

APPENDIX: FEBELFIN'S SUSTAINABILITY REPORT

From a sustainable investment standard to digital inclusion: sustainability, in the broadest sense, has long been at the heart of Febelfin's work.

In 2021, the Febelfin team re-examined how we can make a sustainable contribution through our core activities. As a financial sector federation, Febelfin highlighted the efforts and initiatives through which it can help and support its members to maximise their positive impact on society and thus strengthen the financial sector's social contribution to a sustainable transition. We continue to work with our members on solutions to the social challenge of 'becoming

more sustainable' (for example, by offering green renovation loans and sustainable investment products), as well as social initiatives to promote inclusion, such as the universal banking service.

Febelfin does not just think sustainably. It wants to be sustainable and communicate this transparently to its members and stakeholders.

We highlight some of our ESG (environmental, social and governance) achievements in the overview below. This is linked to the UN Sustainable Development Goals (SDGs).

ENVIRONMENT

13 CLIMATE ACTION



General:

- Supporting members in integrating European taxonomy
- Supporting energy renovation of buildings (residential and commercial) through mortgage loans
- Helping members integrate sustainability preferences into investor profiles and investor protection rules (MiFID)
- Making businesses aware of the importance of sustainability and ESG reporting and individual support to businesses by members on climate transition and investment planning

Internal governance:

- Internal mobility policy initiatives: electric bicycle; possibility of charging bicycles and electric cars; flexible mobility budget and so forth
- Internal energy-saving measures: focus on saving electricity, heating and lighting, solar panels, green roofs, limited use of printers, sustainable waste disposal and recycling policies, and so forth.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- Managing and developing a standard for sustainable financial products (Towards Sustainability label)
- Developing financing solutions to support the circular economy, particularly through financial leasing: charter on the circular economy
- Supporting members in the increasing integration of ESG aspects (e.g. communication on ESG reports, and so forth)

SOCIAL

1 NO POVERTY



- Developing and providing coronavirus support measures to individuals and businesses
- Many actions and partnerships relating to digital inclusion, especially for vulnerable groups
- Responsible lending and combating over-indebtedness
- Maintaining the accessibility of banking services by offering basic banking services to individuals and introducing the universal banking service (UBS) and the ten action points to promote digital and wider inclusion

4 QUALITY EDUCATION



- Many financial and digital literacy initiatives for different target groups
- Raising the general public's awareness of cyber security
- Info sessions and webinars on digital banking, payments and security

5 GENDER EQUALITY



10 REDUCED INEQUALITIES



- Actions and campaigns to improve gender diversity and inclusion in the sector (e.g. inclusion campaign and development of tools to improve inclusion)
- Actions and initiatives to combat all forms of discrimination (background, religion, and so forth)
- Working with other sectors and businesses on greater gender equality (e.g. inclusive panels)
- Women in Finance project
- Appointing an inclusion coordinator to continue developing the inclusion policy, internally and externally

8 DECENT WORK AND ECONOMIC GROWTH



- Creating tools to channel investment towards economic transition and transformation
- Efforts to position the financial sector as an attractive employer
- Investing in ongoing staff training
- Initiatives to control work-life balance, including the structural framework for remote working
- Initiatives to guide staff through the digital switch
- Efforts to negotiate salaries and maintain an attractive pay package
- Internal staff policy: possibility of remote working; flexible working hours; attention to diversity; gender-neutral vacancies; training; attention to ergonomics, possible stress factors at work, and so forth

GOVERNANCE

8 DECENT WORK AND ECONOMIC GROWTH



- Febelfin internal governance: investing an ever-increasing proportion of available reserves in sustainable products (funds)

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



- Initiatives and new legislation to combat financial crime and money laundering
- Supporting members in applying international embargoes
- Supporting initiatives to continuously update internal control and compliance procedures
- Assisting members in applying national and international tax legislation for the proper collection of taxes payable

17 PARTNERSHIPS FOR THE GOALS



- Many partnerships with federal, regional and local governments, NGOs, social organisations and other institutions to achieve and develop the above objectives
- Creating the Sustainability Director position to develop and expand the sustainability policy as much as possible, both internally and externally