statement 2024

In accordance with regulatory requirements, members of the Supervisory Board receive only fixed remuneration, meaning that no sustainability-related targets are incorporated, as there are no variable remuneration components.

### GOV-4 – Statement on due diligence

The following table provides an overview of the information on the due diligence process presented in this Sustainability Statement. The core elements of due diligence listed in the first column are reflected in the disclosure requirements referenced in the second column.

Core elements of due diligence	Paragraphs in the sustainability statement
a) Integration of due diligence into governance, strategy and business model	<p>ESRS 2 General disclosures:</p> <ul style="list-style-type: none"> <li>▪ GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies</li> <li>▪ GOV-3 – Integration of sustainability-related performance in incentive schemes</li> <li>▪ SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model</li> </ul>
b) Involvement of affected stakeholders in all key due diligence steps	<p>ESRS 2 General disclosures:</p> <ul style="list-style-type: none"> <li>▪ GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies</li> <li>▪ SBM-2 – Interests and views of stakeholders</li> <li>▪ IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities</li> </ul> <p>E1 Climate change:</p> <p>E1-2 – Policies related to Climate change mitigation and adaptation</p> <p>S1 labour force of the company:</p> <ul style="list-style-type: none"> <li>▪ S1-1 – Policies related to own workforce</li> <li>▪ S1-2 – Processes for engaging with own workers and workers' representatives about impacts</li> </ul> <p>S4 Consumers and end-users:</p> <ul style="list-style-type: none"> <li>▪ S4-1 – Policies related to consumers and end-users</li> <li>▪ S4-2 – Processes for engaging with consumers and end-users about impacts</li> </ul> <p>G1 GovernanceCorporate:</p> <ul style="list-style-type: none"> <li>▪ G1-1 – Corporate culture and business conduct policies and corporate culture</li> <li>▪ G1-2 – Management of relationships with suppliers</li> </ul>
c) Identification and assessment of negative impacts	<p>ESRS 2 General disclosures:</p> <ul style="list-style-type: none"> <li>▪ SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model</li> <li>▪ IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities</li> </ul>
d) Actions against these negative effects	<p>E1 Climate change:</p> <ul style="list-style-type: none"> <li>▪ E1-1 – Transition plan for Climate change mitigation</li> <li>▪ E1-3 – Actions and resources in relation to Climate change policies</li> </ul> <p>S1 labour force of the company:</p> <p>S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions</p> <p>S4 Consumers and end-users:</p> <p>S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions</p> <p>G1 Corporate Governance:</p> <ul style="list-style-type: none"> <li>▪ G1-2 – Management of relationships with suppliers</li> </ul>



## OLB Sustainability Statement 2024

	<ul style="list-style-type: none"> <li>▪ G1-3 – Prevention and detection of corruption and bribery</li> </ul>
<p>e) Tracking the effectiveness of these efforts and communication</p>	<p>E1 Climate change:</p> <p style="padding-left: 20px;">E1-4 – Targets related to Climate change mitigation and adaptation</p> <p>S1 labour force of the company:</p> <p style="padding-left: 20px;">S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</p> <p>S4 Consumers and end-users:</p> <p style="padding-left: 20px;">S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</p> <p>G1 Corporate Governance:</p> <ul style="list-style-type: none"> <li>▪ G1-2 – Management of relationships with suppliers</li> <li>▪ G1-3 – Prevention and detection of corruption and bribery</li> </ul>

### **GOV-5 – Risk management and internal controls over sustainability reporting**

As part of the bank-wide risk management framework, the processes for the materiality assessment, the evaluation of business activities in accordance with Article 8 of the EU Taxonomy Regulation (EU-TaxVO), and sustainability reporting are integrated into the Bank’s overarching risk management system and governed by internal policies. Embedded within the due diligence process, these policies include fundamental instructions for conducting the materiality assessment, procedural requirements for preparing the Sustainability Statement, and key guidelines for risk assessment. Responsibilities and controls are defined throughout the analysis and reporting process.

As the starting point for sustainability reporting and a core element of due diligence, the materiality assessment holds a special position within the process. To comply with regulatory requirements, the methodological approach follows the fundamental principles outlined in the Implementation Guidance of the European Financial Reporting Advisory Group (EFRAG IG 1 Materiality Assessment Implementation Guidance). The Head of Sustainability is responsible for ensuring the proper execution of the materiality assessment, which must be documented in a manner that is appropriate and comprehensible for an external auditor.

The assessment and prioritisation of risks related to sustainability reporting are based on expert estimates, which draw on experience from comparable reporting processes, such as the preparation of German Sustainability Code (DNK) reports in previous years. Beyond the initial reporting challenges, the most significant identified risks relate to the validity of the materiality assessment, the verification of its results, and the completeness and integrity of reported data points.

To mitigate risks associated with the initial reporting process, preparations began more than 18 months before the first reporting date. This period was particularly used to acquire methodological expertise to meet ESRS requirements, close data gaps, and conduct the materiality assessment. The reporting process for the 2024 financial year was carried out as a structured project, led by the Head of Sustainability. The project was subject to formal oversight by the internal project steering committee ("Change Board"), which, under the Management Board, serves as the central body for cross-departmental coordination of change activities within OLB. In this role, it ensured the allocation of personnel and budget resources, the proper execution of the project, and regular reporting on project progress.

As the ESRS represents a new reporting standard, being applied by OLB for the first time, the project's progress was also a recurring agenda item in the quarterly Regulatory Compliance Circle, which serves as OLB's central body for monitoring regulatory implementation and compliance. The project work was supported by external consultants with specialised expertise.

Due to their fundamental importance to the sustainability report, the results of the materiality assessment undergo a multi-stage verification process. In the first stage, the IROs (impacts, risks, and opportunities) identified as material—based on a threshold approach in accordance with ESRS 1.42—are validated both quantitatively and qualitatively from various perspectives. In the second stage, the results of the materiality assessment are verified as part of the annual risk inventory through topic-specific risk workshops. In the final step, the verified list of material sustainability matters is discussed with the Management Board, formally adopted, and approved by the Supervisory Board.

As part of the initial reporting project for the 2024 financial year, particular attention was given to the completeness and integrity of reported data points. The basis for this assessment is the EFRAG (IG 3 List of ESRS Data Points), which provides a comprehensive catalogue of all ESRS reporting data points. This list serves as the data reference to ensure completeness and acts as a control checklist for verifying data integrity using the four-eyes principle.

The results of risk assessments and internal controls contribute to the ongoing improvement of the sustainability reporting process and are systematically incorporated into the Bank's policy and control framework. They are part of regular reporting to the Management Board and the Supervisory Board's Audit Committee. In the reporting year, the quarterly updates on project progress were a primary focus for both the Management Board and the Audit Committee. Other key topics included the explanation of the materiality assessment methodology, the discussion of its results, and the representation of material sustainability matters within the ESRS reporting structure.

### **SBM-1 – Strategy, business model and value chain**

OLB is a universal bank serving private and corporate customers in Germany and selected European neighbouring countries. Under the OLB and Bankhaus Neelmeyer brands, the bank provides advisory services to its approximately one million customers, both in-person and via digital channels. OLB follows a multi-channel approach, particularly in its private and business customer segments, including small and medium-sized enterprises (SMEs) in the region. This combines a regional branch network with a nationwide digital presence. In large-volume corporate banking, OLB operates throughout Germany and in other European countries, while its International Diversified Lending and export finance businesses extend globally. Additionally, OLB actively pursues growth opportunities in specialised financing areas (e.g. acquisition finance) where it assesses the risk-return profile as attractive. The bank has long-standing customer relationships, a well-diversified loan portfolio across industries and volumes, and a capital base exceeding €1.6 billion in Common Equity Tier 1 capital.

OLB is a non-trading book institution. Trading activities are conducted solely for liquidity management, interest rate risk management, hedging of foreign currency risks from customer transactions, executing customer orders with immediate offsetting positions, managing pension obligations as part of the investment strategy, and acquiring strategic credit portfolios.

The core value creation of OLB is derived from the provision of financial services, primarily in the areas of lending, investment advisory, and payment transactions. For management purposes, the bank

structures its business activities by target customer groups, products and services, and operational processes into the following business segments:

- The private and regional SME business is assigned to the Private & Business Customers (PBC) segment. OLB provides advisory and support services to these customers through its centrally managed branch network and the Central & Digital Sales (CDS) unit. Additionally, customers can access products and services directly via online and mobile banking. This model combines a physical branch presence in the Weser-Ems region with the nationwide operations of a digital bank, including partner distribution networks and brokerage activities. In this segment, OLB also operates a local mortgage brokerage platform in the Netherlands. The bank's offerings in this segment include current accounts, credit cards, online and mobile banking (via the OLB Banking App), consumer loans, private mortgages, and personal investment products. It also provides insurance brokerage services and support for private real estate transactions. In the Private Banking & Wealth Management segment, the bank operates under the Bankhaus Neelmeyer brand.
- The large-volume corporate business, including football finance, acquisition finance (including fund finance), international diversified lending, and commercial real estate finance, is consolidated within the Corporates & Diversified Lending (CDL) segment. This segment also includes wind energy financing. These business areas are characterised by tailored solutions, larger individual transactions, and greater resource allocation for advisory and execution.
- The business activities of the former Degussa Bank AG, Frankfurt, which was acquired by OLB on 30 April 2024 and legally merged into OLB with retroactive effect as of 1 January 2024, were treated as a separate business segment for the reporting period. This segment primarily targeted private customers with products and advisory services such as current accounts, credit cards, consumer loans, mortgages, and securities transactions. To serve this customer group, the bank operated 40 branches across Germany. This segment also included the corporate banking business of the former Degussa Bank.

The provision and distribution of OLB's financial services is supported by centrally managed operational functions that steer and assist the business segments. These functions are categorised as:

Primary operational functions (core functions), which are directly involved in service delivery and include departments such as Credit Risk Management and Product Management and Digital Banking (PMDB) (formerly Business Development, Products, and Digital Transformation as of the reporting date).

Secondary operational functions, which support the execution of core functions and include areas such as Finance, Controlling, Risk Control, Information Technology, Operations, and Legal, among other central units.

The outputs of primary and secondary operational functions are generally assigned to the strategic business segments wherever possible. However, an exception applies to the Treasury & Markets department, whose activities, along with non-allocable expenses and income, are grouped into a separate "Corporate Center" segment.

OLB generates the vast majority of its value creation internally and through its own employees. As of 31 December 2024, the bank employed 1,703 staff in Germany, equivalent to a calculated workforce capacity of 1,512 employees. The outsourced portion of value creation amounts to less than 20% of calculated in-

house workforce capacity, meaning outsourcing is not considered extensive. The main outsourced activities include:

- Provision of the technical platform and processing activities in securities transactions
- Customer communication services
- Structured recording and transmission of annual financial statement content
- Correction of physical payment transaction documents
- Storage, archiving, and management of parts of the document archive
- Document digitisation, scanning, and processing
- Disposal and destruction of data carriers
- Distribution of private residential mortgages for owner-occupied properties in the Netherlands, including associated credit processes

In addition to internal value creation, OLB's value chain can be divided into an upstream and downstream component.

The upstream value chain consists of preliminary services essential to the bank's operations and financial service delivery, which typically fall outside the core process and technical expertise of a bank. These include:

- Infrastructure and technology: The bank procures network and telecommunications systems, IT infrastructure, and most of its software from specialised providers.
- Market data and information systems: OLB relies on various database and information system providers to access market data, including stock exchange data for investment advisory and wealth management purposes.
- Professional services and consulting: The bank engages external consultants, legal advisors, and HR service providers for projects and specialised issues.
- Facility management and logistics: External providers deliver construction, facility operations, and logistics services for the maintenance of branches, offices, and operational buildings.
- Insurance and product issuers: OLB distributes third-party products from insurance companies, investment funds, banks, and building societies.
- Brokers and platforms: Conversely, OLB utilises brokers and online platforms to distribute its own banking products under specific conditions.

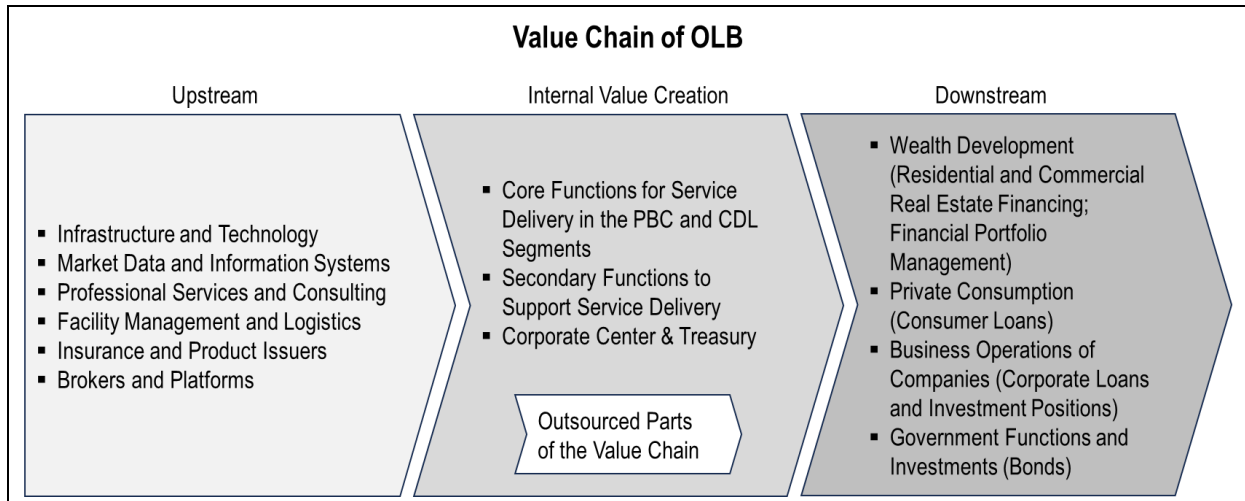
The downstream value chain encompasses economic activities enabled or initiated by OLB's mortgage lending, consumer credit, corporate lending, and investment activities as a financial market participant:

- Real estate financing: OLB supports the acquisition and development of residential and commercial properties, contributing to the creation of new assets.
- Consumer lending: OLB provides consumer loans to facilitate everyday purchases, including vehicle financing to enhance individual mobility and social participation.
- Corporate lending: OLB provides long-term financing for business investments, allowing companies to develop resources such as machinery, technology, and infrastructure.
- Working capital financing: OLB's loans help businesses cover operating expenses, such as inventory, raw materials, personnel, and equipment, ensuring business continuity and value creation.

## OLB Sustainability Statement 2024

- Financial portfolio management: OLB supports wealth accumulation and preservation, including retirement planning.
- Capital market investments: As a financial market participant, OLB invests in stocks and bonds, providing companies with capital for operations, research and development, and expansion.
- Sovereign bond investments: OLB provides capital to governments through sovereign bond investments, enabling public investment and government functions.

Through these activities, OLB contributes to economic development, asset accumulation, and the fulfilment of public-sector responsibilities.



OLB is not engaged in the fossil fuel sector (coal, oil, gas), the production of chemicals, controversial weapons, or the cultivation and manufacturing of tobacco products.

As a financial services provider, OLB has defined a sustainability mission statement within its business strategy, which is further specified in a dedicated Environmental, Social, and Governance Policy (ESG Policy). Accordingly, OLB pursues a customer-centric, sustainable business model that is solid, consistent, and long-term oriented. The bank aims to act sustainably not only in environmental and social terms but also from an economic perspective. In doing so, OLB aligns with the Principles for Responsible Banking, structuring its business strategy to contribute to meeting societal needs and achieving global objectives, as formulated in the Sustainable Development Targets (SDGs) and the Paris Climate Agreement.

OLB’s sustainability activities focus on five core strategic directions, which describe its overarching, long-term sustainability objectives across all business and product segments. These forward-looking directions are not to be equated with a corporate strategy for identifying and weighting the principal adverse impacts (PAI) of investment decisions on sustainability factors, as defined in Article 4 of the Sustainable Finance Disclosure Regulation (SFDR):

- Supporting customers on their path to climate neutrality: OLB is continuously expanding its advisory and product offerings, particularly in credit-related areas, to include sustainable solutions.
- Actively contributing to climate and environmental protection: The bank assesses its ecological footprint and is committed to reducing its own CO<sub>2</sub> emissions.

## OLB Sustainability Statement 2024

- Integrating sustainability matters into governance: OLB establishes investment and lending principles to minimise adverse sustainability impacts and integrates ESG impact and ESG risks into its business management processes.
- Aligning corporate actions with social responsibility: OLB applies sustainability criteria in supplier selection, promotes equal opportunities and diversity within the company, and is committed to upholding human rights.
- Advocating for sustainability: OLB aims to serve as a multiplier for sustainability, fostering sustainable engagement by enhancing transparency and involving its stakeholders.

The bank seeks to enhance the positive impacts of its activities, products, and services on people and the environment, while reducing negative effects. The further development of its strategic framework focuses on quantifying sustainability objectives, which follows a four-phase approach:

- Establishing a reliable data foundation: OLB assesses the ecological footprint of its business operations and the ESG risks associated with its loan portfolio.
- Analysing ESG risks and opportunities: The bank evaluates ESG risks and opportunities related to its activities and analyses the strengths and weaknesses of its ESG governance framework.
- Setting sustainability targets: OLB defines quantitative targets in the areas of environment, social responsibility, and corporate governance, particularly with respect to CO<sub>2</sub> reduction.
- Enhancing transparency: The bank discloses sustainability information beyond statutory requirements to ensure transparent reporting.

The overarching goal is to establish sustainability as an additional dimension in corporate management, ultimately leading to an ESG-based pricing and management mechanism. OLB follows the double materiality principle in this context.

From a materiality perspective, the lending business, particularly in the Corporates & Diversified Lending segment, is the primary lever for achieving OLB's sustainability objectives. Compared to other business activities, including retail banking, individual transactions in this segment can have a substantial sustainability impact. As a result, the implementation of sustainability-related elements within the corporate strategy often starts within this business area. One example is the ongoing enhancement of the methodology for calculating financed greenhouse gas emissions in the downstream value chain (carbon accounting), which serves as the foundation for developing a transition plan (see section E1-1).

### **SBM-2 – Interests and views of stakeholders**

OLB defines its socially and economically relevant stakeholders in two ways. First, stakeholders are identified along the value chain, which extends from procurement (stakeholder group: "Suppliers/Service Providers"), through service delivery (stakeholder group: "Employees"), to service consumption (stakeholder group: "Customers")—these are referred to as "affected stakeholders." Second, stakeholders are identified based on their actively expressed or legally justified interest in OLB ("users of sustainability statements"), which includes equity and debt investors (stakeholder group: "Investors"), the general public (stakeholder group: "Public/Media"), and financial supervisory authorities (stakeholder group: "Supervision"). Stakeholders may belong to multiple groups. Nature is considered a "silent stakeholder" and is indirectly accounted for within the category of affected stakeholders.

Within the bank, different functions and units are assigned to the respective stakeholder groups, engaging with them through various formats and for different purposes in regular interactions and exchanges.

## OLB Sustainability Statement 2024

Stakeholders	Examples of stakeholder dialogue formats	Examples of purposes of inclusion
<b>Primary contact point</b>		
Suppliers/Service Providers Procurement and Contract Management	<ul style="list-style-type: none"> <li>▪ Contract negotiations</li> <li>▪ Exchanges within the scope of service provision</li> <li>▪ On-site visits to outsourcing partners</li> <li>▪ Contact points as part of the implementation of the LkSG duty of care</li> <li>▪ Approach as part of individual supplier ratings</li> </ul>	<ul style="list-style-type: none"> <li>▪ Creating contractual clarity</li> <li>▪ Ensure quality</li> <li>▪ Building trust and checking compliance</li> <li>▪ Comply with due diligence</li> <li>▪ Evaluate performance and suppliersselect</li> <li>▪ Meeting information needs</li> </ul>
Employees HR (in particular as a contact point for co-determination bodies)	<ul style="list-style-type: none"> <li>▪ Townhall events</li> <li>▪ Intranet information</li> <li>▪ Supervisory Board meetings (employee representatives)</li> <li>▪ World Café employee survey</li> <li>▪ Works meetings</li> <li>▪ Works council and spokesperson committee meetings</li> <li>▪ Target agreement and target meetings</li> <li>▪ Appraisal interviews</li> </ul>	<ul style="list-style-type: none"> <li>▪ Inform about the strategybusiness</li> <li>▪ Create transparency</li> <li>▪ Representing employee interests</li> <li>▪ Obtain employee feedback</li> <li>▪ Promoting dialogue and providing information</li> <li>▪ Ensuring co-determination</li> <li>▪ Rate performance</li> <li>▪ Identify development potential</li> </ul>
Customers Sales units	<ul style="list-style-type: none"> <li>▪ ESG forum for corporate clients</li> <li>▪ ESG symposium for corporate clients and advisors/WPtax</li> <li>▪ Customer brochures and marketing information</li> <li>▪ Product information sheets and pre-contractual information</li> <li>▪ Counselling sessions</li> <li>▪ Satisfaction surveys</li> <li>▪ Market/brand studies</li> <li>▪ Obtaining information on the implementation of ESG scoring</li> </ul>	<ul style="list-style-type: none"> <li>▪ Communicating sustainability knowledge</li> <li>▪ Promoting the exchange of knowledge on ESG</li> <li>▪ Fulfill information obligations</li> <li>▪ Creating trust through transparency</li> <li>▪ Offering solutionsneeds-orientated</li> <li>▪ Improve service quality</li> <li>▪ Understanding market and customer needs</li> <li>▪ Evaluate sustainability performance</li> </ul>
Investors Corporate Communications and Investor Relations	<ul style="list-style-type: none"> <li>▪ Annual General Meetings</li> <li>▪ Supervisory Board meetings (shareholder representatives)</li> <li>▪ Investor calls and visits</li> <li>▪ Investor Relations Services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Promoting transparency and accountability</li> <li>▪ Offering strategic insights</li> <li>▪ Strengthening trust through direct dialogue</li> <li>▪ Provide financial information</li> </ul>
Public/Media Corporate Communications and Investor Relations	<ul style="list-style-type: none"> <li>▪ Annual press conference</li> <li>▪ Press conferences</li> <li>▪ Website media service</li> <li>▪ Press releases</li> <li>▪ Media information</li> <li>▪ University co-operations</li> <li>▪ Networking events</li> <li>▪ Club and association memberships</li> <li>▪ Exchange with cultural landscape</li> <li>▪ Sponsorships and projects of the OLB Foundation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensuring financial transparency</li> <li>▪ Maintaining press relations</li> <li>▪ Facilitate media access</li> <li>▪ Provide up-to-date information</li> <li>▪ Answer media enquiries</li> <li>▪ Supporting education and research</li> <li>▪ Build networks</li> <li>▪ Strengthening communities</li> <li>▪ Promoting cultural dialogue</li> <li>▪ Promoting the common good</li> </ul>
Supervision Board Office, Internal Audit, Compliance	<ul style="list-style-type: none"> <li>▪ Annual supervisory meeting</li> <li>▪ Supervisory correspondence</li> <li>▪ Supervisory consultations</li> <li>▪ FAQ publications of the supervisory authority</li> <li>▪ Fact sheets and minimum requirements</li> <li>▪ Association work (BdB working groups)</li> <li>▪ Audit activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Maintaining regulatory dialogue</li> <li>▪ Ensure compliance with regulations</li> <li>▪ Helping to shape supervisory requirements</li> <li>▪ Creating regulatory clarity</li> <li>▪ Comply with specifications and standards</li> <li>▪ Representing interests in association work</li> <li>▪ Ensuring compliance and transparency</li> </ul>

In general, the results of stakeholder engagement feed into a broad range of business processes, including strategic, operational, and administrative processes, as well as risk management and decision-making processes. Specifically, the insights gained were used by the designated contact functions and departments within the bank to identify the material impacts, risks, and opportunities relevant to sustainability matters from the perspective of affected stakeholders. Stakeholder interests and viewpoints are therefore incorporated into due diligence processes and the materiality assessment, allowing them to be traced within OLB's strategy and business model (see IRO-1). Outside this process, the Management Board and Supervisory Board are not separately informed about the perspectives and interests of affected stakeholders regarding the company's sustainability impacts. However, Management Board and Supervisory

Board members may participate in some of the stakeholder dialogue formats listed above or in related processes.

Stakeholder engagement in the reporting year did not result in changes to the bank's core strategies, meaning its business, risk, or IT strategies remained unchanged. Likewise, no modifications to strategies related to the material impacts, risks, and opportunities presented in this report were identified. This is particularly due to the fact that OLB conducted a materiality assessment for the first time based on the double materiality principle defined in ESRS 1, meaning there is no previous reference point for comparison regarding potential changes.

### **S1 Own workforce**

The company's own workforce represents a key group of affected stakeholders. Accordingly, staffing, employee development, employee retention, and the remuneration system are integral components of OLB's business strategy. In addition to the dialogue formats presented in the table above, employees were comprehensively surveyed during the reporting year regarding psychological stress in an anonymous survey. This and other processes are described in detail in ESRS S1-2.

### **S4 Consumers and end-users**

Another key group of affected stakeholders are OLB's customers, whose interests, perspectives, and rights as consumers and end-users are integrated into OLB's strategy and business model in various ways. Here too, information exchange relies on a broad range of dialogue formats, as outlined in the example table above. The private customer segment—which falls under the definition of consumers—is divided into the business areas Private Retail Customers and Private Banking & Wealth Management, each with differentiated product offerings and distribution focuses. As a lender, OLB operates in accordance with the Principles for Responsible Banking, which have been incorporated into the business strategy via the sustainability mission statement. The bank collaborates responsibly with its customers to encourage sustainable practices and enable economic activities that promote shared prosperity for current and future generations.

In its fundamental policy statement, OLB explicitly acknowledges its responsibility regarding human rights and environmental standards within both its own operations and supply chain. This commitment is accompanied by the expectation that employees and suppliers uphold and promote human rights in all their activities. This includes the prevention of child labour, forced labour, and any form of discrimination. Additionally, employees and suppliers are expected to help prevent human rights violations and actively report any violations they become aware of. This expectation framework also reflects the interests and perspectives of customers as consumers and end-users.

### **SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model**

Based on the materiality assessment conducted for the first time in the 2024 financial year in accordance with the principle of double materiality, the sustainability matters listed in the table below were identified as material. Beyond the regular exchange of stakeholder interests and viewpoints described in SBM-2, no further consultations were held, nor were any external experts involved.



# OLB Sustainability Statement 2024

Thematic specific standard	Sustainability matter	Materiality due to					
		Impact perspective				Financial Perspective	
		Negative		Positive		Negative (Risk)	Positive (Chance)
		In fact	Potential	In fact	Potential		
E1 Climate change	Climate change adaptation	-	-	X	X	X	X
	Climate change mitigation	X	X	X	X	-	X
	Energy	X	X	X	-	X	X
S1 Own workforce	Working conditions	-	-	X	X	-	X
	Equal treatment and opportunities for all	-	-	X	-	-	-
	Training	-	-	X	-	-	X
S4 Consumer and end-users	Information-related impacts for consumers and/or end-users	-	X	X	X	X	X
	Personal safety of consumers and/or end-users	-	-	X	X	X	-
	Customer advisory services	-	-	X	-	X	X
G1 Business conduct	Corporate culture	X	-	X	X	-	X
	Protection of whistleblowers	-	-	X	X	-	-
	Management of relationships with suppliers including payment practices	-	-	-	-	X	-
	Corruption and bribery	X	-	X	X	-	X
	Anti-Money laundering (AML)	-	X	-	X	-	X

The Sustainability Statement focuses on the identified sustainability matters within the topic-specific standards. The materiality and thus the reporting priorities are derived either from the actual or potential, positive or negative material impacts of the bank's business activities on these sustainability matters and/or from the material financial risks and opportunities these sustainability matters pose to OLB. The following overviews provide a detailed explanation of the material impacts, risks, and opportunities, along with information on their classification and time horizon. The management of these aspects is addressed in the topic-specific standards of the Sustainability Statement.

## E1 Climate change

### *Sustainability matter: Climate change adaptation*

Material impacts	Material risks and opportunities
<p><b>Financing of Energy-Efficient Renovations and Climate change Resilience</b></p> <p><i>Short, medium, and long-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB offers financing solutions that can enhance the resilience of buildings to the effects of Climate change. This includes loans for the renovation of properties with a high energy efficiency rating (A+/A/B) as well as corporate financing aimed at increasing resilience to climatic changes.</p>	<p><b>Increased Default Risk and Reputational Loss Due to Inadequate Climate Adaptation</b></p> <p><i>Short- and medium-term or long-term</i></p> <p><i>Physical and transitional risk</i></p> <p>OLB could face higher default probabilities and/or loss rates in its loan portfolio over the long term if it maintains a comparatively low financing ratio for projects that contribute to Climate change adaptation. This could occur if financed clients, properties, or projects are exposed to higher costs or damages due to insufficient climate adaptation actions (physical risk). Additionally, a reputational risk could arise in the short or medium term if OLB continues to finance businesses that do not adequately address Climate change, potentially leading to a loss of trust and customer attrition. In a second-round effect, these factors could result in negative financial consequences for OLB (transition risk).</p> <p><i>For the current reporting period, there were no specific financial impacts arising from this risk. For the next reporting period, this risk is not expected to lead to a significant adjustment of the carrying amounts of reported assets and liabilities.</i></p>
<p><b>Potential Improvement of Climate change Resilience Through Financing of Relevant Projects</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive potential impact</i></p> <p>OLB could increasingly finance projects that enhance the resilience of buildings, businesses, and infrastructure to the impacts of Climate change. This includes, for example, financing energy-efficient new constructions and renovations, funding flood protection actions, and supporting agricultural projects that develop higher-yielding and climate-resilient crops.</p>	<p><b>Opportunity Through Financing Climate-Friendly Projects</b></p> <p><i>Short- and medium-term</i></p> <p><i>Opportunity</i></p> <p>By increasing its financing of resilient projects, OLB could benefit from expanded business volume and revenue potential. Additionally, the bank could enhance its reputation among stakeholders and tap into new customer segments, leading to financial advantages.</p> <p><i>For the current reporting period, there were no specific financial impacts arising from this opportunity. For the next reporting period, this opportunity is not expected to lead to a significant adjustment of the carrying amounts of reported assets and liabilities.</i></p>

# OLB Sustainability Statement 2024

## Sustainability matter: Climate change mitigation

Material impacts	Material risks and opportunities
<p><b>Financing of Emission-Intensive Sectors and Negative Climate Impact</b></p> <p><i>Short- and medium-term</i></p> <p><i>Negative actual impact</i></p> <p>OLB currently finances businesses in emission-intensive sectors, including the energy sector, agriculture, shipping, and manufacturing. Additionally, the bank continues to finance properties with lower energy efficiency ratings. While OLB supports its customers and projects in their transformation efforts, these financings contribute to Climate change.</p> <p><b>Potential Future Financing of Emission-Intensive Sectors</b></p> <p><i>Short- and medium-term</i></p> <p><i>Negative potential impact</i></p> <p>OLB may continue to finance businesses in emission-intensive sectors such as agriculture, shipping, and manufacturing. In the long term, this could hinder the transition to a low-emission economy, which aims for climate neutrality in Germany by 2045.</p> <p><b>Financing Low-Emission Projects and Climate Protection</b></p> <p><i>Short, medium and long-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB is already financing transactions that actively contribute to reducing emissions intensity. These include financing for new buildings and renovations with high energy efficiency ratings (A+/A/B), photovoltaic and solar systems, wind farms, and transformation financing. The share of this climate-friendly financing is continuously increasing and represents a positive actual impact in terms of climate protection.</p> <p><b>Potential Future Financing of Emission-Reducing Projects and Technologies</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive potential impact</i></p> <p>OLB could increasingly finance transactions that contribute to reducing emissions intensity, such as energy-efficient new buildings and renovations, renewable energy projects, and, in the future, carbon removal technologies.</p>	<p><b>Opportunity through Financing the Transition</b></p> <p><i>Short- and medium-term</i></p> <p><i>Opportunity</i></p> <p>By increasing the financing of projects that reduce emissions intensity, OLB could benefit from additional business volume and revenue potential. A positive side effect could be an enhanced reputation among stakeholders and the acquisition of new customers, which may have a positive financial impact. Overall, business opportunities arise from financing the economic transition towards lower greenhouse gas emissions.</p> <p><i>For the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>

## Sustainability matter: Energy

Material impacts	Material risks and opportunities
<p><b>Financing of Fossil-Fuel Heated Buildings and Negative Impact on the Energy Mix</b></p> <p><i>Short, medium and long-term</i></p> <p><i>Negative actual impact</i></p> <p>OLB currently finances transactions where counterparties use fossil fuels for energy generation, including properties heated with fossil fuels. The stock of older, fossil-fuel heated buildings is substantial, and there are no exclusion criteria for lending to this sector. These financings contribute negatively to the fossil energy mix and overall energy consumption.</p> <p><b>Potential Delay in the Transition Due to Financing of Fossil Energy</b></p> <p><i>Short- and medium-term</i></p> <p><i>Negative potential impact</i></p> <p>OLB may continue to finance transactions where counterparties rely on fossil fuels for energy generation. In the long term, this could hinder the transition of the building stock, economy, and infrastructure to low-emission alternatives and slow down the economic transformation.</p> <p><b>Financing Energy-Efficient Buildings and Renewable Energy</b></p> <p><i>Short, medium and long-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB is already financing energy-efficient new buildings and renovations, as well as renewable energy projects such as photovoltaic and solar systems, wind farms, and transformation financing. The share of these financings, which contribute to reducing emissions intensity, is continuously increasing. These activities represent a positive actual impact in the energy sector and support climate protection.</p>	<p><b>Risk from Continued Financing of Fossil-Based Businesses</b></p> <p><i>Short- and medium-term</i></p> <p><i>Transitional risk</i></p> <p>If OLB continues financing fossil-based business models instead of energy-efficient projects, it may face higher probability of default (PD) and loss given default (LGD) in the future, as these clients, assets, or projects could be burdened by rising energy costs or the phasing out of their business models. This could have negative financial implications for OLB. Additionally, reputational risks may arise, leading to a loss of trust and customer attrition, which could indirectly result in further negative financial impacts.</p> <p><i>For the current reporting period, there were no concrete financial effects from this risk. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p> <p><b>Opportunities through Financing Energy-Efficient Projects</b></p> <p><i>Medium term</i></p> <p><i>Opportunity</i></p> <p>By increasing the financing of energy-efficient and energy-sufficient projects, there is potential to generate additional business volume and revenue opportunities. At the same time, the bank's commitment to sustainable energy could enhance its reputation among stakeholders and attract new customers.</p>

## OLB Sustainability Statement 2024

*For the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.*

Beyond the three identified sustainability aspects of “Climate change adaptation”, “Climate change mitigation” and “energy,” no additional company-specific topics were identified through the materiality assessment. The material impacts, opportunities, and risks related to Climate change are connected to the downstream value chain, primarily through economic activities driven by real estate financing and corporate lending.

Since 2023, OLB has embedded a sustainability mission statement into its business strategy, with a particular focus on climate protection. In line with the “Principles for Responsible Banking,” OLB strives to align its business strategy with meeting societal needs and targets, as outlined in the Paris Agreement. With the establishment of the Head of Sustainability role, the bank has created a function to coordinate and drive the implementation of its sustainability mission. The ESG Policy further specifies the sustainability mission in accordance with the principle of double materiality and has been incorporated into the bank’s formal governance framework. OLB is committed to further expanding the relevant governance structures.

In accordance with the sustainability mission, the determination of financed indirect greenhouse gas emissions from the loan portfolio plays a fundamental role in the impact perspective. To facilitate this, the necessary data infrastructure was established during the reporting year. This includes the addition of an ESG data layer to the core banking system, which, since the 2024 financial year, enables the storage of taxonomy and greenhouse gas emission data at the customer, account, and collateral level. In response to the growing need for expert advice on energy-efficient renovation projects for private real estate, the bank has trained its mortgage specialists as certified energy coaches. The training and certification were conducted by Investors Marketing AG. From a financial perspective, ESG scoring was introduced more than two years ago to assess ESG risks in lending, and risk management has been expanded to include ESG aspects.

OLB has conducted an analysis of the resilience of its strategy and business model to climate-related risks. This included both physical risks, such as flooding in coastal areas of its core business region, and transition risks, such as the impact of rising CO<sub>2</sub> prices. These risks are not treated as a separate risk category but are instead an integral part of existing risk types, such as credit risk.

Since 2021, resilience analysis has been conducted by integrating ESG factors into risk management and lending decisions. This analysis is carried out regularly, based on both internally developed scenarios (physical risk: flooding in East Frisia; transition risk: various CO<sub>2</sub> price changes) and climate scenarios developed by the Network for Greening the Financial System (NGFS). OLB applies climate scenarios such as Below 2°C, Delayed Transition, Fragmented World, and Nationally Determined Contributions (NDCs) to simulate possible future developments for 2026, 2030, 2040, and 2050. In doing so, macroeconomic factors such as gross domestic product, unemployment rate, and oil price are considered in relation to their impact on OLB’s business model and strategy. This approach ensures that both the most relevant physical and transition risks for OLB are covered and assessed over appropriate time horizons. The focus of the resilience analysis is on the downstream value chain.

## OLB Sustainability Statement 2024

The results of the most recent resilience analysis (ESG stress test as of 30 September 2024) indicate minor effects on credit risk in both the physical and transition risk scenarios. Operational risk shows an initial increase in gross terms, but existing mitigation actions result in low net effects.

### S1 Own workforce

#### Sustainability matter: Working conditions

Material impacts	Material risks and opportunities
<p><b>Attractive Employer Brand and Employee Development</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB is actively engaged in promoting and supporting its employees. This is reflected in the targeted promotion of women through the GROW initiative and the early support of talented young employees within the VISION program, which paves the way for a successful career. Additionally, OLB's attractiveness as an employer is reinforced by a slightly above-average Kununu satisfaction score and a high number of external applications. According to OLB's assessment, these factors contribute to a stable and committed workforce.</p>	<p><b>Employee Satisfaction and Productivity Increase</b></p> <p><i>Short- and medium-term</i></p> <p><i>Opportunity</i></p> <p>High employee satisfaction and low turnover are seen by the bank as factors that increase productivity and foster the motivation of the workforce. A motivated and stable workforce contributes to the efficiency and profitability of OLB.</p> <p><i>or the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>
<p><b>Potential for Optimizing Work Culture and Employee Retention</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive potential impact</i></p> <p>OLB has the potential to further improve its work culture and job security, which could lead to positive effects within the workforce, such as increased motivation and lower turnover. By continuing and expanding programs like GROW and VISION, possibly extending them to additional target groups such as leadership roles, OLB can drive these positive developments further and strengthen its position as an attractive employer.</p>	

#### Sustainability matter: Equal treatment and opportunities for all

Material impacts	Material risks and opportunities
<p><b>Promotion of Equal Opportunities and Diversity</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB has already implemented initial actions to promote equal opportunities and diversity within its operations. The GROW initiative enables talented female employees to develop both professionally and personally, preparing them for future career steps. Additionally, GROW fosters exchange and dialogue among participants, contributing to strengthening the diversity culture within the company.</p>	None

#### Sustainability matter: Training

Material impacts	Material risks and opportunities
<p><b>Excellent Training Quality and Skilled Workforce Retention</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB has strategically adjusted the number of training positions to maintain the quality of its training at an outstanding level. Through collaboration with educational partners, the training efforts are further strengthened by external expertise. OLB apprentices achieve significantly above-average exam results, which has earned the company an excellent reputation as a training provider with the Chamber of Commerce and Industry (IHK) and the banking association. The consistently high number of applicants demonstrates OLB's attractiveness as a training company. These actions not only contribute to the development of excellent skilled workers but also serve as a strategic response to the skilled labor shortage, ensuring access to qualified personnel.</p>	<p><b>Opportunities through Targeted Training</b></p> <p><i>Medium term</i></p> <p><i>Opportunity</i></p> <p>OLB is committed to continuing to provide above-average training, thereby replacing qualified skilled workers at a relatively low cost.</p> <p><i>For the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>

Through the materiality assessment, the sustainability aspect of "Training" was identified as a company-specific topic. Specifically, OLB trainees are among the employees who benefit from the positive impacts of the business activities. The material impacts and opportunities identified in connection with the workforce are naturally linked to the self-created part of the value chain.

OLB faces the challenge of maintaining the attractiveness of the banking sector for qualified professionals, managers, and young talent, especially in light of demographic developments and increased regulatory requirements. These conditions directly impact the bank’s personnel strategy, particularly its ability to meet the demand for specialized and controlling functions both quantitatively and qualitatively. Therefore, the bank has adapted its strategy to ensure it meets the growing demands in these areas through targeted personnel development actions such as the VISION talent management program and the GROW mentoring program.

Since its inception in 2022, GROW has been used to qualify and support female young talent for professional and particularly leadership positions. Experienced leaders form fixed pairs with the supported potential candidates, who regularly meet to discuss topics such as impact competence, network expansion, and exchange with the CEO/board. The program, which spans twelve months, also includes themed lectures and workshops in both German and English, as well as opportunities for coaching, job shadowing, and seminars. By the end of the second round in August 2024, 28 female employees will have completed the mentoring program.

As the second component of talent management, VISION was initiated in 2023, targeting both female and male potential candidates. The focus of this program is on intensifying strategic understanding, expanding methodological competencies, and strengthening self-reflection with the aim of taking on roles as specialists or leaders in the future. Over a period of twelve months, participants engage in workshops and seminars, participate in discussions with the board, and develop their own projects on strategic topics of the bank. Individual career conversations and job shadowing round out the program. The first twelve participants will have successfully completed the program by October 2024.

To address these challenges, OLB increasingly relies on the internal promotion and development of talent, as well as the improvement of employee retention. Actions such as flexible working hours, remote working, an attractive compensation system, and a comprehensive training and development offer contribute to increasing employer attractiveness and maintaining a low turnover rate. These strategies aim to ensure the long-term stability and efficiency of the workforce.

Generally, all employees of OLB in the own value chain in Germany are positively affected. They can apply for the various development programs and further their education through them. For the GROW program, the focus is on the female workforce, while the mentoring group from the first leadership level is cross-gender.

The opportunities mentioned above, arising from the impacts on and dependencies of employees, are not limited to a specific group of individuals.

## S4 Consumers and end-users

*Sustainability matter: Information-related impacts for consumers and/or end-users*

Material impacts	Material risks and opportunities
<p><b>Increase in Potential Information Security Incidents Due to Customer Growth</b></p> <p><i>Short- and medium-term</i></p> <p><i>Negative potential impact</i></p> <p>Given OLB's inorganic growth and the significant expansion of its customer base, the absolute number of potential information security incidents could increase, potentially leading to individually significant consequences for individual consumers.</p>	<p><b>Risks from Misleading Information or Data Breaches</b></p> <p><i>Short- and medium-term</i></p> <p><i>Risk</i></p> <p>In the event of misinformation, OLB could have to pay penalties and bear the costs of remedying findings. There is also a reputational risk, since such issues are regularly covered by the media, which in turn could have a negative financial impact</p>

## OLB Sustainability Statement 2024

	<p>Bank customers could suffer financial as a result of data breaches losses if account information is compromised and unauthorised transactions are carried out. This could lead to claims for damages.</p> <p><i>For the current reporting period, there were no concrete financial effects from this risk. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>
<p><b>Building Trust through Compliance with Legal Information Standards</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB meets the high legal and regulatory requirements regarding the accurate provision of information to its customers. This ensures that customers receive reliable and transparent information, which strengthens their trust in the bank and helps them make informed financial decisions.</p>	<p><b>Opportunity through Strict Compliance in Information Provision</b></p> <p><i>Medium and long-term</i></p> <p><i>Opportunity</i></p> <p>By adhering strictly to compliance in information provision, OLB can meet the expectations of legislators, regulators, and customers. Avoiding violations, especially in comparison to competitors, could lead to increased customer trust, which may also have a positive financial impact.</p>
<p><b>Continuous Improvement of Data Protection and Information Security</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive potential impact</i></p> <p>OLB will continue to comply with legal and regulatory data protection requirements and learn from any audit findings by continuously developing its processes and systems, adapting them to best practices, to ensure data protection and information security.</p>	<p><i>For the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>

### Sustainability matter: Personal safety of consumers and/or end-users

Material impacts	Material risks and opportunities
<p><b>Consumer and Investor Protection through Responsible Financial Advisory</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB places importance on protecting consumers and investors, as well as on responsible lending. This includes compliance with regulatory requirements for consumer protection, providing transparent information for investors, and conducting thorough creditworthiness checks to ensure responsible lending practices. These actions contribute to the personal safety of consumers and strengthen their trust in OLB's financial services.</p>	<p><b>Risk from Incorrect Investment Advice and Reputational Damage</b></p> <p><i>Medium term</i></p> <p><i>Risk</i></p> <p>There is a potential risk that OLB could cause financial losses for customers due to incorrect investment advice, which could lead them to take legal action against the bank. Such incidents could not only result in legal and financial consequences for OLB but also pose reputational risks if the trust in the bank's advisory quality and integrity is significantly damaged.</p>
<p><b>Consistently High Standards in Consumer and Investor Protection</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive potential impact</i></p> <p>OLB is committed to maintaining its existing high standards in consumer protection, investor protection, and responsible lending.</p>	<p><i>For the current reporting period, there were no concrete financial effects from this risk. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>

### Sustainability matter: Customer advisory services

Material impacts	Material risks and opportunities
<p><b>Expanded Advisory Channels and Sustainability Focus</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive actual impact</i></p> <p>In recent years, OLB has made significant investments in expanding and improving its advisory channels, with a special focus on digitalization, simplification, and process streamlining. Additionally, mortgage specialists have been trained as energy coaches to provide customers with well-informed advice on financing decisions for energy-efficient renovations. Furthermore, OLB takes customers' sustainability preferences into account in investment advice and offers appropriate products. These actions not only contribute to increased customer satisfaction but also strengthen the bank's reputation in the market.</p>	<p><b>Financial and Reputational Risks in Investment Advisory</b></p> <p><i>Short- and medium-term</i></p> <p><i>Risk</i></p> <p>The implementation and maintenance of sustainable investment advisory services, as well as ensuring personal availability, may be associated with increased costs, which could negatively impact the bank's financial performance in the short term. Additionally, errors in advisory services pose the risk of financial damages and legal consequences, which could result in not only direct financial losses but also reputational risks for OLB.</p> <p><i>For the current reporting period, there were no concrete financial effects from this risk. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>
	<p><b>Opportunities through Qualified and Personally Accessible Customer Advisory</b></p> <p><i>Short- and medium-term</i></p> <p><i>Opportunity</i></p> <p>Focusing on qualified and personally accessible customer advisory could offer OLB several positive financial opportunities. These include increasing customer satisfaction and loyalty, which could foster the retention of existing customers and the utilization of additional banking products. Additionally, such a focus could lead to the acquisition of new customer segments</p>

## OLB Sustainability Statement 2024

	<p>that value expert guidance, potentially resulting in growth in the customer base as well as increased deposits and investment volumes. By differentiating itself in the market through competent and personal advisory, OLB could also stand out from other financial institutions and strengthen its market position. These actions could overall enhance OLB's competitiveness and long-term growth.</p> <p><i>For the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>
--	--

Through the materiality assessment, the sustainability aspect of "Customer Advisory" was identified as a company-specific topic. The material impacts and risks identified in connection with consumers and end-users, i.e. with the bank's private customers falling under the consumer category, are primarily attributed to the self-created part of the value chain, while in the case of the mentioned data breaches, the upstream value chain is also part of the consideration.

Regarding the information-related impacts in terms of data protection and information security, OLB revised its information security strategy guidelines in the reporting year and consolidated the bank's expertise in data protection and information security in the newly established "Corporate Resilience" department in 2024. In customer advisory, the bank has focused its branch-based advisory expertise in the Weser-Ems region primarily in regional competence centers. With the digital sales channel "Central & Digital Sales" (CDS), OLB has centralized its nationwide contact offering. Here too, advisory expertise has been strengthened, particularly in video and phone advisory for more complex products such as mortgage financing, securities, and insurance.

Consumer and end-user protection is a crucial factor within OLB's business activities, especially regarding data protection and information security. The bank has further developed its approaches to better address potential negative impacts that could arise from the growth of the customer base. Special attention is given to the responsible handling of customer data to ensure a high level of protection for customers' personal data.

In addition, OLB ensures that the financial information, marketing materials, and pre-contractual information provided are comprehensive and clearly understandable. This is intended to strengthen customer trust in the offered financial products and help them make informed decisions. The bank continually improves its information processes to ensure that customers receive current and reliable information about products and services through both digital and non-digital sales channels. Compliance with legal requirements remains a central component of customer communication to ensure transparency and reliability.

With a legally compliant and customer group-tailored advisory approach, OLB aims to avoid misadvisory and thus prevent financial damages for customers as well as reputational risks for the bank. OLB addresses potentially vulnerable consumer groups, particularly in the area of consumer credit, with responsible and transparent advice. Through responsible lending practices, potential negative impacts, which may be more pronounced for certain customer groups, such as those with lower incomes, are reduced. In particular, protection against over-indebtedness is an important aspect of credit granting. To prevent potential negative impacts, the bank carefully reviews the financial situation of customers before making a credit decision. This ensures that consumer loans are only granted to customers who are able to repay them over the long term. This responsible lending practice supports the financial stability of customers and reduces potentially negative impacts.

As part of the ongoing digitalization of advisory and sales channels, OLB also takes into account the specific needs of people who are less familiar with digital technologies, particularly the older generation.

## OLB Sustainability Statement 2024

The bank has expanded the number of regional competence centers, thus enabling customers who are less inclined to digital offerings to continue receiving personal and individual advice. This ensures that all customer groups, regardless of their digital competence, have access to OLB's financial services.

### G1 Business conduct

#### *Sustainability matter: Corporate culture*

Material impacts	Material risks and opportunities
<p><b>Critical Voices Regarding Corporate Culture</b></p> <p><i>Short term</i></p> <p><i>Negative actual impact</i></p> <p>Despite numerous positive feedbacks, OLB receives anonymous critical voices regarding its corporate culture in online forums. This criticism particularly concerns the effects of the cultural and personnel-related organizational design that have emerged during the restructuring of recent years, as well as ongoing acquisition processes and preparations for the IPO.</p>	<p><b>Positive Impacts from High Employee Satisfaction</b></p> <p><i>Medium and long-term</i></p> <p><i>Opportunity</i></p> <p>OLB could benefit from increased employee productivity and high motivation through high employee satisfaction and low turnover. This could strengthen the efficiency and competitiveness of the company in the long term.</p> <p><i>For the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>
<p><b>Positive Public Perception of Corporate Culture</b></p> <p><i>Short term</i></p> <p><i>Positive actual impact</i></p> <p>OLB actively promotes positive aspects of its corporate culture, particularly in supporting the career development of women and young talent. Another indicator of the positive corporate culture is the above-average rating of OLB as an employer in public review forums.</p>	
<p><b>Potential to Strengthen and Develop Corporate Culture</b></p> <p><i>Medium term</i></p> <p><i>Positive potential impact</i></p> <p>OLB has the potential to continuously develop its corporate culture to achieve positive effects within the workforce, such as increased motivation and lower turnover. Existing employee development programs should be continued and complemented by additional initiatives. These actions could further strengthen the corporate culture.</p>	

#### *Sustainability matter: Protection of whistleblowers*

Material impacts	Material risks and opportunities
<p><b>Compliance with Whistle-blower Protection Standards</b></p> <p><i>Short term</i></p> <p><i>Positive actual impact</i></p> <p>OLB already meets the legal and regulatory requirements for whistleblower protection. This ensures that whistleblowers can report potential misconduct safely and confidentially without fear of retaliation. These actions contribute to a secure and transparent corporate culture and can be considered a positive actual impact.</p>	None
<p><b>Continuation of Whistle-blower Protection</b></p> <p><i>Medium term</i></p> <p><i>Positive potential impact</i></p> <p>OLB will continue to comply with whistleblower protection standards. These efforts could lead to a positive impact on the integrity of the financial sector in the long term.</p>	

#### *Sustainability matter: Management of relationships with suppliers including payment practices*

Material impacts	Material risks and opportunities
None	<p><b>Potential Procurement Challenges in the Supplier Portfolio</b></p> <p><i>Short- and medium-term</i></p> <p><i>Risk</i></p> <p>The evaluation of supplier ratings reveals potential industry and procurement hurdles in OLB's supplier portfolio. Some significant suppliers have been rated with a "very high" procurement</p>



## OLB Sustainability Statement 2024

	<p>risk, indicating possible challenges related to the stability and reliability of the upstream supply chains.</p> <p><i>For the current reporting period, there were no concrete financial effects from this risk. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>
--	---

### Sustainability matter: Corruption and bribery

Material impacts	Material risks and opportunities
<p><b>Potential Undetected Corruption Cases</b></p> <p><i>Short term</i></p> <p><i>Negative actual impact</i></p> <p>OLB has not recorded any known cases of corruption or bribery in recent times. However, it cannot be completely ruled out that employees could be involved in such activities without it being detected.</p>	<p><b>Financial Stability through Compliance</b></p> <p><i>Short- and medium-term</i></p> <p><i>Opportunity</i></p> <p>By consistently adhering to the requirements in the areas of corruption, bribery, and money laundering prevention, OLB meets the expectations of legislators and the public. This contributes to financial stability and strengthens trust in the bank.</p> <p><i>For the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>
<p><b>Awareness for the Prevention of Corruption and Money Laundering</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive actual impact</i></p> <p>OLB actively raises awareness among its employees for the prevention of corruption, bribery, and money laundering. These training and awareness-raising actions are a mandatory part of the training program and help to sharpen the workforce's awareness of these issues. They support the prevention of misconduct and strengthen the compliance culture within the company.</p>	
<p><b>Corruption Prevention through Technology and Awareness</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive potential impact</i></p> <p>Through the ongoing use of improved technical systems and increased awareness within OLB, the likelihood of corruption, bribery, and money laundering cases could be further reduced.</p>	

### Sustainability matter: Anti-Money laundering (AML)

Material impacts	Material risks and opportunities
<p><b>Negative Impacts of Negligent Money Laundering Prevention</b></p> <p><i>Short term</i></p> <p><i>Negative potential impact</i></p> <p>Negligent money laundering prevention would significantly impair the effectiveness of actions to combat money laundering, thereby violating legal and ethical standards.</p>	<p><b>Reputation Strengthening through Money Laundering Prevention</b></p> <p><i>Short- and medium-term</i></p> <p><i>Opportunity</i></p> <p>By implementing strict and effective actions for money laundering prevention, OLB strengthens its reputation as a trustworthy and ethically responsible institution. This could increase trust from existing and potential customers, thereby expanding the customer base and increasing deposit volumes. Additionally, it reduces the likelihood of fines and sanctions from regulatory authorities.</p> <p><i>For the current reporting period, there were no concrete financial effects from this opportunity. For the next reporting period, no significant risk of material adjustments to the carrying amounts of reported assets and liabilities is expected.</i></p>
<p><b>Money Laundering Prevention</b></p> <p><i>Short- and medium-term</i></p> <p><i>Positive potential impact</i></p> <p>Through the consistent implementation of customer checks, adherence to strict internal controls, and continuous monitoring of transactions, OLB can actively contribute to money laundering prevention. The bank can thus identify and report illegal activities as part of the financial system, supporting the efforts of regulatory and law enforcement agencies. Furthermore, by providing training and resources for employees and customers, the bank can raise awareness of money laundering risks and play a crucial role in preventing criminal activities.</p>	

Through the materiality assessment, the sustainability aspect of "Money Laundering Prevention" was identified as a company-specific topic. The material impacts and opportunities identified in connection with corporate governance are naturally linked only to the self-created part of the value chain in both perspectives.

OLB places great importance on the topics of corporate culture, whistleblower protection, and corruption and money laundering prevention, and has established robust actions in these areas that comply with legal requirements. Although there is currently no immediate pressure for adjustment, the bank views it

as an ongoing task to continually improve in these areas. Through targeted training, technical optimizations, and the promotion of an open and ethical corporate culture, OLB is working to maintain and further develop its high standards in the future.

### Resilience of Strategy and Business Model

The resilience of the strategy and business model in relation to the material sustainability topics was analyzed using a qualitative approach. It is categorized into "explicitly given," "given," and "hardly given." Resilience is determined by the indicators "vulnerability" and "responsiveness." Vulnerability, in turn, is described by the extent of the effect on the strategy/business model and the spontaneity with which the effect could occur in relation to the anticipated timing of the effect. The assessment of the indicators was conducted by experts in a workshop. In doing so, short-, medium-, and long-term time horizons were also considered. The following table summarizes the identified resilience of the strategy and business model in relation to the material sustainability aspects, differentiated by time horizons.

Sustainability matter	Resilience Strategy / Business Model		
	Short-term	Medium-term	Long-term
Climate change adaptation	explicitly given	given	explicitly given
Climate change mitigation	given	given	given
Energy	given	given	given
Working conditions	explicitly given	explicitly given	explicitly given
Equal treatment and opportunities for all	explicitly given	explicitly given	explicitly given
Training	given	given	given
Information-related impacts for consumers and/or end-users	explicitly given	explicitly given	explicitly given
Personal safety of consumers and/or end-users	explicitly given	explicitly given	explicitly given
Customer advisory services	explicitly given	explicitly given	explicitly given
Corporate culture	given	given	given
Protection of whistleblowers	explicitly given	explicitly given	explicitly given
Management of relationships with suppliers incl. payment practices	explicitly given	explicitly given	explicitly given
Corruption and bribery	given	given	given
Anti-Money laundering (AML)	explicitly given	explicitly given	explicitly given

None of the sustainability aspects have been assessed as having "hardly given" resilience in OLB's strategy and business model.

### IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

OLB conducted its first materiality assessment in the 2024 financial year based on the double materiality principle defined in ESRS 1. The results are intended to be maintained as the starting point for the sustainability aspects to be reported, as long as the bank's business model or external conditions remain materially unchanged compared to the time of the initial materiality assessment. Accordingly, an annual update of the materiality assessment will be carried out in the future.

The assessment of materiality is necessary to identify the material impacts, risks, and opportunities that need to be reported. These reflect the concept of double materiality, which encompasses both the materiality of impacts and financial materiality. A sustainability aspect is considered material in terms of its impact if it relates to the actual or potential positive or negative effects of OLB's operations on people or the environment within short-, medium-, or long-term time horizons. Impacts include those related to the bank's own business activities as well as its upstream and downstream value chains. Business relationships encompass both the upstream and downstream value chains and are not limited to direct contractual

relationships. A sustainability aspect is considered material from a financial perspective if it is associated with significant financial impacts on OLB or if such impacts are reasonably expected.

The materiality assessment was methodologically based on the fundamental guidelines of the implementation manual "IG 1" of the European Financial Reporting Advisory Group (EFRAG) and went through the following three steps:

1. A context analysis was used in the first step of the materiality assessment to provide the participants with an overview of OLB's strategy, business model, and value chain, to place it in the business and regulatory context, and to obtain a basic understanding of the key affected stakeholders. For this purpose, the business report and the non-financial declaration of the year 2023, as well as the business strategy and the group strategic framework in force at the time of the analysis, were particularly evaluated.
2. In the second step, a basic identification of actual or potential impacts, risks, and opportunities within relevant sustainability aspects of OLB was carried out, both regarding its own business activity and its upstream and downstream value chain. The starting point of the analysis was the table in ESRS 1 AR 16, which lists a non-exhaustive list of sustainability aspects. Based on this starting list, three sub-steps were followed:
  - a) Initially, a pre-screening of these sustainability aspects was carried out using existing documents and analyses with the goal of making a preliminary selection and determining the relevance of the list, i.e., cutting obviously secondary aspects, but potentially also expanding with company-specific sustainability aspects.
  - b) In order to objectify both the identification of sustainability aspects and the subsequent evaluation of impacts, risks, and opportunities by internal stakeholders, existing sustainability-related quantitative analyses were used, and their results were incorporated into the further analysis.
  - c) Based on these preliminary steps, actual or potential impacts, risks, and opportunities regarding relevant sustainability aspects were identified and described in dialogue with internal stakeholders. If new, company-specific sustainability aspects were identified beyond the starting list, these were, if necessary, further developed with impacts, risks, and opportunities in an iterative process. Beyond the exchange regarding the interests and positions of stakeholders described in SBM-2, no further consultations with external stakeholders were conducted, nor were external experts involved.
3. The severity and likelihood of all identified actual or potential impacts, risks, and opportunities were evaluated in the final step by internal stakeholders on a scale from 1 ("very low" or "non-existent") to 4 ("high"). The materiality assessment was based on:
  - for actual negative impacts, based on the severity of the impacts,
  - for potential negative impacts, based on the severity and likelihood of the impacts. The severity is based on a) the extent, b) the scope, and c) the irreversibility of the impacts.
  - for actual positive impacts, based on the extent and scope of the impacts,
  - for potential positive impacts, based on the extent, scope, and likelihood of the impacts.
  - the evaluation of risks and opportunities was based on a combination of a) the likelihood of occurrence and b) the potential extent of the financial impacts.

## OLB Sustainability Statement 2024

To determine the material actual impacts, the severity of each assessment was compared with the pre-determined threshold. To identify the material potential impacts, risks, and opportunities, a comparison was made between the square root of the product of severity and probability and the threshold. Assessments at or above the threshold were classified as material. For better illustration, the evaluation scheme used and the applied threshold rule are shown in the following table.

Impact/ risk/ opportunity	Scale (A)	Scope (T)	Irremediability (U)	Severity (S)	Probability (W)	Result (E)	Threshold
Actual negative impact	A	T	U	$S = \frac{A + T + U}{3}$	–	$E = S$	$E \geq 3$
Actual positive impact	A	T	–	$S = \frac{A + T}{2}$	–	$E = S$	$E \geq 3$
Potential negative impact	A	T	U	$S = \frac{A + T + U}{3}$	W	$E = \sqrt{S \times W}$	$E \geq 3$
Potential positive impact	A	T	–	$S = \frac{A + T}{2}$	W	$E = \sqrt{S \times W}$	$E \geq 3$
Negative financial impact (risk)	A	–	–	$S = A$	W	$E = \sqrt{S \times W}$	$E \geq 3$
Positive financial impact (opportunity)	A	–	–	$S = A$	W	$E = \sqrt{S \times W}$	$E \geq 3$

In this way, the material actual or potential impacts, risks, and opportunities identified in step 2 were ultimately classified as material in relation to the sustainability aspects outlined in SBM-3, specifically those from standards E1 (Climate change), S1 (Own workforce), S4 (Consumers and end-users), and G1 (business conduct).

As part of the quantitative analysis step outlined under 2.b), existing processes within the bank were utilized to identify, assess, prioritize, and monitor potential and actual impacts of the bank's business activities in the context of fulfilling its due diligence obligations. These processes include the EcoVadis supplier rating, the identification of Principal Adverse Impacts (PAI) in financial portfolio management, the calculation of operational greenhouse gas emissions, the calculation of financed greenhouse gas emissions, the assessment of operational environmental performance, and portfolio analysis using the impact tools of the UNEP-FI (United Nations Environment Programme – Finance Initiative). The characteristics of the listed processes can be summarized as follows:

- EcoVadis supplier rating

In compliance with the due diligence obligations under § 3 of the Supply Chain Due Diligence Act (LkSG), OLB conducts an analysis annually and as needed, with the aim of identifying human rights and environmental impacts both within its own business operations and with its direct suppliers, both domestically and abroad. For this, OLB uses the software, database, and expertise of the service provider EcoVadis SAS, Paris.

The two-step analysis first considers all direct business partners in the supply chain and assigns them to a risk category based on inherent country and industry risks ("abstract risk analysis") to identify suppliers with increased risks or strategic importance. In the second step, this group undergoes a detailed supplier rating based on internationally recognized sustainability standards and criteria from the areas of environment, labor and human rights, ethics, and sustainable procurement ("individual risk analysis").

For the purposes of the materiality assessment, the results of the abstract risk analysis were used to assess the actual impacts of the upstream value chain on people and the environment within

the ESRS standards E1 (Climate change), E2 (Pollution), S2 (Workers in the value chain), and G1 (Business conduct), and to identify company-specific sustainability aspects in this context.

- Principal adverse impacts of financial portfolio management

In its role as a financial market participant, OLB publishes an annual statement on the principal adverse impacts (PAI) of investment decisions on sustainability factors in accordance with Article 4 of the Sustainable Finance Disclosure Regulation (SFDR). However, the PAI statement primarily contains absolute figures, which makes an isolated assessment for the purposes of the materiality assessment less useful. Therefore, the quantitative analysis was conducted as a relative comparison of OLB's PAI indicators with those of peer banks. The results of this relative comparison were subsequently confirmed through a PAI benchmark analysis by an external consulting firm.

The results of the analysis were incorporated into the derivation and assessment of actual impacts from financial portfolio management across all sustainability aspects of the ESRS standards as part of the materiality assessment.

- Operational environmental including bank's greenhouse gas emissions

The operational environmental performance and thus the impact of OLB's own business operations on sustainability aspects is determined using the indicator sheet of the Association for Environmental Management and Sustainability in Financial Institutions e.V. See the subsection E1 Climate change under "Bank's Greenhouse Gas Emissions" in this chapter. The calculation of the climate-relevant greenhouse gas emissions from OLB's own business operations includes billing data from utility providers on waste quantities, paper, water, energy, and fuel consumption, as well as data on OLB's business travel. OLB's operational activities contribute to global greenhouse gas emissions through Scopes 1 to 3 (excluding Category 15 of the GHG Protocol).

The operational environmental performance indicators were incorporated into the derivation and assessment of actual impacts of OLB's business operations within the ESRS standards E1 (Climate change) and E5 (Resource Use and Circular Economy) as part of the materiality assessment.

- Financed greenhouse gas emissions from lending ("carbon accounting")

Lending represents a significant source of revenue for OLB. The economic activities financed through lending are associated with environmental impacts in the form of greenhouse gas emissions, which are regularly measured and reported as part of the bank's carbon accounting. The basis for calculating the financed greenhouse gas emissions is the standard of the Partnership for Carbon Accounting Financials (PCAF), which considers Scope 1 and Scope 2 emissions of the economic activities financed by OLB loans in the PCAF asset classes Listed Equity and Corporate Bonds, Business Loans and Unlisted Equity, Project Finance, Commercial Real Estate, Mortgages, and Sovereigns (with LULUCF), as defined by PCAF.

At the time of the materiality analysis, only the PCAF asset classes Business Loans and Unlisted Equity, Project Finance, Commercial Real Estate, and Mortgages had been measured. However, measurements for the other PCAF asset classes are also expected by the end of 2024. The results of the measurement at that time were used in the materiality analysis for the derivation

and assessment of actual impacts from the downstream value chain (in the form of the loan portfolio) within the ESRS standards E1 (Climate change). Details of the process can be found in the following subsection on climate change mitigation.

- **Portfolio analysis**

Based on the UNEP-FI Impact Analysis Tools, potential impacts in OLB’s downstream value chain can be identified. This is an abstract analysis, meaning that OLB’s business portfolio (particularly loan and investment positions) is compared with databases on potential positive and negative impacts on sustainable topics. These databases are primarily based on indicators related to country-specific, industry-sector-specific, or service/product-specific positive and negative impacts. Potential impacts are identified from the perspective of impact materiality (inside-out). OLB used its existing portfolio as of August 31, 2024, for the corresponding analysis, split into the retail and corporate customer portfolios. Based on the analysis, actual positive and negative impacts in OLB’s downstream value chain were described and subsequently evaluated.

Furthermore, within the quantitative analysis step outlined above under 2.b), results from processes used to identify, assess, prioritize, and monitor risks and opportunities with potential financial impacts were applied. These processes include the use of the ESG risk inventory, ESG scenario analyses, and ESG scoring. The characteristics of these processes can be summarized as follows:

- **Risk inventory and use of the ESG risk inventory**

As part of the annual risk inventory, risk categories and associated risk types are classified as material or immaterial. Material risks are considered in the review of risk-bearing capacity. Within the original risk inventory, an ESG risk inventory is also conducted annually. For details, see the following subsection on climate change.

- **ESG scenario analyses**

Building on the ESG risk inventory, further quantifications of transition and physical risks are initiated. The findings from the ESG scenario analyses were taken into account in the derivation and assessment of risks related to the ESRS standard E1 (Climate change) for both the own and downstream value chain. For details, see the following subsection on climate change.

- **ESG scoring**

The ESG scoring used by OLB is applied during the credit review process for corporate and business customers and assesses the ESG risk of borrowers based on the following criteria:

<b>E: Environment (60 %)</b>	E1: Greenhouse gas emissions (direct and indirect, Scope 1-3) (60 %)
	E2: Water use (10 %)
	E3: Environmental taxes (10 %)
	E4: Transitory and physical environmental risks (20 %)
<b>S: Social (30 %)</b>	S1: Low-income employees (20 %)
	S2: Temporary work (20 %)

## OLB Sustainability Statement 2024

	S3: Gender pay gap (40 %)
	S4: Qualitatively assessed social risks (20 %)
<b>G: Governance (10 %)</b>	G1: Governance Index (80 %)
	G2: Qualitatively assessed governance risks (20 %)

For the purposes of the materiality analysis, a portfolio evaluation was conducted, and the average ESG score of corporate clients was determined by industry, further broken down into the average E, S, and G scores.

The findings were incorporated into the derivation and assessment of risks related to the downstream value chain for loans to corporate clients in connection with the ESRS standards E1 (Climate change), E3 (Water and marine resources), and S2 (Workers in the value chain). The ESG scoring is an appropriate tool for evaluation from the perspective of financial materiality (outside-in).

The materiality analysis underwent a quality assurance process, and the results, following the application of the threshold rule to determine the material impacts, risks, and opportunities, were subjected to plausibility testing. Furthermore, the materiality analysis is linked to the bank's risk management through various interfaces and channels. This includes, in addition to the processes mentioned above, its integration into the annual risk inventory, which, in the reporting year, served for the first time as an instance for verifying the results of the materiality analysis and will in the future be incorporated into the plausibility checks of results from updates or revisions. The final decision and formal approval of the materiality analysis, along with the use of its results as the basis for the sustainability declaration, rests with the Management Board and was made for the current reporting year on September 10, 2024. The process of the materiality analysis was repeatedly discussed in the Audit Committee of the Supervisory Board, and the results were approved on September 25, 2024.

### **E1 Climate change**

#### *ESG risk management*

ESG factors, particularly those related to climate and the environment (E), have been an integral part of OLB's risk management and lending processes for several years. The starting points for this integration were the BaFin guidelines on managing sustainability risks, the EBA guidelines for credit granting and monitoring, and the 7th amendment to MaRisk. Based on these, initial processes, methods, and tools have been developed to enable ESG management. At the same time, OLB acknowledges the dynamic nature of the ESG field, so existing processes, methods, and tools are continuously adjusted to meet increasing market demands and available best-practice approaches.

The materiality analysis in this reporting year is based on an initial version of the ESG risk inventory, which was further developed in line with growing regulatory requirements (particularly from the ECB as part of the ECB onboarding) by the end of 2024, as outlined in disclosure requirement E1-3. The original and relevant version of the ESG risk inventory for the materiality analysis includes a three-digit number of risk events from the areas of environmental, social, and governance, whose occurrence can have actual or potential negative impacts on the asset, financial, and earnings position, as well as the reputation of

the bank (sustainability risk). These are not a direct independent risk category but rather factors or drivers of existing risk categories. OLB assesses sustainability risks as cross-risk-type loss potentials. Their consideration, both in economic and normative risk-bearing capacity assessments, occurs within existing risk types. The following ESG risk drivers were considered in the assessment of sustainability risks:

- Working conditions, occupational safety, health protection, human rights violations, threats to communities, restrictions on employee and co-determination rights, discrimination, forced and child labor
- Climate risk, biodiversity loss, pollution, waste issues, excessive resource consumption, animal rights violations
- Corruption and bribery, money laundering, fraud, tax evasion and optimization, competition restrictions, management remuneration, misleading marketing
- Human rights violations, threats to communities & restrictions on co-determination rights, social and worker discrimination, forced and child labor, restrictions on employee rights/unions, poor working conditions, occupational safety and health protection, technology

These events were assessed within the risk inventory through expert estimates regarding their implications on overall risk. As part of the ESG risk inventory, the impacts of flooding (physical risk) and a rise in CO<sub>2</sub> prices (transition risk) on credit risk were identified as events of high relevance for OLB. The results were later reused in the materiality analysis, as they were incorporated into the derivation and assessment of risks related to the ESRS standards E1 (Climate change), E2 (Pollution), E4 (Biodiversity and ecosystems), S1 (Own workforce), S2 (Employees in the value chain), S3 (Affected communities), and G1 (business conduct) across the entire value chain. These insights also serve as the basis for subsequent quantifications in terms of scenario calculations or stress tests.

In line with the BaFin guidelines on managing sustainability risks, special climate-related scenario analyses were developed to model these risks beyond the existing stress test program. These include an institution-wide ESG scenario, transition scenarios for credit risk, a physical scenario for credit risk, and a physical scenario for operational risk.

### *Institute-wide ESG scenario*

For the analysis of the potential impacts of future developments on the overall bank, climate scenarios developed by the Network for Greening the Financial System (NGFS) are used. The NGFS develops climate scenarios as a common baseline for analyzing climate risks for the economy and the financial system. Currently, seven different scenarios are available. These seven scenarios can be classified according to their physical and transition risks as well as temperature targets:

For further analyses, the following scenarios are used and evaluated for the years 2026, 2030, 2040, and 2050, covering the short-, medium-, and long-term time horizons:

- Below 2°C
- Delayed Transition
- Nationally Determined Contributions (NDCs)
- Fragmented World

Each of these scenarios is selected from the clusters "Orderly", "Disorderly", "Hot House World", and "Too Little, Too Late".



The forecasts for Germany are based on the calculations of the RE-MIND-MAGPIE 3.2-4.6 model, with input data from the Potsdam Institute for Climate Impact Research (PIK).

In each of the scenarios, the development of various factors is projected relative to a baseline, particularly for the macroeconomic indicators used in the internal model, such as Gross Domestic Product (GDP), unemployment rate, and oil price. These developments are then analogously converted into internal key figures and approximated impacts on expected losses and Risk-Weighted Assets (RWA), following the approach used for the inverse stress test.

The basis for the calculations is the normal and stress scenarios for the planning year 2026, which marks the end of the planning period starting from 2024.

In addition to credit risk, increased losses from operational risks are also considered, analogous to the normative perspective of risk-bearing capacity, as well as lower fees, following the scenario modeling for recovery planning (scaled according to GDP development). The risks are offset against the planned pre-tax profit. If a profit remains after this adjustment, it is compared with the planned dividend after tax deductions. Any losses are deducted from the capital. The capital ratios in the scenario are derived from the corrected capital and RWA in the scenario.

### *Transitory scenarios: Credit risk*

To estimate the potential impacts of climate change on OLB's loan portfolio, selected scenario calculations are performed. The sensitivity of the portfolio with regard to CO<sub>2</sub> prices is assessed by varying the CO<sub>2</sub> price. This is a mono-causal "what-if" analysis with a focus on credit risk (the risk category with the highest materiality at present).

The following scenarios were selected, covering short-, medium-, and long-term perspectives:

- Transition Scenario 1: Price of 45 euros per ton of CO<sub>2</sub> (current CO<sub>2</sub> price in 2024)
- Transition Scenario 2: Price of 65 euros per ton of CO<sub>2</sub> (official price ceiling for 2026 according to the German Emissions Trading Authority, DEHSt)
- Transition Scenario 3: Price of 153 euros per ton of CO<sub>2</sub> (2026 value [65 euros] plus 100 USD price shock according to the ECB Climate Stress Test 2022)
- Transition Scenario 4: Price of 500 euros per ton of CO<sub>2</sub> (according to the NGFS Disorderly Scenario for 2030)

The focus of the analysis is on calculating expected losses (EL) in the scenario. EL is calculated as the product of Exposure at Default (EAD), Loss Given Default (LGD), and Probability of Default (PD). Assuming that the CO<sub>2</sub> price has no impact on the EAD, only the effects on LGD and PD are modeled.

Assuming that the attractiveness of a renovation measure correlates with its financial savings potential, the model assumes that the costs of energy-efficient renovation of a property depend on the CO<sub>2</sub> price. Depending on the CO<sub>2</sub> price, renovation costs are factored into the market value of the property in the case of a disposal of an (unrenovated) property, thereby reducing the market value. Thus, an increase in the CO<sub>2</sub> price results in a depreciation of the property, which in turn increases LGD ratios.

The Loan-to-Value (LTV) ratio, which represents the ratio of the loan balance to the value of the collateral, is used as a key figure for evaluating mortgage-secured loans. Based on this, change factors (increase factors) and EAD-weighted averages for sub-portfolios can be calculated, focusing on retail and corporate

customers. Other customers, such as sovereigns and banks, are deliberately excluded initially, as they are likely to be only marginally affected by a rise in the CO<sub>2</sub> price.

For retail customers, it is assumed that the CO<sub>2</sub> pricing will lead to an increase in living costs, which will negatively affect their debt serviceability (Debt Service Coverage Ratio, DSCR). As living costs are incorporated into the rating calculation, the increased CO<sub>2</sub> price results in a higher Probability of Default (PD).

To determine the relative increase in living costs in each scenario, the average living costs per household per year are calculated as the difference between consumption expenditure and housing costs. In the next step, the additional costs from CO<sub>2</sub> pricing are considered as additional living costs for each scenario, based on the average CO<sub>2</sub> emissions per household.

The average CO<sub>2</sub> emissions per household are calculated from the average per capita emissions and the average household size. The components "housing and electricity" as well as "mobility" are considered, as they are less "controllable" or "avoidable." Other CO<sub>2</sub> components are assumed to be more controllable and are therefore not considered.

The result is an increase factor for living costs, with and without CO<sub>2</sub> pricing for each scenario, which leads to an average change in PD in the rating calculation.

For corporate customers, it is assumed that the increased costs from CO<sub>2</sub> pricing will burden the cash flow (annual surplus after taxes + depreciation). The reduced cash flow leads to an increase in PD in the rating calculation.

### *Physical risk: Credit risk*

The impact of an ad-hoc storm surge in East Frisia on credit risk is modeled based on a historical event. The focus is solely on default risk (no migration risk), and no second-round effects of the physical event are considered in the scenario (for example, significant companies or production sites such as the automobile factory in Emden, which could withdraw from the region due to infrastructure damage). The scenario thus only covers the short-term time horizon.

The reference event used is the 1962 storm surge in Hamburg. The damage sum from that event was adjusted to current prices, and the extent was transferred to the current population situation in East Frisia. It is assumed that 25% of the damages would fall to the public sector (e.g., infrastructure), another 25% to corporate customers, and the remaining 50% to private customers, with the assumption that only properties are affected, which are typically not covered by natural disaster insurance (for example, due to high premiums or the unavailability of such insurance).

It is assumed that 20% of the affected customers would default, while 80% remain. Additionally, a uniform LGD rate of 50% is assumed.

This results in the following damage calculation

- [Damage amount] Euro \* 50% \* 20% \* 50% in the private customer sector
- [Damage amount] Euro \* 25% \* 20% \* 50% for corporate customers

From the total calculated damage for East Frisia, the portion attributable to OLB is then determined.

The database is used to identify the property collateral in East Frisia based on postal code and property type. Only buildings are considered, not land. The number of registered properties is compared to the total number of buildings in the region.

For private customers, the number of buildings for the districts of Aurich, Leer, and Wittmund, as well as the city of Emden, can be derived from the building and housing inventory.

For corporate customers, the number of buildings is estimated by taking the number of VAT-liable businesses from the VAT statistics (advance returns) for the districts of Aurich, Leer, and Wittmund, as well as the city of Emden, and assuming that each business is associated with one building.

### *Physical risk: Operational risk*

For the analysis of the threat to the bank's data centers from flooding, a qualitative assessment was conducted: OLB's IT operations are secured through a two-site strategy. To reduce the likelihood of flooding at both locations and the subsequent failure of both data centers, the data center infrastructure at the Stau 17 location in Oldenburg was downsized and relocated to Bremen. This increased the distance between the sites from around 2 km to approximately 50 km.

Across all scenarios, it is important to note that the underlying short-, medium-, and long-term time horizons adequately reflect the lifespan of the loan transactions in the portfolio and sometimes extend beyond the regular (strategic) planning horizons in medium-term planning and capital planning. In the institution-wide ESG scenario, sufficiently conservative climate scenarios from the NGFS were used ("Hot House World" and "Too Little, Too Late"). In the transition and physical scenario calculations, the probabilities of occurrence, damage extents, and the duration of the hazardous events were best represented, typically based on or supported by expert estimates. The focus of the analyses was on the bank's operations and the downstream value chain.

### *Greenhouse gas emissions from banking operations*

To determine the bank's greenhouse gas emissions, OLB uses the indicator tool of the Association for Environmental Management and Sustainability in Financial Institutions (VfU) in the final version 1.4 of the update from November 25, 2024. The tool enables the detailed analysis of various emission sources, such as electricity demand, heating energy, or business travel. The calculation of greenhouse gas emissions follows the Greenhouse Gas Protocol Standard in the versions from 2004 (Corporate Standard) and 2011 (Corporate Value Chain Standard). The data basis for the emission factors and energy input factors is the "Ecoinvent" database (<https://www.ecoinvent.org/>) in version 3.10 from October 2023. The VfU indicators include Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, with the latter excluding Category 15 (investments), which are separately determined as financed greenhouse gas emissions by OLB (see below). Scope 2 emissions are calculated using both the location-based approach (based on the region's average emission factor) and the market-based approach (which takes into account specific contractual and market conditions). OLB conducts the calculation process annually.








### *Financed greenhouse gas emissions ("carbon accounting")*

OLB follows the Partnership for Carbon Accounting Financials (PCAF) methodology when calculating financed greenhouse gas emissions, a market-leading standard for financial institutions to measure and disclose the greenhouse gas emissions associated with their loans and investments.








## OLB Sustainability Statement 2024

PCAF provides a standard that is used for Scope 3 Category 15 "Investments" as defined in the GHG Protocol Corporate Standard. In addition to the GHG Protocol, the PCAF standard is compatible with the globally recognized initiatives CDP (Carbon Disclosure Project) and TCFD (Task Force on Climate-Related Financial Disclosures), is referenced in the guidelines of the EBA and ECB on sustainability and climate-related risks, and is mandatory under the ESRS standards.

The PCAF standard standardizes the measurement and reporting of greenhouse gas emissions for the seven asset classes listed below.

						
Listed Equity and Corporate Bonds	Business Loans	Project Finance	Motor Vehicle Loans	Commercial Real Estate	Mortgages	Sovereign Debt

PCAF is applied exclusively to on-balance sheet engagements, meaning off-balance sheet transactions such as derivatives or open commitments are excluded. Specifically, the individual asset classes are defined as follows:

	Definition of the asset class	Emission scopes covered
 <b>Listed Equity and Corporate Bonds</b>	<ul style="list-style-type: none"> <li>Includes all listed corporate bonds and listed shares recognised in the balance sheet that are traded on a market and are intended for general corporate purposes</li> <li>Funds consisting of such bonds/shares are also included (if information on composition is available)</li> <li>Green bonds are not yet included</li> </ul>	<ul style="list-style-type: none"> <li>Financial institutions must report the Scope 1 and 2 emissions of their borrowers and investees regardless of the sector in which they operate</li> <li>Scope 3 emissions of borrowers should be taken into account depending on the sector                             <ul style="list-style-type: none"> <li>From 2021: Energy sector (oil &amp; gas) &amp; mining</li> <li>From 2023 onwards: Transport, construction, buildings, materials &amp; industrial activities</li> <li>From 2025: All sectors</li> </ul> </li> </ul>
 <b>Business Loans</b>	<ul style="list-style-type: none"> <li>Comprises all corporate loans                             <ul style="list-style-type: none"> <li>for general corporate purposes (i.e. with unknown use of proceeds),</li> <li>to or in companies, non-profit organisations and any other organisational structure,</li> <li>that are not traded on a market</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Financial institutions must report the Scope 1 and 2 emissions of their borrowers regardless of the sector in which the borrower operates</li> <li>Scope 3 emissions of borrowers should be taken into account depending on the sector                             <ul style="list-style-type: none"> <li>From 2021: Energy sector (oil &amp; gas) &amp; mining</li> <li>From 2023 onwards: Transport, construction, buildings, materials &amp; industrial activities</li> <li>From 2025: All sectors</li> </ul> </li> </ul>
 <b>Project Finance</b>	<ul style="list-style-type: none"> <li>Includes all on-balance sheet loans or shares for projects or activities that are earmarked for specific purposes (i.e. with known use of proceeds)</li> <li>Only the financed (earmarked) activities are taken into account for the calculation of emissions</li> </ul>	<ul style="list-style-type: none"> <li>The financial institutions must report the scope 1 and 2 emissions of the project.</li> <li>Scope 3 emissions should be recorded if relevant</li> </ul>
 <b>Motor Vehicle Loans</b>	<ul style="list-style-type: none"> <li>On-balance sheet loans for the financing of motor vehicles</li> </ul>	<ul style="list-style-type: none"> <li>Financial institutions must report the Scope 1 and 2 emissions of the financed vehicles:                             <ul style="list-style-type: none"> <li>Scope 1: Direct emissions from fuel combustion</li> <li>Scope 2: Indirect emissions from electricity generation consumed in electric vehicles (hybrid and fully electric vehicles)</li> </ul> </li> </ul>
 <b>Commercial Real Estate</b>	<ul style="list-style-type: none"> <li>On-balance sheet loans for specific corporate purposes, i.e. for the purchase &amp; refinancing of commercial property (GI)                             <ul style="list-style-type: none"> <li>GI investments listed on the stock exchange count as listed shares &amp; corporate bonds</li> <li>GI secured &amp; unsecured loans to GI companies count as business loans for general IP</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>In the case of loans for existing commercial properties: Scope 1 and 2 emissions should be recognised that arise from the use of energy in operations</li> <li>Reporting on the financed emissions from the construction or renovation of GI is optional</li> </ul>
 <b>Mortgages</b>	<ul style="list-style-type: none"> <li>On-balance sheet loans for specific consumer purposes, i.e. for the purchase and refinancing of residential property                             <ul style="list-style-type: none"> <li>Mortgages for the construction or renovation of a building are out-of-scope as the owner is not directly responsible for the issues</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Scope 1 and 2 emissions generated by the energy use of the financed residential property should be recorded</li> </ul>
 <b>Sovereigns</b>	<ul style="list-style-type: none"> <li>Government bonds and government loans of all maturities issued in domestic or foreign currencies</li> <li>Transactions with central banks in the form of cash, foreign exchange and derivatives are not included</li> </ul>	<ul style="list-style-type: none"> <li>Scope 1, 2 and 3 emissions of the borrower countries are to be recorded:                             <ul style="list-style-type: none"> <li>Scope 1: Emissions within the national territory</li> <li>Scope 2: Emissions as a result of domestic use of electricity, heat, etc. imported from another territory</li> <li>Scope 3: emissions attributable to non-energy imports as a result of activities within the national territory</li> </ul> </li> </ul>








Furthermore, in the PCAF asset classes Commercial Real Estate and Mortgages, only accounts for maintaining existing properties are recorded. The construction of properties is usually carried out by a developer. This represents a specific use case and falls under the PCAF asset class Project Finance. Renovations, if carried out by a developer, also do not fall under the PCAF asset classes Commercial Real Estate and Mortgages, but rather under Project Finance.

Due to the differentiated data availability for calculating the greenhouse gas emissions associated with financing, PCAF defines a five-tier data quality system for each asset class. The highest data quality score of 1 is achieved by using reported, verified emissions. A low data quality (scores 4 and 5) occurs when emissions are calculated based on economic average data. In the short term, using estimates due to the lack of available primary data ensures the reportability of financed greenhouse gas emissions. In the medium term, it is recommended to collect actual data at the property, customer, and company level to improve the data quality score, enabling high-quality GHG reporting and targeted management based on this.

Cross-asset class, the financed greenhouse gas emissions of an asset P are determined as the product of a "fair" allocation factor and the total emitted emissions of the financing purpose. The allocation factor reflects the proportion of the total emissions of the financing purpose that the financial institution has financed. To determine the financed emissions of an entire asset class, the emissions of the individual positions in the asset class are summed up.

$$\text{Financed Emissions} = \sum_P \text{Allocation Factor}_P \times \text{Emissions}_P$$

Depending on the asset class, the allocation factors are determined in different ways:

	Calculation of the attribution factor	Calculation of financed emissions
 Listed Equity and Corporate Bonds	<ul style="list-style-type: none"> <li>For Listed equity A:</li> </ul> $\text{Attribution factor}_A = \frac{\text{Outstanding amount}_A}{\text{EVIC}_A}$ <ul style="list-style-type: none"> <li>For bonds A with private companies:</li> </ul> $\text{Attribution factor}_A = \frac{\text{Outstanding amount}_A}{\text{Eigenkapital}_A + \text{Verbindlichkeiten}_A}$	<ul style="list-style-type: none"> <li>The financed emissions from Listed Equity and Corporate Bonds are calculated as follows:</li> </ul> $\text{Financed emissions} = \sum_A \text{Attribution factor}_A \times \text{Corporate emissions}_A$
 Business Loans	<ul style="list-style-type: none"> <li>For Business Loans U to listed companies:</li> </ul> $\text{Attribution factor}_U = \frac{\text{Outstanding amount}_U}{\text{EVIC}_U}$ <ul style="list-style-type: none"> <li>For Business Loans U to private companies:</li> </ul> $\text{Attribution factor}_U = \frac{\text{Outstanding amount}_U}{\text{Equity}_U + \text{Debt}_U}$	<ul style="list-style-type: none"> <li>The financed emissions from Business Loans are calculated as follows:</li> </ul> $\text{Financed emissions} = \sum_U \text{Attribution factor}_U \times \text{Corporate emissions}_U$
 Project Finance	<ul style="list-style-type: none"> <li>For Project Finance P:</li> </ul> $\text{Attribution factor}_P = \frac{\text{Outstanding amount}_P}{\text{Projektwert}_P + \text{Verbindlichkeiten}_P}$	<ul style="list-style-type: none"> <li>The financed emissions from Project Finance are calculated as follows:</li> </ul> $\text{Financed emissions} = \sum_P \text{Attribution factor}_P \times \text{Project emissions}_P$
 Motor Vehicle Loans	<ul style="list-style-type: none"> <li>For Motor Vehicle Loans K:</li> </ul> $\text{Attribution factor}_K = \frac{\text{Outstanding amount}_K}{\text{Fahrzeugwert bei Darlehensvergabe}_K}$	<ul style="list-style-type: none"> <li>The financed emissions from Motor Vehicle Loans are calculated as follows:</li> </ul> $\text{Financed emissions} = \sum_K \text{Attribution factor}_K \times \text{Motor vehicle emissions}_K$ <p>Emissions are calculated by multiplying the fuel-specific (T) emission factor by the vehicle's fuel consumption</p> $\text{Motor vehicle emissions}_K = \text{Consumption}_{K,T} \times \text{Emission factor}_T$
 Commercial Real Estate   Mortgages	<ul style="list-style-type: none"> <li>For building financing G (Commercial Real Estate and Mortgages):</li> </ul> $\text{Attribution factor}_G = \frac{\text{Outstanding amount}_G}{\text{Market value during loan origination}_G}$	<ul style="list-style-type: none"> <li>The financed emissions from Commercial Real Estate and Mortgages are calculated as follows:</li> </ul> $\text{Financed emissions} = \sum_G \text{Attribution factor}_G \times \text{Building emissions}_G$ <ul style="list-style-type: none"> <li>This results in the following building emissions                             <ul style="list-style-type: none"> <li>from multiplying the energy consumption of a building (if known) by the specific emission factor for the energy source used E</li> </ul> <math display="block">\text{Building emissions}_G = \text{Energy Consumption}_{G,E} \times \text{Emission factor}_E</math> <ul style="list-style-type: none"> <li>or from the multiplication of the building area with EPC-specific emission factors (in kgCO<sub>2</sub>/m<sup>2</sup>)</li> </ul> <math display="block">\text{Building emissions}_G = \text{Floor area}_G \times \text{EPC} - \text{Emission factor}_G</math> </li> </ul>
 Sovereign Debt	<ul style="list-style-type: none"> <li>For Sovereign Debt S:</li> </ul> $\text{Attribution factor}_S = \frac{\text{Outstanding amount}_S}{\text{PPP adjusted GDP}_S}$ <p>The numerator and denominator are given in US\$. The purchasing power adjustment is to be understood at international level.</p>	<ul style="list-style-type: none"> <li>The financed emissions from Sovereign Debt are calculated as follows:</li> </ul> $\text{Financed emissions} = \sum_S \text{Attribution factor}_S \times \text{Country emissions}_S$

As of December 31, 2024, OLB utilized the support of an external service provider for calculating financed greenhouse gas emissions in accordance with the PCAF standard. The calculation was carried out for the PCAF asset classes Listed Equity and Corporate Bonds, Business Loans and Unlisted Equity, Project Finance, Commercial Real Estate, Mortgages, and Sovereigns (with LULUCF) as per PCAF definition. While for the PCAF asset classes Business Loans and Unlisted Equity and Project Finance, emission factors from the World Input-Output Database (WIOD) of the University of Groningen were used, for the calculation of the PCAF asset classes Mortgages and Commercial Real Estate, the PCAF European Buildings Emission Database was used.

The carbon accounting process is as follows:

- Data collection and cleaning: Query of the balance sheet loan portfolio as of the reporting date, data cleaning, and integration of additional data fields.
- Data segmentation: Manual breakdown of the loan portfolio into the PCAF asset classes based on a decision tree following the requirements in the PCAF Standard Part A.
- Creation of import files: Creation of customized import files according to the interface specifications of the external service provider for the PCAF asset classes Listed Equity and Corporate

Bonds, Business Loans and Unlisted Equity, Project Finance, Mortgages, Commercial Real Estate, and Sovereigns (with LULUCF). The PCAF asset class Motor Vehicle Loans cannot currently be meaningfully calculated due to a lack of data transparency in the loan purposes, i.e., car financing cannot be structured and identified within Retail Financing.

- Calculation by the external service provider: Asset class-specific calculation of financed greenhouse gas emissions by the external service provider and preparation of the results overview.
- Quality assurance of the results: Plausibility check of the results by OLB and final approval.

The process for calculating financed greenhouse gas emissions is carried out semi-annually.

### **E2 Pollution**

In the context of the materiality analysis, OLB identified the impacts, risks, dependencies, and opportunities related to pollution. Specifically, through the quantitative portfolio analysis, some of these effects were identified in the downstream value chain. However, further evaluation of these impacts, risks, and opportunities using the presented methodology of the materiality analysis revealed that none of them are considered material.

### **E3 Water and marine resources**

OLB assessed the impacts, risks, dependencies, and opportunities in the area of water and marine resources. Particularly, through the quantitative portfolio analysis, some effects in the downstream value chain were identified. However, the further evaluation of these impacts, risks, and opportunities based on the methodology of the materiality analysis showed that none of them are considered material.

### **E4 Biodiversity and ecosystems**

OLB assessed the impacts, risks, dependencies, and opportunities in the area of biodiversity and ecosystems. In particular, some effects were identified in the downstream value chain through the quantitative portfolio analysis. However, the further evaluation of these impacts, risks, and opportunities using the methodology of the materiality analysis concluded that none of them are considered material.

OLB has locations near areas with vulnerable biodiversity, notably the Wadden Sea in the North Sea. Based on an analysis using the WWF Biodiversity Risk Filter, the activities conducted at these and all other sites in connection with the provision of financial services do not exert a high or very high pressure on the surrounding habitats and ecosystems. No mitigation actions regarding biodiversity need to be implemented, so the corresponding impacts are not considered material.

### **E5 Resource use and circular economy**

OLB assessed the impacts, risks, dependencies, and opportunities in the area of resource use. Through the quantitative portfolio analysis, some effects in the downstream value chain were identified. However, the further evaluation of these impacts, risks, and opportunities using the methodology of the materiality analysis concluded that none of them are considered material.

### **G1 Business Conduct**

The assessment of material impacts, risks, and opportunities related to governance is based on the judgment of specialists from the Compliance department in the context of steps 2c and 3 of the process described above. It includes all locations, activities, sectors, and structures of the bank.

**IRO-2 – Disclosure requirements in ESRS covered by the undertaking’s sustainability statement**

The following list contains an outline of the disclosure requirements that were followed in the preparation of the sustainability statement based on the results of the materiality assessment.



<b>List of fulfilled disclosure requirements</b>	<b>Page</b>
<b>1 GENERAL INFORMATION</b> .....	<b>2</b>
ESRS 2 GENERAL DISCLOSURES .....	2
<i>BP-1 – General basis for preparation of sustainability statements</i> .....	2
<i>BP-2 – Disclosures in relation to specific circumstances</i> .....	2
<i>GOV-1 – The role of the administrative, management and supervisory bodies</i> .....	6
<i>GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies</i> .....	12
<i>GOV-3 – Integration of sustainability-related performance in incentive schemes</i> .....	13
<i>GOV-4 – Statement on due diligence</i> .....	16
<i>GOV-5 – Risk management and internal controls over sustainability reporting</i> .....	17
<i>SBM-1 – Strategy, business model and value chain</i> .....	18
<i>SBM-2 – Interests and views of stakeholders</i> .....	22
<i>SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model</i> .....	24
<i>IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities</i> .....	34
<i>IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement</i> .....	48
<b>2 ENVIRONMENTAL INFORMATION</b> .....	<b>59</b>
DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION) .....	59
ESRS E1 CLIMATE CHANGE.....	61
<i>E1-1 – Transition plan for Climate change mitigation</i> .....	61
<i>E1-2 – Policies related to Climate change mitigation and adaptation</i> .....	62
<i>E1-3 – Actions and resources in relation to Climate change policies</i> .....	63
<i>E1-4 – Targets related to Climate change mitigation and adaptation</i> .....	64
<i>E1-5 – Energy consumption and mix</i> .....	64
<i>E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions</i> .....	65
<b>3 SOCIAL INFORMATION</b> .....	<b>68</b>
ESRS S1 OWN WORKFORCE.....	68
<i>S1-1 – Policies related to own workforce</i> .....	68
<i>S1-2 – Processes for engaging with own workers and workers' representatives about impacts</i> .....	69
<i>S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns</i> .....	71
<i>S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions</i> .....	73
<i>S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</i> .....	76
<i>S1-6 – Characteristics of the undertaking's employees</i> .....	77

## OLB Sustainability Statement 2024

<i>S1-7 – Characteristics of non-employee workers in the undertaking’s own workforce</i> .....	78
<i>S1-8 – Collective bargaining coverage and social dialogue</i> .....	78
<i>S1-9 – Diversity metrics</i> .....	79
<i>S1-10 – Adequate wages</i> .....	79
<b>ESRS S4 CONSUMERS AND END-USERS</b> .....	79
<i>S4-1 – Policies related to consumers and end-users</i> .....	79
<i>S4-2 – Processes for engaging with consumers and end-users about impacts</i> .....	84
<i>S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns</i> .....	85
<i>S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions</i> .....	86
<i>S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</i> .....	88
<b>4 GOVERNANCE INFORMATION</b> .....	<b>92</b>
<b>ESRS G1 BUSINESS CONDUCT</b> .....	92
<i>G1-1 – Corporate culture and business conduct policies and corporate culture</i> .....	92
<i>G1-2 – Management of relationships with suppliers</i> .....	94
<i>G1-3 – Prevention and detection of corruption and bribery</i> .....	97
<b>ANNEX: DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION)</b>	
<b>101</b>	

The following table lists all data points derived from other EU regulations referenced in Annex B of the ESRS 2 standard and indicates where they can be found in the sustainability statement, provided the data point was assessed as material. Data points that were assessed as non-material are marked as "non-material." The information provided in this table is based on the identification of material impacts, risks, and opportunities described in IRO-1, using the threshold rule also outlined there.

## OLB Sustainability Statement 2024

Disclosure Requirement and related data-point	SFDR <sup>13</sup> reference	Pillar 3 <sup>14</sup> reference	Benchmark Regulation <sup>15</sup> reference	EU Climate Law <sup>16</sup> reference	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 <sup>17</sup> , Annex II		Page 9
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Page 7
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Page 16
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Metrics number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 <sup>18</sup> , Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Page 18
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Page 18
ESRS 2 SBM-1 Involvement in activities related to controversial	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818		Page 18

<sup>13</sup> Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

<sup>14</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

<sup>15</sup> Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to action the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

<sup>16</sup> Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

<sup>17</sup> Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

<sup>18</sup> Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p.1.).

## OLB Sustainability Statement 2024

weapons paragraph 40 (d) iii			<sup>19</sup> , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Page 18
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	No information according to E1.17
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		No information according to E1.17
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Page 64
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				No specification required
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Page 65
ESRS E1-5 Energy intensity associated with activities in high climate impact	Indicator number 6 Table #1 of Annex 1				No specification required

<sup>19</sup> Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

## OLB Sustainability Statement 2024

sectors paragraphs 40 to 43					
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Metrics number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Page 66
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Metrics number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Page 67
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		No disclosure in the first reporting year in accordance with ESRS 1.136
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of material assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			No disclosure in the first reporting year in accordance with ESRS 1.136
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			No disclosure in the first reporting year in accordance with ESRS 1.136
ESRS E1-9 Degree of exposure of the portfolio to climate-			Delegated Regulation (EU) 2020/1818, Annex II		No disclosure in the first reporting year

## OLB Sustainability Statement 2024

related opportunities paragraph 69					in accordance with ESRs 1.136
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material
ESRS E3-4 Total water consumption in m <sup>3</sup> per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2- IRO 1 – E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material
ESRS 2- IRO 1 – E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material
ESRS 2- IRO 1 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E4-2	Indicator number 15 Table #2 of Annex 1				Not material

## OLB Sustainability Statement 2024

Policies to address de-forestation paragraph 24 (d)					
ESRS E5-5 Non-recycled waste Paragraph 37(d)	Indicator number 13 Table #2 of Annex 1				Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material
ESRS 2 SBM3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material
ESRS 2 SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Page 68
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S1-1 processes and actions for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Not material
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Not material
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				72
ESRS S1-14 Number of fatalities and number and rate of work-related accidents	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material

## OLB Sustainability Statement 2024

paragraph 88 (b) and (c)					
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Not material
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not specified
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Not specified
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Not material
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Not material
ESRS 2 SBM3 – S2 Material risk of child labour or forced labour in the value chain paragraph 11 (b)	Metrics number 12 and n. 13 Table #3 of Annex I				Not material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor			Delegated Regulation (EU) 2020/1816, Annex II		Not material



## OLB Sustainability Statement 2024

Organisation Conventions 1 to 8, paragraph 19					
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				92
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				92
ESRS G1-4 Fines for violation of anti-corruption and	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Not material

## OLB Sustainability Statement 2024

anti-bribery laws paragraph 24 (a)					
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Not material

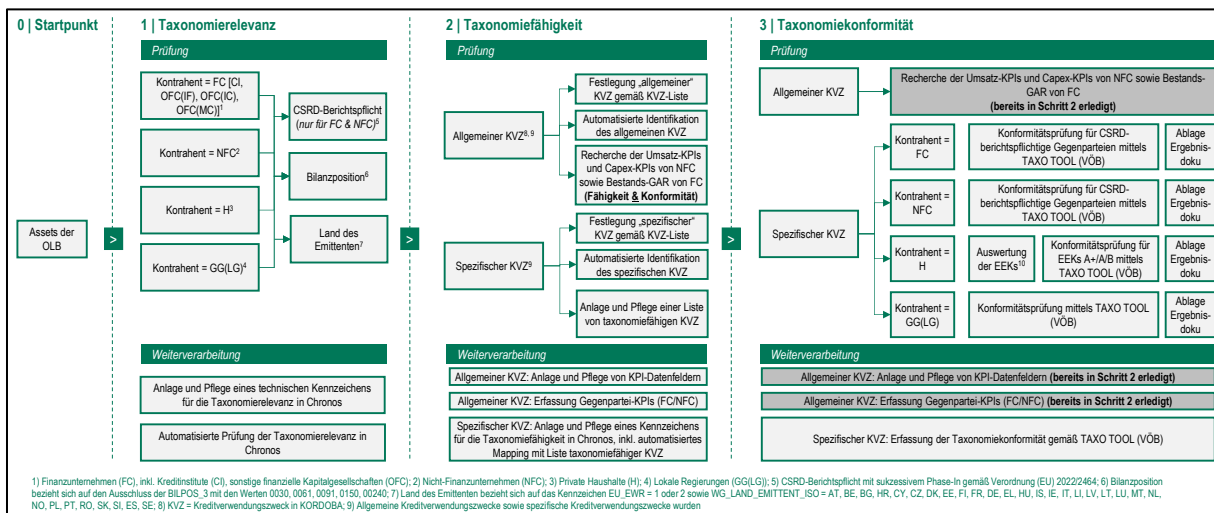
## 2 Environmental information

### Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

The Taxonomy Regulation (EU 2020/852) is a key component of the European Green Deal aimed at mitigating and managing climate change. With the Taxonomy Regulation, a unified classification system for ecologically sustainable economic activities was established by the European Union.

The central key figure of the Taxonomy Regulation for credit institutions is the Green Asset Ratio (GAR). The GAR indicates the ratio of ecologically sustainable (i.e., taxonomy-compliant) assets to the GAR-relevant assets of a credit institution. The GAR aims to provide transparency regarding the extent to which a credit institution is invested in sustainable projects or economic activities. For calculating the GAR, the original Taxonomy Regulation was supplemented by a delegated regulation (EU 2021/2178).

The core of the Taxonomy Regulation is the taxonomy compliance assessment. It includes several consecutive steps that systematically aim to assess the assets of OLB in terms of their taxonomy relevance, taxonomy eligibility, and ultimately taxonomy compliance. The diagram shows the process for the taxonomy compliance assessment of the loan portfolio, which is explained below.



The starting point is OLB's total assets. The first step in the process is to check taxonomy relevance. Certain counterparties do not fall under the scope of the Taxonomy Regulation and therefore have no further relevance, such as central banks and central governments. The initially relevant financial corporations (FC) and non-financial corporations (NFC) must also undergo an assessment of their reporting obligations under the Non-Financial Reporting Directive (NFRD), as only NFRD-reporting FCs and NFCs can be counted in the context of the Green Asset Ratio (GAR). Additionally, it must be verified whether the counterparty's headquarters or registered address is within the European Economic Area (EEA). Certain balance sheet positions fall outside the scope of the Taxonomy Regulation, including assets in the trading book and derivatives. The taxonomy-relevant assets identified through the assessment process are tagged with a technical identifier.

In the second step, the taxonomy-eligible assets are assessed for their taxonomy eligibility. Here, it is crucial whether the asset is a financing or investment with a general or specific use purpose. For general-purpose financing, taxonomy eligibility is derived from the published information of the counterparty in its

non-financial statement or sustainability report. Typically, the taxonomy-eligible portions are measured based on revenue and capital expenditure (Capex), broken down by the six environmental objectives, and supplemented by information on transition activities (environmental goal 1) and enabling activities (environmental targets 1 to 6). These percentages are applied to the general-purpose financing volume. For financing with a specific purpose, it is verified whether the financing purpose corresponds to a taxonomy-eligible economic activity under the EU Taxonomy. A list of taxonomy-eligible economic activities can be found in Regulation 2021/2139 (environmental targets 1 and 2) and Regulation 2023/2486 (environmental targets 3 to 6). If the financing is solely for a defined financing purpose that relates to a taxonomy-eligible economic activity, it is assumed to be fully taxonomy-eligible. If the financing serves multiple defined purposes and only partially involves a taxonomy-eligible economic activity, partial taxonomy eligibility is assumed. The eligibility values are technically recorded.

In the third step, the taxonomy-eligible assets undergo the taxonomy compliance assessment. Again, a distinction is made between general-purpose financing and specific-purpose financing. Analogous to taxonomy eligibility, taxonomy compliance for general-purpose financing is derived from the counterparty's published information in their non-financial statement or sustainability report, i.e., taxonomy-compliant portions based on revenue and Capex, supplemented by other sub-KPIs. The taxonomy compliance assessment for specific-purpose financing is carried out across counterparties using the TAXO TOOL of the VÖB-Service GmbH, which systematically guides the compliance check. While the assessments of substantial contribution (SI) and compliance with social minimum standards (MSS) in the reporting year were conducted through the TAXO TOOL, the Do No Significant Harm (DNSH) assessment was carried out separately. This was based on the data of the Aqueduct Water Risk Atlas from the World Resources Institute (WRI), which covers water-related acute physical risks and chronic water-related physical risks at the postal code level. The internal analysis based on this was supplemented with a scoring logic for evaluating the impact of financing or economic activities. The DNSH assessment will also be natively covered by the TAXO TOOL starting in 2025, which accesses data from MunichRe. For private and commercial real estate financing, only those properties are assessed where an energy efficiency class of A+, A, or B is recorded in the internal collateral valuation. Lower energy efficiency classes cannot currently be classified as taxonomy-compliant or ecologically sustainable. The results of the taxonomy compliance assessment are carefully documented and included in the reporting templates as per Article 8 of the Taxonomy Regulation.

Below is the Reporting Template 0 (Overview of the KPIs). Reporting Templates 1 to 5 of the delegated act EU 2021/2178 and Reporting Templates 1 to 5 of the delegated act EU 2022/1214 can be found in the annex to this sustainability statement.

## Template 0: Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

Meldebogen EU-T0 - Überblick über die von Kreditinstituten nach Artikel 8 der Taxonomieverordnung offenzulegenden KPI			31.12.2024					
			Gesamte ökologisch nachhaltige Vermögenswerte / Tätigkeiten	Umsatz-KPI	CapEx-KPI	% Erfassung (an den Gesamtaktiva)	% der Vermögenswerte, die nicht in den Zähler der GAR einbezogen werden (Artikel 7 Absätze 2 und 3 sowie Anhang V Abschnitt 1.1.2)	% der Vermögenswerte, die nicht in den Nenner der GAR einbezogen werden (Artikel 7 Absatz 1 und Anhang V Abschnitt 1.2.4)
			010	020	030	040	050	060
010	Haupt-KPI	Bestand Grüne Aktiva-Quote (GAR)	173.146.683	0,50	0,49	44,35	46,19	9,23
020								
030	Zusätzliche KPI	GAR (Zuflüsse)	141.331.849	1,08	1,06	81,76	49,72	19,66
040		Handelsbuch		0,00	0,00			
050		Finanzgarantien	6.010	0,00	0,00			
060		Verwaltete Vermögenswerte (AuM)	26.045.815	3,20	6,94			
070		Gebühren- und Provisionserträge		0,00	0,00			

Annex XI of the delegated act EU 2021/2178 also requires qualitative disclosures to support the quantitative disclosures or reporting templates and enhance market understanding.

In the reporting year, the Green Asset Ratio (GAR) was significantly increased, from 0.13% (Revenue KPI and Capex KPI as of 31.12.2023) to 0.50% (Revenue KPI) and 0.49% (Capex KPI). The bank aims for a continuous increase in the Green Asset Ratio, although no specific targets have been set for the reporting date. The achieved increase in the Green Asset Ratio is attributed to various factors. On one hand, more residential real estate financing business with private households was assessed using the TAXO TOOL and evaluated as ecologically sustainable. On the other hand, positive effects result from the higher coverage and improvement of counterparty KPIs (Revenue/Capex), which the bank uses in the assessment of financing with general purposes. The latter concerns both larger counterparties in the loan book and larger counterparties in the bank's own business.

At the same time, it is important to mention the challenge that large parts of the loan portfolio with specific loan purposes—particularly the corporate client business and real estate financing before 2022—have not undergone a taxonomy compliance assessment. In future periods, the bank aims to continuously increase the percentage coverage of total assets, which as of the reporting date stands at approximately 44%.

### ESRS E1 Climate change

#### E1-1 – Transition plan for Climate change mitigation

At the time of preparing the sustainability statement, OLB does not have an approved Transition Plan for climate protection. The reasons are explained below.

The basis for developing a transition plan is carbon accounting, i.e., the calculation of financed greenhouse gas emissions in the downstream value chain. OLB last performed this calculation as of December 31, 2024, using the PCAF standard (see also IRO-1). The reliability of the results when calculating financed greenhouse gas emissions depends on the availability and quality of data at the level of the

financed companies, activities, or assets. Based on the currently sparse available actual data, the results of the carbon accounting are subject to estimation inaccuracies and can deviate significantly from the actual financed emissions, either upwards or downwards. This inaccuracy is also reflected in the PCAF data quality score, which in the calculation presented in Chapter E1-6 lies at a value of 4 on a scale from 1 (accurate results) to 5 (inaccurate results).

The financed greenhouse gas emissions are the starting point for developing a transition plan and are the central metric for monitoring it. Due to the uncertainties in the results presented, the bank considers the current state of internal carbon accounting to be insufficient for both purposes.

From OLB's perspective, a solid data foundation is important for the calculation and monitoring of a future transition plan. Furthermore, it is necessary to break the transition plan down into the structurally heterogeneous sub-portfolios of the bank in order to enable meaningful monitoring for deriving control impulses and steering actions (carbon controlling). An appropriate transition plan, which considers sector-specific national or global targets, such as the national Climate Protection Act (KSG) or the Science Based Targets Initiative (SBTi), is currently under development.

OLB plans to incorporate a transition plan into business planning for the planning years 2027 to 2029 for the first time.

## **E1-2 – Policies related to Climate change mitigation and adaptation**

OLB has a publicly available ESG Policy, which further specifies the sustainability mission set by the Management Board in the business strategy, in line with the principle of double materiality. The ESG Policy applies across the entire bank, is approved by the Management Board, and is under the implementation responsibility of the Head of Sustainability. It fundamentally considers both the value creation associated with its own business operations and the upstream and downstream value chains.

The ESG Policy is divided into three parts, A to C:

- Part A describes the sustainability mission embedded in the bank's business strategy and explains the governance structure set up in this regard.
- Part B outlines the bank's principles in its role as an economic actor and the associated impacts of its business activities, including financing and investment decisions on sustainability factors such as climate, the environment, or social aspects (impact perspective).
- Part C covers how the bank deals with the external influences of sustainability factors on its operations, particularly the consideration of sustainability risks (financial perspective).

The ESG Policy includes a simple conceptual framework for measuring material impacts within the sustainability aspects of climate change mitigation and climate change adaptation, with the cornerstones being carbon accounting for measuring financed greenhouse gas emissions in the downstream value chain and the EU Taxonomy. The application of both approaches is still in an early stage. Until they are reliably used as management tools, the short-term focus is on building necessary data structures and automating information gathering processes, while the medium-term focus is on continuously improving data quality and shortening regular calculation cycles (see E1-3).

Regarding the financial perspective, the ESG Policy conceptually includes the ESG risk inventory and ESG stress tests, which are used in measuring ESG risk drivers at the credit portfolio level (see IRO-1). At the individual borrower level, ESG risks are considered in the property evaluation for real estate

## OLB Sustainability Statement 2024

collateral in retail banking, self-employed segments, and business clients. In commercial lending, the identification, analysis, and assessment of direct or indirect risks associated with ESG factors are conducted using an ESG industry scoring system. These processes are not limited to the sustainability aspects of climate change mitigation and climate change adaptation, but they focus on these areas.

At present, aside from the overarching ESG Policy, there are no further policies for dealing with the material impacts, risks, and opportunities related to climate change mitigation and climate change adaptation. Regarding the financial perspective, it is noted that the basic principles for managing climate risks are described in the risk strategy. The risk strategy, approved by the Management Board, applies bank-wide, with a focus on the downstream value chain, is under the operational responsibility of the CRO, and the implementation responsibility of the Head of Risk Control.

### **E1-3 – Actions and resources in relation to Climate change policies**

OLB implemented the following actions for climate protection and climate change adaptation in the 2024 reporting year:

Measure	Results	Area of activity	Time horizon
Building advisory competence in energy-efficient housing, construction, and modernization	In the reporting year, 21 mortgage specialists were trained as energy coaches, certified by Investors Marketing AG.	Downstream value chain (Private mortgage financing)	2024
Energy potential analysis of modernization and renovation projects for private mortgage customers	The "ModernisierungsCheck" tool from co2online GmbH evaluates the energy-saving potential of individual modernization and renovation projects for private mortgage customers.	Downstream value chain (Private mortgage financing)	2024
Increasing the attractiveness of the "Green Deal" loan product to incentivize the financing of energy-efficient modernizations or renovations	The loan product limit for the "Green Deal" was reduced to 10,000 Euros, enabling the product to be used for smaller modernization projects.	Downstream value chain (Private mortgage financing)	2024
Targeting private existing customers for energy-efficient modernization or renovation	Conducted the campaign "Immobilie von gestern. Sanierung von heute." 9,700 existing customers were contacted, and 4,100 were personally contacted in follow-up acquisition.	Downstream value chain (Private mortgage financing)	2024
Development of the ESG risk inventory	The ESG risk inventory was expanded to improve the impact assessment with additional risk drivers, the effect of risk drivers on steering committees (ICAAP/ILAAP), the regulatory required time horizons (short, medium, long-term), and quantitative analyses.	Entire value chain with a focus on the downstream value chain (loan portfolio and own business)	2024

The concrete short-term impact of the above-listed actions on climate protection and climate change adaptation cannot be quantified. In the medium to long term, these actions reduce the negative impacts on these sustainability aspects by contributing to the reduction of financed greenhouse gas emissions in Scope 3 Category 15 (Mortgages) and, potentially, to the increase of the Green Asset Ratio. At the same time, all four actions enable the realization of business opportunities in the area of private mortgage financing, which are linked to energy-efficient or climate-friendly renovations.

As of the reporting date, OLB plans to implement the following actions related to climate protection and climate change adaptation in the short to medium term:

## OLB Sustainability Statement 2024

Measure	Targeted results	Area of activity	Time horizon
Application for PCAF membership	Obtaining PCAF membership as a prerequisite for the further development of carbon accounting.	Downstream value chain	Q1/2025
Implementation of an energy management system	Certification according to DIN EN ISO 50001.	Own business operations	Q2/2025
Development of taxonomy processes	Higher degree of automation and fewer disruptions in processes.	Downstream value chain (loan portfolio)	2025
Development of carbon accounting	Shortening the regular CO <sub>2</sub> calculation cycles for financed greenhouse gas emissions.	Downstream value chain	2026
Finalization of the transition plan	Incorporation of a transition plan for the operational planning period for the financial years 2027 to 2029.	Downstream value chain	2026

For the actions planned as of the reporting date, the expected impact on climate protection and climate change adaptation cannot be quantified. They primarily serve to lay the foundation for future steps. The focus is on improving data quality and shortening calculation cycles, in order to set, measure, and manage quantitative climate-related targets in the medium term. Under the central coordination of the Head of Sustainability, the responsibility for implementation lies with the respective departments. None of the listed actions incur operating expenses (OpEx) or investments (CapEx) of such magnitude that they would be classified as "material."

### **E1-4 – Targets related to Climate change mitigation and adaptation**

OLB pursues five key directions in its sustainability activities, which are described in Chapter SBM-1. These include two qualitative, climate-related intentions under the headings "Accompanying customers on the path to climate neutrality" and "Active contribution to climate and environmental protection." The overarching qualitative goal is to establish sustainability, including climate-related aspects, as an additional dimension in bank management.

A key role on this path is the establishment of a transition plan. Since OLB does not have an approved transition plan at the time of preparing the sustainability statement, no quantitative GHG emission reduction targets have been set as per this disclosure requirement by the reporting date. With the implementation of the future-oriented action list described in Chapter E1-3, a transition plan will be applied for the first time for the operational planning period for the financial years 2027 to 2029, which will consider sector-specific national or global targets, such as the national Climate Protection Act (KSG) or the Science Based Targets Initiative (SBTi), in its convergence pathway.

In connection with the aforementioned qualitative, climate-related intentions, the bank also aims for a continuous increase in the Green Asset Ratio, although no specific targets have been set by the reporting date. The calculation of the Green Asset Ratio follows the guidelines of the EU Taxonomy Regulation.

### **E1-5 – Energy consumption and mix**

OLB is not active in any climate-intensive sector. The total energy consumption of OLB in connection with its own business operations is broken down as follows:



## OLB Sustainability Statement 2024

Energy consumption and energy mix	Year 2024
<b>Total fossil energy consumption</b>	<b>14,854 MWh</b>
Share of fossil sources in total energy consumption	75%
<b>Consumption from nuclear sources</b>	<b>44 MWh</b>
Share of consumption from nuclear sources in total energy consumption	0%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	0 MWh
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	4,874 MWh
Consumption of self-generated non-fuel renewable energy	0 MWh
<b>Total renewable energy consumption</b>	<b>4,874 MWh</b>
Share of renewable sources in total energy consumption	25%
<b>Total energy consumption</b>	<b>19,772 MWh</b>

Due to the initial reporting according to ESRS, no retrospective comparative data is provided.

### **E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions**

OLB discloses the greenhouse gas emissions from its own business operations (Scope 1 and Scope 2 GHG emissions) in accordance with the GHG Protocol. For the calculation, the indicator tool of the Association for Environmental Management and Sustainability in Financial Institutions (VfU) in its final version 1.4 of the update from November 25, 2024, was used. Input data include billing data from energy suppliers for the calculation of GHG emissions from electricity consumption and heat generation, as well as the mileage of company-owned vehicles to determine GHG emissions from fuel consumption or electricity use in connection with business trips.

OLB conducted a Scope 3 significance analysis according to the GHG Protocol for the company's value chain, resulting in the conclusion that only Scope 3 Category 15 (Investments) in the downstream value chain is significant. In contrast, the GHG emissions from Scope 3 Categories 1 to 14 stem exclusively from OLB's upstream value chain. These are very low in comparison to the downstream GHG emissions from Category 15. Therefore, the GHG emissions from Scope 3 Categories 1 to 14 are not listed in the following breakdown.

The financed GHG emissions according to Scope 3 Category 15 of the GHG Protocol were calculated in the reporting year according to the internationally recognized PCAF (Partnership for Carbon Accounting Financials) standard for the PCAF asset classes Listed Equity and Corporate Bonds, Business Loans and Unlisted Equity, Project Finance, Commercial Real Estate, Mortgages, and Sovereigns (with LULUCF). A

## OLB Sustainability Statement 2024

detailed description of the methodology used and the related processes for calculating financed GHG emissions can be found in section IRO-1. The input parameters used by OLB correspond to the following data quality scores, and the percentage coverage is as follows:

<b>PCAF asset classes</b>	<b>Data quality score</b>	<b>Coverage within the PCAF class asset (%)</b>	<b>Coverage of the balance sheet total (HGB) in %</b>
Listed Equity and Corporate Bonds	2.9	55.91	6.24
Business Loans and Unlisted Equity	4.0	100.00	6.86
Project Finance	4.0	100.00	20.08
Commercial Real Estate	4.1	100.00	8.26
Mortgages	4.0	100.00	27.69
Sovereigns (with LULUCF)	1.0	100.00	3.83

The coverage within the PCAF asset class in % refers to the proportion of transactions for which a calculation of financed emissions could be performed with at least a data quality score of 5. If essential calculation information is missing, no calculation is possible. The coverage of the balance sheet total (HGB) in % refers to the proportion of transactions for which a calculation could be performed with at least a data quality score of 5, relative to the HGB balance sheet total (approximately €37.8 billion as of the reporting date). This coverage stands at 72.96% as of the reporting date, with the balance sheet total also including assets for which the PCAF methodology is not yet available.

The total GHG emissions, broken down by Scope-1, Scope-2, and significant (financed) Scope-3 emissions, are composed as follows:

<b>Category</b>	<b>Year 2024</b>
<b>Scope 1 GHG emissions</b>	
Gross Scope 1 GHG emissions	2,556 t CO <sub>2</sub> eq
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0%
<b>Scope 2 GHG emissions</b>	
Gross location-based Scope 2 GHG emissions	2,774 t CO <sub>2</sub> eq
Gross market-based Scope 2 GHG emissions	1,589 t CO <sub>2</sub> eq
<b>Significant Scope 3 GHG emissions</b>	

## OLB Sustainability Statement 2024

Investments (category 15; financed GHG emissions), including	2,479,107 t CO <sub>2</sub> eq
▪ Listed Equity and Corporate Bonds	334 t CO <sub>2</sub> eq
▪ Business Loans and Unlisted Equity	908,175 t CO <sub>2</sub> eq
▪ Project Finance	1,039,157 t CO <sub>2</sub> eq
▪ Commercial Real Estate	68,863 t CO <sub>2</sub> eq
▪ Mortgages	318,445 t CO <sub>2</sub> eq
▪ Sovereigns (with LULUCF)	144,132 t CO <sub>2</sub> eq
<b>Total GHG emissions</b>	
Total GHG emissions (location-based)	2,484,437 t CO <sub>2</sub> eq
Total GHG emissions (market-based)	2,483,252 t CO <sub>2</sub> eq
<b>GHG intensity per net revenue</b>	
Total GHG emissions (location-based) per net revenue	0.00144 t CO <sub>2</sub> eq/euro
Total GHG emissions (market-based) per net revenue	0.00144 t CO <sub>2</sub> eq/euro

The underlying net income amounts to €1,729.0 million and corresponds to the total amount of the following positions in the income statement of the HGB report:

- 1. Interest income from
  - a) Loans and money market transactions, and
  - b) Fixed-rate securities and receivables
- 3. Current income from
  - a) Shares and other non-fixed income securities,
  - b) Equity investments, and
  - c) Shares in affiliated companies
- 5. Commission income
- 8. Other operating income

Due to the initial reporting under ESRS, no retrospective comparative data is provided. Additionally, the above breakdown omits the inclusion of milestone targets and target years, as at the time of preparing the sustainability statement, no approved transition plan exists at OLB.

### **3 Social information**

#### **ESRS S1 Own workforce**

##### **S1-1 – Policies related to own workforce**

The OLB has identified the sustainability aspects “Working Conditions”, “Equality and Equal Opportunities for All”, and “Training” as material in relation to its own workforce (see SBM-3). The following policies are applied for the management of these material sustainability aspects, which are reflected in the business strategy, the Diversity Policy, and the Code of Conduct.

Employee retention is considered a key success factor for the bank’s future. To further improve employee retention, the attractiveness as an employer is to be secured and further enhanced both internally and externally. The foundation for this is the regular, targeted communication of the business strategy, career and development opportunities, and the flexible and modern working conditions at OLB.

To meet staffing needs, OLB collaborates with the Chamber of Commerce and Industry (IHK), Jade University of Applied Sciences, and IT & Business School Oldenburg to train bank clerks, bachelor graduates in Banking and Insurance Management, and business informatics specialists. With a high retention rate, vacant positions can be filled internally.

High-potential employees of the bank are regularly identified, further developed, and specifically promoted. This ensures that suitable staff is available to fill new or vacant positions. The Diversity Policy is considered in the context of staff development. This forms the basis for employee satisfaction and contributes to productivity increases.

In the future, OLB intends to continuously expand its potential in the area of work culture and employee retention, such as by specifically promoting leadership development. Thus, OLB intends to remain an attractive employer for both its current workforce and potential new employees.

The business strategy, the Diversity Policy, and the Code of Conduct are approved by the Management Board and are available for the workforce to access via the intranet. They apply to all employees of OLB. The implementation of the strategies regarding the workforce is the responsibility of the Human Resources Department. For the implementation of the Code of Conduct in labor law issues, Human Resources is responsible, while for compliance-related issues, the Compliance Department takes responsibility (see also G1-1).

The guidelines described in the Code of Conduct are intended to assist employees, particularly when they are uncertain about what behavior is appropriate in a given situation.

The respect for and protection of human rights, including workers' rights, as well as the strict rejection of forced labor, child labor, and exploitation, are self-evident for OLB and its employees. OLB supports and respects the protection of human rights. Known violations of human rights are not tolerated. The bank ensures that it does not contribute to human rights violations, upholds freedom of association and the effective recognition of the right to collective bargaining, does not tolerate any forms of forced labor or child labor, and supports the elimination of discrimination in employment and occupation.

The Management Board of OLB has issued and published a statement on its human rights strategy. This includes human rights and environmental expectations for OLB’s employees and suppliers, including the points mentioned above. It serves as the basis for OLB’s due diligence obligations, aiming to continuously

develop them. The guiding principles of the United Nations on Business and Human Rights and the OECD Guidelines for Multinational Enterprises are used as orientation. OLB's due diligence process includes six steps:

1. Issuance of a commitment statement on human rights due diligence by management, and its integration into company-wide principles and actions
2. Identification and assessment of negative impacts, including by involving various stakeholders
3. Initiation of actions to end, prevent, limit, and remedy identified negative impacts
4. Monitoring the implementation of these actions and their results
5. Public communication about the due diligence approach and the actions taken
6. Providing or participating in remedial actions, including establishing or participating in grievance mechanisms where individuals and groups can raise concerns

OLB has specific policies to eliminate discrimination (including harassment), promote equal opportunities, and strengthen diversity. These policies are embedded in the following strategies and guidelines:

- Business Strategy
- Code of Conduct
- Diversity Policy
- Signing of the Diversity Charter

Discrimination incidents in various personnel matters (e.g., recruiting, promotion, compensation) cannot be fully excluded. In the event of an incident, the next steps will be discussed on a case-by-case basis, and appropriate actions will be taken if necessary. To prevent such incidents in advance, OLB ensures compliance with legal requirements, including the General Equal Treatment Act (AGG), the Wage Transparency Act, and the Social Code (SGB IX). As part of the annual review of the compensation system, OLB also checks the gender-neutral design of the compensation system and will include quantitative analyses starting from the 2025 financial year. All positions at OLB are assigned fixed salary bands, which are published on the intranet. The bank assumes that these actions effectively contribute to preventing discrimination.

The legally required Representation of Severely Disabled Persons represents the rights and interests of severely disabled individuals and those with equivalent status. In addition to its self-commitment to promote diversity, inclusion, and inclusion, OLB is required under § 154 SGB IX to fill at least 5% of its positions with severely disabled individuals.

An important basis for avoiding discrimination are the processes described in S1-2 for involving the workforce. Since signing the "Diversity Charter" in 2015, OLB has publicly committed to implementing diversity. The Diversity Charter stands for an approach to diversity that equally includes all dimensions. The core dimensions include age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and worldview, sexual orientation, and social origin.

### **S1-2 – Processes for engaging with own workers and workers' representatives about impacts**

OLB has created platforms and formats that ensure the involvement of its own workforce. The involvement occurs both directly and indirectly through employee representatives. To counteract potential negative impacts regarding the workforce, various platforms and dialogue formats exist to include the perspectives of employees directly or indirectly through employee representatives.

## OLB Sustainability Statement 2024

- Regular evaluation/feedback discussions (at least once a year) for all employees, including target agreements and achievement of targets for non-tariff employees between employees and managers, are integrated into the operational processes. During the discussions, the views of the employees are included. The process control, including operational responsibility, lies with Human Resources, and the operational implementation is carried out by the relevant departments based on the separate collective agreement of the bank.
- Involvement of all employees takes place through the digitally and anonymously conducted "Psychological Risk Assessment". The survey addressed all key factors relevant to the psychological stress risk assessment according to the GDA guidelines. The specific contents of the survey were mutually agreed upon between the works council and the employer. The results of the survey, with a participation rate of over 75%, were communicated at the bank-wide level and discussed in detail with employees at the departmental level. Actions for identified problematic working conditions according to the risk assessment were initiated and documented. The operational responsibility lies with the steering committee, with representatives from Human Resources and the Works Council. This process can be repeated as necessary.
- Occasional virtual town hall events by the Management Board open up a direct dialogue with employees. Employees have the opportunity to engage with questions, suggestions, and constructive discussions. A recording of the town hall events is accessible to all employees afterwards, and feedback can be provided. The operational responsibility lies with the Corporate Communications & Investor Relations team.
- Occasional discussions, including those between the Management Board, Human Resources, and the (Group) Works Council, serve to protect the interests of employees. Discussions with the Group Works Council are generally held every six weeks, according to a specific schedule. Additionally, ad hoc consultations on the conclusion of (Group) Works Agreements take place. The works council has extensive co-determination rights under the Works Constitution Act (BetrVG). The operational responsibility lies with Human Resources.
- The interests of executive employees of the bank are represented by a speaker committee for executive employees. This committee also maintains regular dialogue (quarterly) with the Management Board. The operational responsibility lies with Human Resources. Additionally, the speaker committee holds an annual general meeting of executive employees according to the SprAuG (Collective Agreement for Executive Employees), involving the Management Board and Human Resources.
- In legally required works meetings, the works council informs employees at least once a year about its activities, and the employer provides information about key matters of the company. Employees also have the opportunity to contribute questions, suggestions, and constructive discussions. Any issues and suggestions that cannot be directly addressed in the works meeting are taken up by the works council with the employer and subsequently resolved. Employees are informed about the results. The operational responsibility lies with the Works Council.

The operationally responsible individuals mentioned above ensure that the results are incorporated into company decisions.

In the aforementioned processes, the workforce often has the opportunity to present their wishes, ideas, or suggestions for improvement. These topics are further reviewed by the relevant departments. If

necessary, there is further involvement of the workforce, for example, through employee surveys or projects, to continuously improve the work organization.

(Group) Works Agreements (GBV) are negotiated and concluded between OLB as the employer and the works council as the representation of employees' interests. These agreements generally incorporate the views and interests of employees. Through the respective works agreements, OLB contributes, for example, to health protection topics (e.g., the GBV "Flexible Working Hours" and the GBV "Remote Working"), which are components of respect for human rights (e.g., the GBV "Overload Protection").

Within the above-mentioned formats, regular feedback is received from the workforce, which is expressed directly and also reported via employee representatives. Based on this feedback, the next steps are discussed by Human Resources and/or the Management Board, in collaboration with employee representatives, and actions may be derived if necessary. For example, in 2024, the psychological risk assessment was conducted for the first time. This method is used to identify potential workplace stressors that could affect mental health. The survey also allows underrepresented groups to report potential issues. The survey specifically addresses the following areas: job content and tasks, work organization and collaboration, social relationships, environmental conditions at the workplace, and work tools. The results are used to make improvements in case of identified issues.

Additionally, there is a (Group) Youth and Apprentice Representation as well as a (Group) Severely Disabled Representation, which serve as points of contact for these marginalized groups.

The bank considers the above-listed employee-oriented formats to be effective platforms for incorporating the views and needs of the workforce into decisions and operational implementations.

### **S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns**

OLB has established processes to identify and address potential negative impacts on its workforce in connection with their activities at OLB. For example, based on the Group Works Agreement "Overload Protection", employees can submit an overload notification to Human Resources. Human Resources informs the works council about the receipt of the notification, reviews the submitted notification together with the works council, and implements effective corrective actions if necessary. The operational responsibility lies with Human Resources.

Additionally, in accordance with legal requirements, workplace safety inspections and ergonomic recommendations regarding orthopedic risks at the workplace are carried out for employees. The operational responsibility lies with Operations.

The formats for employee involvement under S1-2 and the communication channels listed below are also appropriate processes to identify potential negative impacts on the workforce and to identify corrective actions. Of particular importance are the regular discussions between employees and their managers, during which actions can be agreed upon. If necessary, experts from Human Resources and members of the works council, speaker committee, youth and apprentice representation, and/or severely disabled representation can be involved. From the results of these discussions, corrective actions are derived if necessary.

Furthermore, OLB has a combined whistleblower and complaint procedure in accordance with the Whistleblower Protection Act (HinSchG) and the Supply Chain Due Diligence Act (LkSG). The procedure is accessible to both OLB employees and external individuals via the OLB website in an accessible manner.

The whistleblower procedure covers reports of any type of compliance violations, while the complaint procedure focuses on reports of human rights and environmental violations. Reports can be submitted anonymously to the external trusted lawyer via a dedicated reporting platform, their homepage, or by phone, or they can be sent via email, phone, fax, or letter to the Compliance Function at OLB. Reports under the HinSchG can also be made to the Federal Office of Justice or the Federal Financial Supervisory Authority.

The investigation of reports and complaints is carried out in a confidential manner and in compliance with legal requirements by Compliance, with further involvement of other organizational units as needed. The procedural rules in accordance with § 8 Abs. 2 LkSG are publicly accessible on the OLB website. Employees need not fear any negative consequences when reporting potential issues.

The execution of special audits in the detection of irregularities involving employees is the responsibility of Internal Audit. The scope of the investigations includes, among other things:

- Pre-examination of reports to assess the severity and verifiability
- Decision on the next steps and follow-up
- Initiation of actions if a report can be objectively substantiated, such as through labor law, civil law, or criminal proceedings against the perpetrator, if necessary, involving other units (e.g., Human Resources, Compliance, Legal)
- Assessment based on objective criteria and consideration of potentially exonerating evidence

All cases are accompanied by an examination to determine whether internal controls or processes need to be optimized to prevent similar violations in the future. Based on these audits, OLB considers the mentioned direct and indirect dialogue formats and processes to be effective and efficient. These formats help to identify potential negative impacts on the workforce at an early stage and initiate appropriate corrective actions. Significant incidents are also incorporated into the Management Board's reporting.

Additionally, employees have access to other company-specific channels to express their concerns or needs and have them reviewed:

- Conversations with the direct supervisor or Human Resources
- Involvement of the Compliance and Anti-Money Laundering departments
- Involvement of employee representatives (Works Council, Speaker Committee, Youth and Apprentice Representation, or Severely Disabled Representation)
- Use of communication opportunities during works meetings
- Participation in the "Psychological Risk Assessment" survey
- Overload notification under the Group Works Agreement "Overload Protection"
- Use of the complaint management system in the role of a customer (see S4-3)

Information about the processes and channels listed and explained above is available to all employees on the OLB intranet. Contact details for the relevant persons are also provided. In addition, these contents are included in various mandatory e-trainings (e.g., Compliance Basics) for the workforce. Furthermore, employees are informed situationally (e.g., during works meetings or via distribution emails) about important information.



The tracking and monitoring of raised concerns and needs are diverse and particularly depend on the communication channel used. The effectiveness of the whistleblower and complaint processes is reviewed annually and as needed.

**S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions**

The actions related to managing significant negative and positive impacts, managing significant risks, and utilizing significant opportunities in relation to the workforce, as well as the effectiveness of these actions, are outlined in SBM-3. It also provides an understanding of how the actions relate to significant impacts, opportunities, and risks.

A summary description of the action plans and resources for managing significant impacts and opportunities for the workforce is also presented in SBM-3.

OLB has taken various actions (see SBM-3) to create good working conditions, promote equal treatment and equal opportunities for all, and provide high-quality training. These actions are based on experience and assumptions. Continuous follow-up is carried out to make further improvements. In the multi-year planning process, an appropriate budget is allocated for the support programs. This includes, among other things, internal and external qualification actions. Additionally, external support may also be provided for the actions.

The following table provides an overview of the actions in the reporting year

Measure	Results	Area of activity	Time horizon
GROW Program	<ul style="list-style-type: none"> <li>▪ Promotion of female employees</li> <li>▪ Mentoring</li> <li>▪ Individual, goal-orientated training</li> </ul>	Own business operations (own workforce)	ongoing
VISION Program	<ul style="list-style-type: none"> <li>▪ Talent promotion</li> <li>▪ Development of competencies for strategic projects</li> <li>▪ Individual, goal-oriented training</li> </ul>	Own business operations (own workforce)	ongoing
Training/Seminars on Leadership Competencies	Development of specific leadership competencies	Own business operations (own workforce)	ongoing
Further Training	Development of specific competencies	Own business operations (own workforce)	ongoing
Employee Referral Program	<ul style="list-style-type: none"> <li>▪ Ensure future personnel needs</li> <li>▪ Strengthen employee identification with OLB</li> </ul>	Own business operations (own workforce)	ongoing
Increase in Number of Apprentices per Training Year	<ul style="list-style-type: none"> <li>▪ Strengthening the positive effects of training</li> <li>▪ Ensure future personnel needs</li> </ul>	Own business operations (own workforce)	ongoing
Health Services and Employee Benefits	<ul style="list-style-type: none"> <li>▪ Promote employee health</li> <li>▪ Strengthen employee satisfaction</li> </ul>	Own business operations (own workforce)	ongoing
Data Protection Actions	Ensure data security	Own business operations (own workforce)	ongoing

## OLB Sustainability Statement 2024

The focus is currently on the GROW and VISION programs. Both programs were made known to the workforce via the intranet. All employees had the opportunity to apply for participation, with GROW targeting the female workforce and VISION being an overarching talent development program. This ensured equal opportunities and fulfilled the objectives of the Diversity Policy. The selection of participants was made by Human Resources in collaboration with the Management Board.

For the GROW mentoring program, interviews were conducted with participants and potential mentors (executive board members and senior management) by an external agency. Based on these discussions, suitable matches were made. In addition, mentees had the opportunity to further develop through additional external seminars throughout the program duration.

The focus of the VISION talent development program was on the development of strategic skills through a team-based project. These participants also had the opportunity to further develop through external seminars over the course of the program.

Both programs had a higher number of applicants than available spots and will continue. It is planned to consider that, due to the integration of Degussa Bank, the next program start will be postponed to 2025. This will allow the newly added workforce following the merger of Degussa Bank with OLB in 2024 the opportunity to participate, ensuring that OLB also provides good working conditions and equal treatment for them.

Furthermore, in 2024, OLB laid the foundation for intensifying leadership development, which will continue in 2025. Various external and internal seminar formats were offered to this employee group. This demonstrates OLB's strong interest in good leadership. OLB believes that good leadership promotes employee motivation, contributing to employer attractiveness and increased productivity. For this reason, OLB has decided to offer additional seminars and development opportunities in 2025.

To ensure that employees can develop in their areas of responsibility and consistently perform their work with qualified competence, targeted internal and external training sessions are conducted in the form of in-person seminars, webinars, and e-trainings. Additionally, all employees have access to other offers, such as those related to health and personal development. The operational responsibility lies with Human Resources.

In the future, OLB intends to position itself as a reliable employer through its growth. To this end, the Employee Referral Program was launched. OLB is convinced that satisfied employees will recommend their employer. Since the program's launch in 2023, it has been widely used.

In 2023, OLB decided to increase the number of apprentices per training year to counteract the shortage of skilled workers. The hands-on training is of high quality, partly due to the expertise of external training partners.

In operational practice, the various formats of the development programs and the supervision of apprentices are accompanied by clearly defined and structured responsibilities.

Furthermore, OLB has created various works agreements and offers for its employees to be an attractive employer. These include, among others:

- Remote Working
- Flexible Working Hours

## OLB Sustainability Statement 2024

- Employer Benefits (e.g., Job ticket, Bike leasing, English online school, and more)
- Health Benefits (e.g., company doctor, actions such as colorectal cancer screening, eye examinations, and more)

To remain an attractive employer in the future, OLB regularly reviews its offers for the workforce. For 2025, OLB will provide each employee with two additional vacation days. This benefit is currently available only for the year 2025.

Through employee feedback, application inputs, and both internal and external hires, OLB receives information about the current effectiveness of its actions. Based on this, appropriate adjustments are made as needed.

Furthermore, OLB uses various key performance indicators (KPIs) to monitor the effectiveness of its actions, raise awareness of potential negative impacts on the workforce, and respond accordingly:

- Turnover rate

The turnover rate serves as an indicator of attractiveness as an employer. It is assumed that the described actions positively impact employee satisfaction, resulting in a relatively low turnover rate.

- Absence analysis

High absenteeism can have negative effects on productivity. For this reason, the psychological risk assessment was conducted, and corresponding actions were agreed upon. It is assumed that the avoidance of overload and psychological risks will also lead to a reduction in absenteeism.

- Employer ratings on the online portal Kununu ([www.kununu.com](http://www.kununu.com))

The evaluation of attractiveness as an employer on external labor market platforms is a significant indicator. Through the "Employee Referral Program", OLB places greater emphasis on the recommendation of OLB as an employer. This is expected to lead to a positive development in the ratings on platforms like Kununu.

- Apprentice retention rate

OLB is convinced that high-quality training, supported by external partners such as the Frankfurt School of Management and Finance, positively impacts the retention rate. Therefore, the retention rate also serves as an indicator of the quality and attractiveness of the training.

- Percentage of women in leadership positions

OLB considers the percentage of women in leadership positions as a relevant indicator of diversity and equal opportunities. The GROW and VISION programs support the visibility of potential candidates and offer new development perspectives, especially for female employees, through the expansion of their networks. As a result, OLB expects a medium-term increase in the percentage of women in leadership positions.

OLB has implemented the following provisions to prevent negative impacts related to personal data.

Data protection actions aim to protect personal data of employees, customers, and business partners (natural persons) from unlawful data collection or processing. This protects the individual's right to

informational self-determination. To protect the data of its workforce, OLB has established corresponding access permissions so that only selected employees have access to the relevant data. Furthermore, data storage (e.g., of external applicants, personnel files, etc.) is subject to statutory retention periods. Necessary communication with potential external service providers takes place via encrypted channels. Additionally, all employees regularly complete eTrainings on topics such as data protection, compliance, and information security. These trainings cover the following topics, among others:

Data Protection (e.g.):

- Basic knowledge of data protection
- Principles of data protection
- Responsibility within the company
- Clean Desk
- Transparency obligations towards affected individuals
- Data breaches
- Data protection policy
- Data protection officer

Compliance (e.g.):

- What is compliance?
- Compliance in daily life
- Consequences of violations
- Compliance within the company
- General Equal Treatment Act (AGG)
- Reputation risks

Information Security (e.g.):

- Basic knowledge of information security
- Risks and protection
- Handling security incidents
- Protect yourself and your password
- Electronic communication
- Behavior in public
- Behavior on social media
- Social engineering

OLB considers the actions outlined above to be effective in preventing negative impacts.

Since the materiality analysis related to the company's workforce did not identify any significant risks, no additional actions have been taken in this regard.

### **S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

OLB aims to create good working conditions for its workforce while ensuring equal treatment and equal opportunities. Additionally, the bank places a strong focus on the issue of training. These aspects are essential to achieving high employer attractiveness and retaining qualified specialists, leaders, and young talents at OLB.

## OLB Sustainability Statement 2024

To ensure equal treatment and equal opportunities for all, OLB has set targets related to the gender ratio and the increase in apprenticeship positions.

The Diversity Policy has set the following targets to increase the proportion of women within the gender ratio:

- The target for the proportion of women on the Management Board is currently 20%. At least one woman should be on the board.
- The target for the proportion of women in the first and second leadership levels below the board is currently 30%.

The timeline for achieving these targets is set for November 2028.

To counteract the shortage of skilled workers, OLB has decided to provide a high number of apprenticeship positions (>30 per training year) in the long term. In the reference year 2023, OLB hired 18 new apprentices. By 2024, the number of newly hired apprentices increased to 33. The increased number of apprenticeship positions has been considered in the multi-year planning. The long-term goal is to offer apprentices permanent employment contracts. In this way, OLB can internally fill sales and specialist functions early on. All apprentices from the 2024 graduating class who were interested in a permanent position received an offer from OLB.

With high employer attractiveness, productivity increases can be achieved. As described in S1-4, there are various processes for measuring employer attractiveness.

The details regarding the involvement of employee representatives or the workforce in the goal-setting and monitoring of performance are described in S1-2.

### **S1-6 – Characteristics of the undertaking’s employees**

Total number of employees by headcount and breakdown by gender and country for countries where the company has 50 or more employees, making up at least 10% of the total number of employees in the company:

<b>Gender</b>	<b>Number of employees (head count) as of 31/12/24</b>
Male	911
Female	792
Other	0
Not reported	0
<b>Total Employees</b>	<b>1,703</b>

The number of employees is provided as of the reporting date 31.12.2024. Additionally, OLB employed 71 apprentices and interns as of the reporting date.

<b>Employees by region</b>	<b>Number of employees (head count) as of 31/12/24</b>
Germany	1,703

Total number of employees by headcount of

- Permanent employees, also broken down by gender,
- Temporary employees, also broken down by gender, and
- Employees without guaranteed working hours, also broken down by gender:

## OLB Sustainability Statement 2024

Number of employees (head count) as of 31/12/24					
Type of contract	Male	Female	Other	Not disclosed	Total
Permanent	881	770	0	0	1,651
Temporary	30	22	0	0	52
Non-guaranteed hours	0	0	0	0	0
<b>Total</b>	<b>911</b>	<b>792</b>	<b>0</b>	<b>0</b>	<b>1,703</b>
Full-time	826	351	0	0	1,177
Part-time	85	441	0	0	526
<b>Total</b>	<b>911</b>	<b>792</b>	<b>0</b>	<b>0</b>	<b>1,703</b>

Total number of employees who left the company during the reporting period and the employee turnover rate during the reporting period:

	For the 2024 reporting year
Full-time equivalents (FTEs)	104.28
Turnover rate in percentage	8.35

The turnover rate includes all departures (including the termination of the active phase of part-time retirement, entry into retirement, and departures due to severance agreements, etc.). When considering voluntary turnover (resignations by employees: 42.85 FTEs), the turnover rate is 3.2%.

The turnover rate is calculated as the sum of all employment-effective exits in FTEs with an exit date between December 31 of the previous year and December 30 of the reporting year (effective the following day), in relation to the average FTEs from four quarterly cut-off dates during the reporting year. Exits are counted as resignations (by employer or employee), terminations, the beginning of the release phase in the passive part-time retirement phase, the start of retirement, early retirement, or death. Non-employment-effective exits include: the start of retirement after the passive phase of part-time retirement, the start of retirement after early retirement, and exits from a dormant/non-employment-effective employment relationship, such as after parental leave or unpaid sick leave.

The data analysis is conducted using the payroll system. Data is then made available in an HR controlling database and compiled using analysis systems according to the requirements.

### **S1-7 – Characteristics of non-employee workers in the undertaking’s own workforce**

The reporting for all data points in this disclosure requirement may be omitted in the first year of preparing the sustainability statement in accordance with ESRS 1 Annex C. OLB is using this option for the first reporting year 2024.

### **S1-8 – Collective bargaining coverage and social dialogue**

Percentage of all employees covered by collective bargaining agreements:

	Share in %
Total	97.06

For OLB, employees who are not senior executives and are not covered by collective agreements are subject to a collective bargaining clause. Senior employees are not covered by the collective agreements. The percentage of employees covered by collective agreements is calculated by subtracting senior

## OLB Sustainability Statement 2024

employees from the total number of employees and relating this to the total number of employees as of December 31, 2024.

OLB applies the collective agreements for the private banking industry. OLB currently has no workforce outside the European Economic Area (EEA). The entire workforce of OLB is located exclusively in Germany.

Overall percentage of employees covered by employee representatives, with details provided at the country level for each EEA country in which the company has a significant number of employees:

	Headcount 2024	Percentage
Covered by the works council	1,653	97.06
Not covered by the works council	50	2.94

The Works Council represents all employees at OLB, except for the Management Board and senior executives. The key figure takes into account the headcount and their percentage share as of December 31, 2024.

Employee and workforce representation at OLB is very diverse. The company has seven local works councils and one group works council. The group works council currently consists of 22 members, who are also active in the various local works councils. The members of the works councils are elected by the employees, and the group works council is elected by the works council members. The duties of the works council are governed, among other things, by the Works Constitution Act (BetrVG). The group works council is responsible for addressing issues affecting the entire company or multiple departments that cannot be regulated by the individual works councils.

### S1-9 – Diversity metrics

Distribution of employees by age groups: Under 30 years, 30-50 years, over 50 years.

Age group	Headcount 2024	Percentage
< 30 years	201	14.5
30 to 50 years	868	49.8
> 50 years	634	35.7
<b>Total</b>	<b>1,703</b>	<b>100.0</b>

Headcount as of the reporting date 31/12/2024.

### S1-10 – Adequate wages

The tariff employees of OLB are compensated in accordance with the collective agreement for the private banking sector. The compensation for non-tariff employees is above the established tariff groups. All employees receive fair compensation in line with the applicable reference values.

## ESRS S4 Consumers and end-users

### S4-1 – Policies related to consumers and end-users

In this chapter, the policies for managing the material impacts on consumers and/or end-users, as well as the associated material risks and opportunities, are explained.

### *Information-related impacts for consumers and/or end-users*

OLB has a concept to ensure information security and ICT security (Information and Communication Technologies), which applies to all business areas and processes of OLB. It primarily focuses on protecting the information processed within the ICT systems. This includes all organizational, procedural, technical, infrastructural, and personnel requirements necessary for managing the Information Security Management System (ISMS) at OLB. The responsibility for implementing the ISMS concept lies with the Head of Corporate Resilience.

The protection of information resources from the loss of confidentiality, integrity, availability, and authenticity is managed through a proactive and process-oriented ISMS. Within the ISMS, the management of information security risks is treated as a subset of resilience risks. These risks are identified, analyzed, assessed, managed, and mitigated through targeted counteractions. OLB aligns with the internationally recognized standard ISO 27001. The ISMS applies to all business and specialized departments at OLB.

The implementation of the ISMS is monitored by the Chief Resilience Officer. Security-relevant incidents are logged, evaluated, and a targeted response is implemented. Business Continuity Management ensures the recovery of applications and IT systems in this context.

In summary, OLB places emphasis on adhering to the following four security targets:

- Confidentiality: Information must only be accessible to authorized individuals or business processes.
- Integrity: Information must be protected in terms of accuracy and completeness.
- Availability: Information must be accessible to authorized users or business processes.
- Authenticity: Information must originate from the persons or processes that are supposed to have generated it.

Through the consistent application of these principles, risks and negative impacts related to the processing of information for consumers and end-users are minimized.

The ISMS is designed as a consistent risk management system that can flexibly respond to new threats and risks. In particular, the focus is on protection against cybersecurity risks. Since cybersecurity risks can affect all elements of the information security architecture as well as all security targets, they are treated as an integrated area of action within the ISMS. In addition to other requirements, the following principles are considered in the information security guidelines:

- Requirements for IT Asset Management and IT Risk Management (Identify)
- Guidelines for technical protection, data security, access control, and maintenance of ICT systems (Protect)
- Requirements for logging and evaluating security-related incidents (Detect)
- Targeted response to information security incidents (Respond)
- Guidelines for the recovery of applications and IT systems as well as Business Continuity Management (Recover)

The Information Security Management guideline serves as the framework for the development, implementation, maintenance, monitoring, and continuous improvement of policies, processes, requirements, and methods aimed at ensuring adequate and effective information security within OLB. It is updated as needed (e.g., in the event of significant changes in the framework conditions such as ICT systems, threat



situation, technologies, or legal requirements with impacts on the guideline), at least annually. It applies to all employees of OLB.

The overall responsibility for the security of information resources lies with the management. The Chief Information Security Officer (CISO) is tasked with the development, implementation, and continuous improvement of information security processes, requirements, and methods.

OLB has a data protection concept (Data Privacy Management guideline) that sets the minimum standard in terms of strategic principles and general requirements for the entire bank. The goal of data protection is to adequately protect personal data from privacy risks and ensure compliance with the principles for processing this data:

- Legality of processing: Personal data may only be processed if there is a legal basis for the processing of the data.
- Processing in good faith: Personal data may only be processed to the extent that the affected individuals can expect within the scope of the legal transaction.
- Transparency: Informational self-determination and the protection of rights of the affected individuals must be ensured when processing personal data.
- Purpose limitation: The purposes of data processing must be defined, clear, and legitimate when collecting personal data. Further processing for other purposes is possible only if it is compatible with the original purposes or a legal basis exists for this.
- Data minimization: Personal data must be adequate, relevant, and limited to what is necessary for the purposes of processing.
- Accuracy of data processing: Personal data must be accurate and up-to-date. Personal data that is inaccurate in relation to the purposes of processing must be corrected or deleted without delay.
- Storage limitation: Once the storage of personal data is no longer necessary for the processing purpose, the data must be deleted or anonymized.
- Availability, integrity, and confidentiality: Personal data must be processed in a way that ensures an appropriate level of security, including protection against unauthorized or unlawful processing, loss, destruction, or alteration. Suitable technical and organizational actions must be taken to ensure this.

The management bears overall responsibility for data protection. The requirements apply to all employees of OLB. These requirements are specified through internal policies and work instructions. Issues relevant to external service providers, outsourcing, or providers are regulated through contractual agreements.

OLB has appointed a data protection officer who serves as the point of contact for data protection inquiries. He monitors compliance with the General Data Protection Regulation (GDPR), the Federal Data Protection Act (BDSG), and other relevant regulations.

OLB places great importance on the correct and fair provision of information to its customers. In particular, in the field of securities trading, the "Customer Information and Advertising in Securities Trading" policy aims to ensure compliance with the provisions of the WpHG, the delegated regulation (EU) 2017/565, and the BaFin Circular 05/2018 regarding the creation of customer information and the marketing of financial instruments, groups of similar financial instruments (e.g., funds, guarantee certificates, etc.), securities services, and ancillary services. The objective of this policy is to internally define the rules for marketing communications, investment recommendations or investment strategy recommendations, pure image

advertising, individual advisory documents, and pure product information for both private and professional customers. This policy does not apply to information provided to suitable counterparties. It concerns all sales units, including business with employees, and applies to all departments that are allowed to create information and advertising for securities trading under their own responsibility. The department PMDB is responsible for implementing this policy.

### *Personal safety of consumers and/or end-users*

The protection of customer information is of the highest priority at OLB. A comprehensive concept for information security is in place, as described above.

In the context of customer advisory services, the financial security of customers is taken into consideration. OLB has various policies in place to ensure that the bank acts in the best interest of the customer, guarantees transparency and fairness, and minimizes the financial risks to the customer. These policies specifically implement the regulations set by legislators and supervisory authorities regarding consumer and investor protection.

OLB places particular emphasis on protecting consumers through a careful creditworthiness assessment. This means that loans are only granted to those customers who can demonstrably bear and repay them. Transparent contract terms are another central component to avoid misunderstandings and to provide clear and understandable information to customers about all relevant aspects of the loan. The bank's advisory duty ensures that customers are thoroughly informed about the risks and costs of taking out a loan. Furthermore, the bank ensures that customers are not overly indebted by practicing responsible lending. The primary goal is to prevent customer over-indebtedness, ensure repayment ability, and ensure transparency and fairness in the loan process. In this area, there is an internal guideline titled "General Guidelines for the Examination and Assessment of Customer Creditworthiness and Creditworthiness". This defines the framework for the necessary assessment and applies to all types of lending, both in the retail and corporate sectors. The CRM Credit Processes and Governance is responsible for this guideline.

The "General Principles for Credit Business" guideline sets out the essential principles and responsibilities for handling credit business in order to ensure the financial security of customers. A key aspect is objective and impartial decision-making when granting loans. Employees who are in potential conflicts of interest are not permitted to make decisions to ensure the independence and integrity of credit decisions. The request and documentation of customer records are systematically managed in the CRM system to ensure transparency and traceability. Credit decisions require a careful risk assessment that includes aspects such as creditworthiness, credit eligibility, repayment ability, collateral options, and belonging to a risk cluster. The Market Follow-Up department, responsible for risk management in credit business, includes specialized units such as CRM Credit Processes and Governance and CRM Portfolio Development Unit, which monitor and manage credit risks. Risk Control collects risk information and creates periodic risk reports for management to ensure continuous risk monitoring.

This guideline applies to all employees and departments at OLB that are involved in credit business. It serves as a guideline that must be followed to ensure the financial security of customers. The guideline emphasizes the need for cooperative collaboration among all involved parties in credit business and defines clear responsibilities and processes for assessing and monitoring credit risks.

The risk management responsible for the Market Follow-Up at the bank consists, in addition to the Chief Risk Officer (CRO), of the following organizational units:

- CRM Corporates and Specialized Finance
- CRM Credit Processes and Governance
- CRM Portfolio Development Unit
- CRM Restructuring
- CRM Retail Risk- and Transaction Management
- Risk Control

In the field of securities trading, OLB also has numerous internal guidelines to ensure compliance with regulatory requirements, both in advisory and non-advisory business. Among these, there are internal guidelines regarding the bank's duties to the customer/client when receiving non-advisory transactions. The purpose of these guidelines is to ensure compliance with regulatory requirements in non-advisory business. This includes both information duties (e.g., providing mandatory documents), verification duties (e.g., the appropriateness test), and documentation duties for the bank.

Additionally, there are internal guidelines for investment advisory services that define compliance with regulatory requirements in the context of investment advice. In investment advice, an appropriateness test is conducted, where the financial capability, investment objectives, and risk appetite of the client are determined. This ensures that the investment recommendations align with the individual needs and targets of the advised client and do not harm their interests. In investment advice, information and documentation duties must also be observed. Transparency plays a crucial role for investors, so all fees, costs, and risks associated with the recommended investments must also be disclosed. Furthermore, there is a documentation obligation, requiring that all advisory sessions and recommendations be recorded in writing.

The above-mentioned guidelines for securities trading apply to all employees involved in the securities business, both in the departments of the PMDB and in the sales units. The department Product Management & Digital Banking is responsible for implementing these guidelines. In day-to-day customer interactions, customer advisors are responsible for ensuring compliance with the guidelines. It is mandatory to use the software for investment advice or non-advisory order entry, which also ensures the documentation of customer information and the appropriateness statement.

### *Customer advisory*

For OLB, future investments in the continued digitalization and automation of customer and business processes are not only necessary to maintain high-quality advice, but also enable the bank to offer services to customers independently of location and opening hours. In providing customer advisory services, OLB places emphasis not only on the quality of advice but also on personal accessibility. Customers have access to various communication channels, such as visiting branches, personal contact via telephone or video, and finally, access to online banking.

The goal is to further drive digitalization and expand the digital offerings for customers. This is primarily reflected in OLB's business strategy, which applies to the entire bank, and for its implementation, the Management Board is responsible. The operational implementation is carried out by the Digital Banking, Business Development, and Strategy Group.

In providing customer advisory services, OLB places great importance on both the quality of the advice and compliance with legal requirements, as described in the section above, “Personal Security of Consumers and End Users”. This particularly focuses on providing accurate and high-quality information about the offered or recommended products and services. In this context, internal processes have been defined to ensure the review of the content provided to customers. These processes include, for example, processes that must be carried out according to the four-eyes or six-eyes principle, or First, Second, and Third-Level Controls, which are part of the internal control system.

As described above, the needs and wishes of customers are taken into account in customer advisory services. In investment advisory services, customers are specifically asked about their sustainability preferences. If such preferences exist, the customer will only be recommended products that align with their preferences. Securities advisors receive appropriate training to be able to explain both the significance of sustainability preferences and the relevant characteristics of the products. Customers also have access to an ESG customer brochure, which describes the sustainability preferences to better enable them to express an informed investment request during the advisory session.

Compliance with these standards is ensured through the use of a software for investment advice and non-advisory order entry, which the advisors use for investment advice. These standards are also outlined in the previously mentioned guidelines for securities advice. Implementation is carried out by the relevant specialized units in the PMDB department.

Furthermore, in 2024, OLB strategically strengthened and expanded its advisory services in the area of real estate financing by having both advisors and relevant executives complete training in energy coaching. The goal is to provide the best possible support to customers with their sustainable property renovations. Given the high need for renovation in German buildings, which is crucial for the green transition, energy-efficient modernization is often unaffordable without external financing. This is where OLB's energy coaches come into play, offering tailored financing solutions focused on energy-efficient building and renovation. Further details on this additional qualification are outlined in Chapter S4-4.

The responsibility for implementing this training lies with the Head of CDS Mortgage Business. The strategy applies to all employees in the real estate financing area.

### **S4-2 – Processes for engaging with consumers and end-users about impacts**

OLB values the satisfaction of its customers and aims to incorporate the interests and perspectives of consumers and end-users into its strategies. Communication with customers takes place through a variety of dialogue formats, which are detailed in Section SBM-2.

Customers have the opportunity to contact the bank through a wide range of channels: via WhatsApp, the website, phone, chat, or directly in the branch. Interaction primarily occurs with customers through the sales units, during customer conversations and consultations, or through customer events with employees from specific departments. Customer feedback and concerns raised by employees are discussed within the bank's internal departments. As part of a pragmatic approach, these inputs are integrated into the further development of bank processes based on the expertise of the departments and corresponding assumptions. No specific procedure has been established for this, as there has been no need for one so far. Thus, no specific position has been assigned to be responsible for the operational integration of customer feedback. However, OLB is committed to being available to customers at all times and responding

to their questions, complaints, and suggestions as quickly as possible. Therefore, a low-barrier contact option is provided.

The bank also has a complaint management system, which ensures that complaints and suggestions for improvement are handled impartially and in dialogue with the customer. The established procedure is further explained in Section S4-3. Currently, there are no additional processes for involving consumers and end-users.

In fund management, there was an annual customer survey on sustainability at Degussa Bank since 2021, conducted on the Degussa Bank website. In this context, customers were asked to select from a range of six investment areas, which they considered most relevant. The votes were then evaluated by the Marketing Department and made available to the fund management team. Based on the weighting derived from the votes, the portfolio of the Degussa Bank Sustainability Fund Akzentuiert was adjusted. With the merger of Degussa Bank into OLB, this customer survey and approach were discontinued.

#### **S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns**

At OLB, a neutral complaint management system has been established, where consumers and end-users can direct their concerns and complaints. The issue is examined individually, fairly, and impartially. Insights from customer feedback and the solutions found (together) are reviewed for feasibility within the current business processes and implemented if necessary.

Customer complaints are recorded in a central system, where they are processed, monitored by complaint management, and processed in accordance with regulatory requirements. This ensures comprehensive documentation of the involved parties, their tasks, and proposed solutions. Complaint management is responsible for coordinating the departments involved. It also handles communication with external bodies, except for the BaFin, which is managed by the Regulatory Affairs Department. Customer communication is usually handled by the sales units.

The goal is to respond to a complaint within ten working days. If this is not possible, the complaint is escalated in the system to complaint management, which takes over the follow-up and ensures that the customer's concern is addressed. If it is not possible to process the complaint within the ten days, the customer is to be informed accordingly.

Complaints are regularly evaluated by complaint management for vulnerability analysis. Identified potential weaknesses are questioned within the Quality Management process by complaint management and coordinated with the responsible departments. Additionally, a complaint report is generated on June 30 and December 31 of each year. OLB employees are trained in handling and processing customer concerns or complaints through eTraining.

To ensure the availability and effectiveness of complaint management, customers are informed publicly via the bank's website under [Feedback & Opinion: Suggestions & Improvement Requests | OLB Bank](#) about the various channels available. Customers have the option to contact complaint management directly by email ([beschwerde@olb.de](mailto:beschwerde@olb.de)) or by fax (0441 221 2559). Customers can also bring up their concerns with their customer advisors. Internal guidelines require all employees to immediately record any customer complaints they receive in the designated system. Additionally, customers have the option to direct tips, including anonymously, to the bank's compliance ombudsman. On the aforementioned

website, customers are also informed that they can contact external bodies, such as the Ombudsman of the German Banking Association, BaFin, or the European Online Dispute Resolution Platform, if OLB is unable to resolve their concern to their satisfaction. However, there is no process in place for measuring the effectiveness of the channels.

The bank takes complaints very seriously and aims to resolve the issues raised, even in collaboration with customers, while maintaining a trusting business relationship. Retaliation actions are strictly prohibited at the bank, and internal guidelines ensure that customer complaints or concerns do not result in such actions. Fair handling of complaints is outlined in OLB's Code of Conduct (see also S1-1), which applies to all OLB employees. Violations of the code and other internal guidelines may result in disciplinary actions. Additionally, a whistleblowing system is in place, allowing customers (as well as employees) to report misconduct and violations of internal and legal regulations, even anonymously. The processes, channels, and contacts are also publicly available on the bank's website under [Whistleblowing and Complaint Procedure](#).

**S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions**

The following table provides an overview of actions in the reporting year:

Measure	Results	Area of activity	Time horizon
Trainings /eTrainings IT security and data protection	<ul style="list-style-type: none"> <li>▪ Raising awareness of information security and data protection</li> <li>▪ Prevention of IT attacks / hacking</li> </ul>	Own business operations (administration)	ongoing
Training actions and use of software for securities advice and non-advisory order entry	<ul style="list-style-type: none"> <li>▪ Ensuring the quality of advice</li> <li>▪ Compliance with information obligations</li> <li>▪ Knowledge of regulatory requirements</li> </ul>	Own business operations (advisory services)	ongoing
Use of software for securities advisory services	<ul style="list-style-type: none"> <li>▪ Quality assurance in advisory services</li> <li>▪ Documentation of the advisory</li> </ul>	Own business operations (advisory services)	ongoing
Expansion of the branch network	<ul style="list-style-type: none"> <li>▪ Increase presence for customers</li> <li>▪ Expansion of the advisory services</li> </ul>	Own business operations (advisory services)	one-time
Expansion of the digital offering	<ul style="list-style-type: none"> <li>▪ Increase accessibility for customers</li> <li>▪ Simplification of processes</li> </ul>	Own business operations (advisory services)	ongoing
Additional qualification for mortgage specialists as energy coaches	<ul style="list-style-type: none"> <li>▪ Expansion of the advisory services</li> <li>▪ Integration of energy management into private mortgage financing</li> </ul>	Own business operations (advisory services)	one-time

OLB primarily follows the applicable legal regulations in developing these actions. Additionally, these are defined based on experience, assuming that the actions implemented will achieve the desired effect.

*Information-related impacts for consumers and/or end-users*

OLB has a broad customer base, which results in a high relevance of consumer and end-user information due to its business model. Data protection and data security are important to us. Our goal is to protect customers' personal data. To achieve this, the bank pursues several core targets: Strict compliance with

all relevant data protection laws and regulations is a matter of course for the bank. OLB is convinced that protecting customer data is not only a technical task but also an organizational and human one. Therefore, the bank has a sensitization concept that includes training and eTrainings, which all employees must complete annually. These cover topics such as "Data Protection" and "Information Security", aimed at raising awareness of information security in general (including GDPR - General Data Protection Regulation) and preventing attacks such as phishing or similar. The mandatory training must be completed within a specified timeframe. If this is not adhered to, an escalation process is in place. Failure to complete the training may result in labor law consequences for the employee. The effectiveness of these actions is evaluated by Corporate Resilience based on its experience and is subject to a regulated control process. Participation in mandatory e-trainings is monitored, and escalation occurs if these are not completed on time. Furthermore, continuous phishing simulations are conducted. The results are tracked with benchmarks and communicated internally.

In the future, OLB will continue these actions. At this point, there are no plans to introduce new actions.

### *Personal safety of consumers and/or end-users*

Employees involved in securities advisory services are required to complete mandatory training on relevant regulatory requirements at least once, and are also given the opportunity to participate in information sessions about the products offered and capital market analysis as needed. Additionally, employees within the internal control system are sensitized and retrained if necessary. Furthermore, a securities advisor must have the required expertise in accordance with regulatory requirements. The expertise of securities advisors is reviewed at least once annually. This ensures the quality of the advice provided to customers and further reduces the risk of incorrect advice.

The use of advisory software, which accompanies the securities advisor during customer consultations, ensures that the bank's established processes, as well as regulatory information, verification, and documentation duties, are adhered to.

These actions are intended to ensure the protection of customers from unsuitable or overly risky investments and to foster trust in investment advice.

The internal control system consists of First-Level Controls, which are carried out by the relevant department, Second-Level Controls, which are reviewed in a second step by the Compliance Function, and Third-Level Controls, which are performed by Internal Audit in a third step. It enables the bank to identify regulatory violations, such as poor advice or misinformation provided to customers, assess the effectiveness of the implemented actions, and introduce further actions if necessary. These actions are then defined and implemented in coordination between Audit and/or Compliance and the relevant department.

In the future, OLB will continue with the actions already in place. At present, there are no plans to introduce new actions.

### *Customer advisory*

Through the merger of Degussa Bank into OLB on August 31, 2024, the branch network was expanded to cover the entire German territory. As of the reporting date, a total of 40 former Degussa Bank branches have been added.

In addition to expanding the accessibility on-site, efforts are also focused on expanding digital accessibility and optimizing processes. The Central & Digital Sales (CDS) is OLB's central digital sales channel for both private and business customers. The CDS serves customers nationwide with a centralized business approach (via phone, video, or email), complemented by digital channels. OLB has previously invested in the CDS to ensure seamless remote customer support.

The two main digital channels of OLB are Online Banking and Mobile Banking, and OLB has also invested in these channels. Both aim to provide a self-service area for customers and offer a channel for product sales. Since the end of 2023, customers can fully open an account digitally through the OLB app within minutes. Existing customers have been able to fully open fixed and daily deposit accounts digitally through Online Banking and the app since 2023. Since 2024, direct online account opening for securities accounts has also been enabled. By the end of 2025, all customers will have the opportunity to conduct securities transactions directly online.

The effectiveness of these actions is not subject to a defined internal process. An indicator that allows OLB to evaluate these actions is customer satisfaction, measured, for example, through the Net Promoter Score (NPS) and customer surveys after phone calls in the CDS.

At this point, no further actions have been specifically defined. However, OLB remains committed to advancing digitalization and simplifying its processes for the benefit of customers.

Furthermore, in 2024, OLB invested in expanding its advisory services in real estate financing by having both advisors and relevant executives complete additional training as "energy coaches" to better integrate sustainability aspects and legal subsidy programs in this segment into their consultations. The goal is to optimally support customers in their sustainable property renovations. Energy coaches at OLB offer customers tailored financing solutions focused on energy-efficient building and renovation. Customers are informed during the consultation about both the financial and ecological benefits. In this context, a related tool (co2online) was introduced, which is available to both customers and advisors to conduct a consumption and needs analysis. The customer receives a clear recommendation for appropriate energy actions, considering a cost-effectiveness assessment and potential state subsidies. Based on this, the financing plan can be created.

OLB aims to repeat this action to offer this additional qualification to the newly added advisors from the former Degussa Bank as well. However, no concrete actions have been defined yet.

So far, the effectiveness of this measure has not been qualitatively or quantitatively assessed at the customer impact level.

None of the listed actions involve operational expenses (OpEx) or investments (CapEx) of such magnitude that they would be classified as "significant."

### **S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

The following outlines specific targets related to addressing significant negative impacts, promoting positive impacts, and managing significant risks and opportunities.



### *Information-related impacts for consumers and/or end-users*

In the area of data protection and information security, OLB's primary goal is to always ensure strict compliance with legal and regulatory requirements. Changes in national and supranational regulations are continuously monitored and implemented into the bank's internal guidelines and work instructions accordingly.

The protection of personal data, which is processed by OLB and, where applicable, its third-party service providers, is of the highest priority for the bank.

The goal of OLB and the implemented ISMS (Information Security Management System) is to adequately protect information resources from information security risks related to the misuse, restriction, and loss of the security targets of confidentiality, integrity, and availability. The goal of information security is to ensure compliance with the following security targets:

- Confidentiality: Information must not be made available or accessible to unauthorized persons, organizational units, or processes.
- Integrity: Information must be protected from unauthorized modification regarding accuracy and completeness.
- Availability: All business-critical information and services must always be available to authorized users, organizational units, or processes as required for operations.
- Authenticity: Information must be verifiably from the persons, organizational units, or processes from which it is purported to have been generated.

Due to the continuously growing complexity of ICT systems and the associated threats/risks, both internal and external requirements for information security will continue to increase in the future. Particular importance is attached to the increasing legal and regulatory requirements. To meet these future requirements, OLB's ISMS (Information Security Management System) additionally aims to ensure the proper integration of internal and external requirements into the information security guidelines.

In accordance with regulatory requirements, the Chief Information Security Officer (CISO) reports quarterly in an information security report and, if necessary, directly to the Management Board on the adequacy and effectiveness of the ISMS, the risk situation, and key risk indicators, as well as on the adequacy and effectiveness of the implemented actions. The quarterly report also covers incidents in information security during the past quarter and current trends.

Another goal of OLB is to fully implement EU Regulation 2022/2554 on Digital Operational Resilience in the Financial Sector (Digital Operational Resilience Act, DORA) in all areas by the end of 2025. This regulation aims to strengthen the digital resilience of financial service providers and ensure that banks, including their third-party service providers, remain resilient to ICT risks in an increasingly digital world.

The implementation of the regulation strengthens not only the security and stability of OLB but also the trust of our customers and partners. With DORA, we ensure that we continue to meet the highest standards in areas such as information and IT security, business continuity management, crisis management, and third-party risk management. Key changes to implement DORA include the revision of internal guidelines, the adjustment of processes primarily in the Corporate Resilience and IT departments, and the technical implementation of requirements on the IT side. The overall responsibility for implementing this project lies with the Steering Committee "DORA Implementation", and tracking and result-oriented

management are handled by Project Management OLB. The progress of the project is tracked in regular meetings of the Steering Committee, with milestones reported regularly to the Management Board and the Audit Committee of the Supervisory Board.

There are currently no additional measurable, time-bound targets in the area of information security. So far, consumers and end-users have not been involved in the development of these targets.

OLB strives to inform its customers about its services and products in the best possible way. In this context, strict compliance ensures that legal and regulatory standards are adhered to. The goal for OLB is not only to ensure the avoidance of violations but also to meet customer expectations, thereby increasing customer trust.

At present, no concrete, measurable, time-bound targets have been set for information provision. Therefore, consumers and end-users have not been involved in the development of such targets.

### *Personal safety of consumers and/or end-users*

OLB strives to protect its customers and their financial assets in the best possible way through its services. Its primary targets are compliance with consumer and investor protection regulations and the implementation of responsible lending practices. In particular, ensuring the quality of advice is of high importance to the bank, both in its established processes and in ensuring the expertise of its employees, in order to protect customers from incorrect advice and, thus, from potential harm to their financial assets.

At present, no concrete measurable, time-bound targets have been set in this area. Therefore, consumers and end-users have not been involved in the development of such targets so far.

### *Customer advisory*

OLB aims to continuously increase customer satisfaction. The focus is on continually improving the personal accessibility for customers. The goal is to handle each customer issue through the most efficient channel and to provide seamless support, even remotely. In this regard, the digitalization of services plays a significant role.

One goal is that, by the end of 2025, all customers should have the opportunity to conduct securities transactions directly online. OLB also plans to optimize Online Banking and the app with new functions in the medium term.

The importance of technical solutions is significant in this diverse and regulatory business. Therefore, OLB has decided to eventually transfer its securities business entirely to a service provider. This aims to enable faster digitalization of the business and expand the product and service offerings. As part of the merger of Degussa Bank into OLB on August 31, 2024, the transferred securities business was already moved to the service provider. Tracking and result-oriented management of the further transfer is the responsibility of the Project Management Office.

A strategic goal in the field of real estate financing is to maintain hybrid advisory services by real estate financing advisors, who will also act as energy coaches. Given the significant need for renovations in the German building stock, which is crucial for the green transition, energy-efficient modernization is often unaffordable without external financing. The goal is to optimally support customers in the sustainable renovation of their properties. OLB aims to sustainably train and, if necessary, further educate its real

## OLB Sustainability Statement 2024

estate financing advisors in this area. Measurable, time-bound targets for this topic have not yet been set beyond the already implemented actions.

OLB also aims to continuously improve its offering of sustainable products, particularly in securities advisory services. Another goal is to introduce modules in asset management focused on sustainable investments. However, no measurable, time-bound targets have been set for this yet, and no direct involvement of consumers and end-users has taken place in this regard so far.

## **4 Governance information**

### **ESRS G1 Business conduct**

#### **G1-1 – Corporate culture and business conduct policies and corporate culture**

OLB places great emphasis on aspects of corporate culture, the protection of whistleblowers, and the prevention of corruption and money laundering. In line with the United Nations Convention against Corruption, OLB has implemented processes to combat corruption, bribery, and money laundering (see also G1-3). These include extensive actions to meet the requirements of laws and regulatory authorities.

OLB views its responsibility in the area of corporate culture as a central priority. The management places great importance on transparency, integrity, and accountability. The bank considers corporate culture at all levels of the organization to be an essential part of effective risk management.

OLB's corporate culture is significantly shaped by the attitudes and behaviors of management, with the Board of Directors, Supervisory Board, and management playing a particularly important role in setting an example. For the Board of Directors, Supervisory Board, and managers, this means consistently promoting the compliance and risk culture within the bank and strengthening the value system that firmly anchors risk management and risk awareness in the corporate culture.

The basis for this is the Code of Conduct, which was approved by the Board of Directors and outlines the behavioral principles at OLB. The Code of Conduct is a fundamental element of the bank's lived values and serves as the minimum standard for the behavior of all employees. It includes topics such as the core values and standards of the bank, responsible corporate governance, ethical and lawful conduct of business, customer protection, communication, preventing bribery and corruption, handling social networks, and consequences for violations. All employees are required to acknowledge and comply with the described rules and behaviors. The acknowledgment of the Code of Conduct is confirmed in writing by the employee during the hiring process. The Code of Conduct is permanently accessible to all employees on the intranet and is also available to external parties on the OLB website. It applies to the entire workforce of OLB. The overall responsibility lies with the Board of Directors. For the implementation of the Code of Conduct concerning labor law matters, Human Resources is responsible (see also S1-1), and for compliance-related matters, the Compliance Department is responsible. A breach of the rules outlined in the Code of Conduct may result in labor law consequences.

OLB stands for an open and transparent corporate culture and views the whistleblowing report as an opportunity to prevent and clarify violations early on. OLB has established reporting channels for misconduct and actions to protect whistleblowers. These processes are regulated in the Whistleblowing System Policy and the Complaint Procedure according to the LkSG and apply bank-wide (see also S1-3, S4-3, and G1-2). They provide the framework for reporting misconduct and include the corresponding communication and reporting channels, the process, and guidelines for whistleblower protection. The Compliance Department is responsible for the operational implementation and reporting.

The reporting channels are freely accessible to OLB employees as well as external individuals via the OLB website. The whistleblowing procedure covers reports of any type of compliance violations, while the complaint procedure focuses on reports of human rights and environmental violations. Reports can be submitted anonymously via the respective usual channels, generally to the external trusted lawyer (reporting platform, phone) or to the Compliance Function (phone, email, fax, letter) at OLB. Reports under

## OLB Sustainability Statement 2024

the HinSchG can also be made to the Federal Office of Justice or the Federal Financial Supervisory Authority (BaFin).

The investigation of tips and complaints is carried out with a focus on protecting confidentiality and ensuring legal compliance by a specially trained team within the Compliance Department. This ensures that all reported incidents are thoroughly investigated promptly, with an independent perspective and objective evaluation, follow-up actions are initiated, and the whistleblower is informed. All individuals involved in processing whistleblowing cases or complaint processes according to the LkSG must treat the information received as strictly confidential. Unauthorized disclosure or misuse of confidential information and data is prohibited.

OLB does not tolerate any retaliation against employees who provide tips in good faith. The HinSchG provides the legal framework for the protection of a whistleblower. An employee who reports illegal or unethical actions in good faith should not fear any disadvantages, even if the suspicion turns out to be unfounded.

The following table provides an overview of the actions implemented in the reporting year to carry out the relevant policies related to corporate culture:

Measure	Results	Area of activity	Time horizon
"Tone from the top"	<ul style="list-style-type: none"> <li>▪ Leading by example in values and behaviors</li> <li>▪ Shared understanding of the lived corporate culture</li> </ul>	Own business operations (own workforce)	ongoing
Target setting	<ul style="list-style-type: none"> <li>▪ Strengthening compliance awareness</li> <li>▪ Adherence to regulatory requirements</li> </ul>	Own business operations (own workforce)	ongoing
Compliance management system	<ul style="list-style-type: none"> <li>▪ Compliance with laws and regulations</li> <li>▪ Multi-level, effective control</li> </ul>	Own business operations (own workforce)	ongoing
Compliance function	<ul style="list-style-type: none"> <li>▪ Promotion of the compliance culture</li> <li>▪ Ensuring information, advice, support, and monitoring</li> </ul>	Own business operations (own workforce)	ongoing
In-person seminar on compliance culture	<ul style="list-style-type: none"> <li>▪ Raising awareness on compliance</li> <li>▪ Managers as compliance ambassadors</li> </ul>	Own business operations (own workforce)	2024
Whistle-blower system	<ul style="list-style-type: none"> <li>▪ Anonymous reporting of violations</li> <li>▪ Objective investigation of violations</li> </ul>	Own business operations (own workforce)  Downstream value chain (customer processes)	ongoing

The goal of these actions is to sustainably secure the trust of customers, shareholders, and the general public, while protecting the bank from risks. A key element in promoting the compliance culture is the corresponding "Tone from the Top", which is communicated by the Board of Directors during bank-wide events, among other methods. To sustainably strengthen the company-wide compliance awareness and risk culture, targets related to the implementation and adherence to regulatory requirements are anchored in the target agreements for leadership.

OLB regularly trains its employees on compliance-related topics to promote the necessary awareness. An overview of the training is also included in G1-3. The OLB trains the entire workforce at the time of hiring and continuously every two years through a cross-departmental eTraining "Compliance

Fundamentals". Since all employees can be exposed to compliance risks such as corruption and bribery risks, this training is a mandatory part of the bank-wide training program and aims to raise awareness among the staff.

In the area of money laundering, OLB offers regular training for its employees to ensure that they are aware of the latest trends and techniques and know how to identify and report suspicious activities. To prevent money laundering, terrorism financing, and other criminal activities, the workforce is trained at the time of hiring and continuously through eTraining. All employees in sales are trained annually, as they are exposed to higher risks due to customer contact and are the most vulnerable. The rest of the workforce is trained every two years. The training content takes into account the current internal and external framework conditions, practical cases, as well as information on the whistleblower system, and is immediately updated in the event of relevant changes in the legal environment or changes in the bank organization. These trainings are also mandatory.

In the reporting year, Compliance additionally conducted an in-person seminar on compliance culture for leadership below the Management Board, who then acted as ambassadors for their respective areas of responsibility. The goal is to involve a broad base of employees and ensure comprehensive awareness of the topic of culture.

OLB has implemented a compliance management system and ensures appropriate conditions for compliance with laws and regulations through the "Three Lines of Defence" model. The "Three Lines of Defence" model is a risk management structure that clearly defines responsibilities. The first line includes business areas that identify and control risks. The second line includes supervisory functions such as risk management and compliance, while the third line represents internal audit, which reviews the effectiveness of the first two lines.

Promoting, communicating, and sustainably embedding a compliance culture are among the central tasks of the Compliance Function. Through its informational, advisory, support, and monitoring functions, Compliance plays a key role in ensuring compliance with regulatory requirements and fostering ethical behavior by employees. It regularly reports to the Board of Directors and Supervisory Board (see also G1-3).

### **G1-2 – Management of relationships with suppliers**

OLB has established processes for managing its supplier relationships. These processes are embedded in the procurement policy and the Supply Chain Due Diligence Act (LkSG) policy within the bank's written processes. The guidelines apply bank-wide and describe the management of procurement processes, with a focus on the upstream value chain. The Internal Services & Contract Management Department is responsible for operational implementation. To comply with human rights and environmental due diligence in the supply chain, a risk management system has been established, and its monitoring is overseen by the Head of Sustainability. The related process is outlined in the board-approved human rights strategy, published on the bank's website, and can be summarized as follows:

- Risk analysis under the LkSG is conducted annually and as needed to identify human rights and environmental risks within the bank's business operations as well as with direct suppliers. The risk analysis follows two sequential steps:
  1. In the first step, all direct business partners in the supply chain are examined and assigned to a risk category based on inherent country and industry risks (abstract risk analysis) to identify suppliers with elevated risks or strategic significance.

2. In the second step, the group of suppliers identified is subjected to a detailed supplier rating, based on internationally recognized sustainability standards (International Labour Organization's labor standards, UN Global Compact, Sustainable Development Targets, Global Reporting Initiative, and ISO 26000), which include criteria related to environmental, labor, and human rights, ethics, and sustainable procurement (individual risk analysis). For both steps, OLB uses EcoVadis software and database.
  - Depending on the type and scope of the risk identified in the risk analysis, OLB takes preventive actions. These are differentiated between preventive actions in the bank's own operations and those aimed at direct suppliers.
  - The preventive actions within the bank's own operations include the implementation of the human rights strategy outlined in the fundamental declaration, including the implementation of appropriate procurement practices, training for employees in relevant business areas, and controls to verify compliance with the due diligence described in the fundamental declaration.
  - In tenders and market analyses, OLB considers human rights and environmental issues in evaluating direct suppliers. These aspects are also considered as expectations when concluding new supplier contracts. To enforce these expectations, training and further education are conducted, and the agreement of appropriate control mechanisms is made a mandatory part of the contracts. The implementation of preventive actions is supported both procedurally and substantively by the EcoVadis software solution.
  - In the event of an actual or imminent violation of a human rights or environmental duty within the bank's own operations or with a direct supplier, OLB immediately takes appropriate remedial actions to prevent, terminate, or minimize the violation. The implementation of remedial actions is supported by the EcoVadis software solution, which helps create improvement suggestions and corrective action plans, which are coordinated, prioritized, and monitored with the supplier.
  - If a direct supplier fails to implement the required remedial actions, the business relationship may be temporarily suspended. Termination of the business relationship is considered a last resort, after all other options have been exhausted.
  - OLB has established a complaints procedure that allows individuals to report potential human rights and environmental risks, as well as violations of human rights or environmental obligations, that have arisen due to the economic actions of OLB or any affiliated companies, direct suppliers, or indirect suppliers.
  - Should OLB become aware of a substantiated violation of a human rights or environmental obligation with indirect suppliers, it will immediately conduct a risk analysis, establish appropriate preventive actions against the perpetrator, create and implement a plan to prevent, terminate, or minimize the violation, and, if necessary, update its fundamental declaration accordingly.
  - The analyses, results, and any actions taken as part of the due diligence process are continuously documented and retained for at least seven years.

In terms of potential procurement challenges within the supplier portfolio, a Third Party Risk Management (TPRM) guideline has been created. It is derived from OLB's current business and risk strategies, as well as the strategy for digital and operational resilience. The overall responsibility for TPRM lies with the Management Board, which has entrusted the Corporate Resilience Department with the operational development, implementation, and continuous improvement of TPRM. The guideline applies to all employees and focuses on the upstream value chain. It encompasses all relevant business processes and

activities of OLB related to the lifecycle of contractual agreements with third-party service providers. Due to the increasing digitalization in the use of information and communication technologies (ICT), ICT third-party services are given particular importance in the guideline.

As part of TPRM, contractual relationships associated with outsourcing and ICT third-party services are addressed. The guideline sets the minimum standard for the development, implementation, maintenance, monitoring, and continuous improvement of policies, processes, guidelines, and methods aimed at ensuring an adequate and effective management of TPRM risks within OLB. The goal of TPRM is to appropriately protect business operations from TPRM risks. The following main targets are pursued:

- Management of third-party risks: Aiming for proactive, appropriate, and effective management of TPRM risks throughout the entire contract lifecycle of outsourcing and ICT third-party services.
- TPRM compliance: Ensuring adequate and effective implementation of requirements for outsourcing and ICT third-party services.
- Awareness and training: Implementing continuous and targeted sensitization policies and actions to raise awareness of the strategic and operational importance of TPRM.

TPRM risks are identified, analyzed, evaluated, managed, and reduced with targeted counteractions, as outlined in the guideline to protect business operations. Appropriate risk analyses are conducted for this purpose. Additionally, for example, before engaging new service providers, a Quick Check is conducted to determine the category of the third-party service. When determining the actions for risk treatment, their adequacy must be taken into account. To support adequate risk treatment, TPRM includes clear organizational structures and supporting processes, such as reporting incidents or reviewing the adequacy and effectiveness of guidelines. The central outsourcing officer acts as the central control and monitoring function for risks associated with outsourcing and ICT third-party services. This role is held by the Head of Corporate Resilience, who reports directly to the Management Board.

OLB has implemented the following actions for managing relationships with suppliers:

Measure	Results	Area of activity	Time horizon
Establishment of a risk management system to comply with human rights and environmental due diligence in the supply chain	Issuance of the fundamental declaration on the human rights strategy	Upstream value chain	2024
Establishment of third-party risk management.	Publication of the guideline for defining processes and responsibilities in third-party risk management.	Upstream value chain	2024

Regarding the management of relationships with suppliers, OLB has not set measurable, result-oriented targets.

In line with legal requirements, OLB will prepare an annual report starting in 2025 on the fulfillment of its human rights and environmental due diligence in the supply chain. This report will inform whether any relevant risks or violations of such obligations have been identified. If so, OLB will transparently explain the actions taken to fulfill the due diligence obligation, how the impacts and effectiveness of the actions were assessed, and what conclusions were drawn from the evaluation for future actions.



As part of the implementation of TPRM, the central outsourcing officer will report quarterly and, if necessary, ad hoc directly to the Management Board on the adequacy and effectiveness of the established processes and implemented actions.

### G1-3 – Prevention and detection of corruption and bribery

The Code of Conduct forms the basis of the system for preventing corruption, bribery and money laundering. It is published both internally and externally and sets out clear rules and behaviours expected of all employees (see also S1-1 and G1-1). In addition, specific requirements addressing corruption, bribery and money laundering have been implemented. These apply equally to the entire workforce and oblige all employees to act in compliance with legal and regulatory standards.

These requirements are embedded in the Bank’s written internal framework through the Anti-Money Laundering Policy and the Anti-Corruption Policy. These policies apply across the entire Bank and define the framework for addressing money laundering and corruption risks from the perspective of customer integrity, employee and organisational integrity, as well as third-party integrity. The Anti-Money Laundering Policy sets out the risk management approach to money laundering, obligations regarding the initiation and monitoring of business relationships, the continuous updating and monitoring of such relationships, as well as processes for handling suspicious cases. Its primary focus is on the Bank’s own staff and customer-related processes. The Anti-Corruption Policy, among other things, regulates the handling of gifts and invitations, political donations, and conflicts of interest, and also applies to the Bank’s own workforce.

Responsibility for risk management in relation to corruption, bribery and money laundering lies with the Management Board member responsible for compliance (§ 4 para. 3 GwG). This responsibility exists without prejudice to the overall responsibility of the management. The Compliance Function and the Internal Audit Function contribute to the implementation of the relevant requirements. These functions are independent from operational business, are vested with comprehensive powers, and have unrestricted rights of access to information.

The Code of Conduct and the internal policies are accessible to all employees via the Bank’s intranet and are regularly reviewed for updates. Employees are informed of any changes via email. This ensures that any updates and amendments are communicated without delay.

The following table provides an overview of the actions implemented during the reporting year to put the respective policies on corruption, bribery and money laundering into practice:

Measure	Results	Area of activity	Time horizon
Annual risk analysis	Insights into specific vulnerabilities and roles/tasks with high exposure potential	Own business operations (own workforce)	ongoing
“Compliance Basics” training	<ul style="list-style-type: none"> <li>▪ Raise awareness among staff</li> <li>▪ Establish shared understanding of zero tolerance for corruption/bribery</li> </ul>	Own business operations (own workforce)	ongoing
Risk-based controls	<ul style="list-style-type: none"> <li>▪ Enhanced due diligence for high-risk transactions</li> <li>▪ Verify identity</li> </ul>	Own business operations (own workforce)	ongoing

## OLB Sustainability Statement 2024

Anti-money laundering training	<ul style="list-style-type: none"> <li>▪ Understand trends and techniques in money laundering</li> <li>▪ Build competence to detect and prevent money laundering</li> </ul>	Own business operations (own workforce)	ongoing
Transaction monitoring	<ul style="list-style-type: none"> <li>▪ Detect unusual and suspicious transactions</li> <li>▪ Report suspicious cases in line with legal requirements</li> </ul>	Own business operations (own workforce)  Downstream value chain (customer processes)	ongoing

The actions to prevent money laundering, corruption and bribery are aimed at ensuring sustainable and ethical business practices while protecting the Bank from associated risks. They support the Bank's commitment to maintaining the integrity of the financial system and preventing criminal activities.

As part of its risk management activities, OLB conducts an annual and event-driven risk analysis concerning money laundering, terrorist financing, and other criminal offences. The objective is to capture, identify, categorise and assess specific risks comprehensively and thoroughly, and to derive the necessary safeguards and controls required for prevention. The risk analysis is carried out in five consecutive steps:

1. Complete assessment of the company-specific situation
2. Identification and recognition of risks
3. Categorisation and assessment of the identified risks
4. Development and implementation of appropriate risk mitigation actions
5. Review and further development of the implemented preventive actions

The systematic annual risk analysis enables the identification of potential risks relating to money laundering, corruption and bribery.

OLB has established business- and customer-related control systems, updates them regularly, and conducts risk-based controls to verify customer identity and detect suspicious activities. This includes, in particular, the screening of business partners during account opening and regular reviews of existing customer relationships. The Bank has implemented systems to monitor transactions in order to detect unusual or suspicious activities. Where such activities are identified, clear processes are in place for reporting and investigation.

OLB works closely with the competent authorities and reports suspicious activities in accordance with legal requirements.

The following table provides an overview of the number of confirmed cases of corruption and bribery during the reporting year:

<b>Number of convictions and the amount of</b>	
Number of convictions for corruption and bribery offences	0
Amount of fines for offences against corruption and bribery regulations	0

The Bank regularly reviews and updates its strategies and processes for the prevention of money laundering, corruption and bribery as part of its risk analysis activities. This ensures their effectiveness and alignment with evolving risks and regulatory requirements.

As described in G1-1, OLB offers regular training for its employees in the areas of money laundering and compliance. Both training courses are provided as e-learning modules and must be completed at the time of hiring and subsequently at regular intervals. The training is mandatory. The “Compliance Basics” training covers the following topics:

- What is compliance?
- Compliance in everyday work
- Consequences of violations
- Compliance within the company
- General Equal Treatment Act (AGG)
- Reputational risks

The topic of corruption and bribery is an integral part of the training and includes aspects such as the handling of gifts and invitations as well as fair conduct in business transactions. To deepen understanding and illustrate the content, practical examples are integrated into the training modules.

The following table provides an overview of the training sessions conducted during the reporting year:

	<b>Employees in risk-related functions</b>	<b>All Employees</b>
<b>Compliance basics (eLearning)</b>		
Assigned employees	685	1906
Frequency	Every two years	Every two years
Duration	55 minutes	55minutes
Completion rate	97.81%	96.85%
<b>Money laundering</b>		
Assigned employees	940	982
Frequency	Annually	Every two years
Duration	25 minutes	25 minutes
Completion rate	95.53%	97.25%

In the reporting year, a mandatory training on compliance culture was conducted for managers and for employees in the securities division. In addition, it was offered on a voluntary basis to all employees. Overall, the participation rate in relation to the total number of employees was 62.6%. For day-to-day questions, employees can consult their respective managers or the Compliance Department for advice.

## OLB Sustainability Statement 2024

The Head of Compliance reports quarterly and, where necessary, on an ad hoc basis directly to the Management Board on the adequacy and effectiveness of the established processes and implemented actions. The annual report is forwarded to the Supervisory Board and presented by the Head of Compliance at the annual meeting of the Supervisory Board's Audit Committee. In addition, the Supervisory Board is informed on a quarterly basis about regulatory changes. No further training actions for the Supervisory Board are conducted in this context.

**Annex: Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)**

The disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation) have been published in a separate .xlsx file for better clarity.