Sustainability Report
2024

1856

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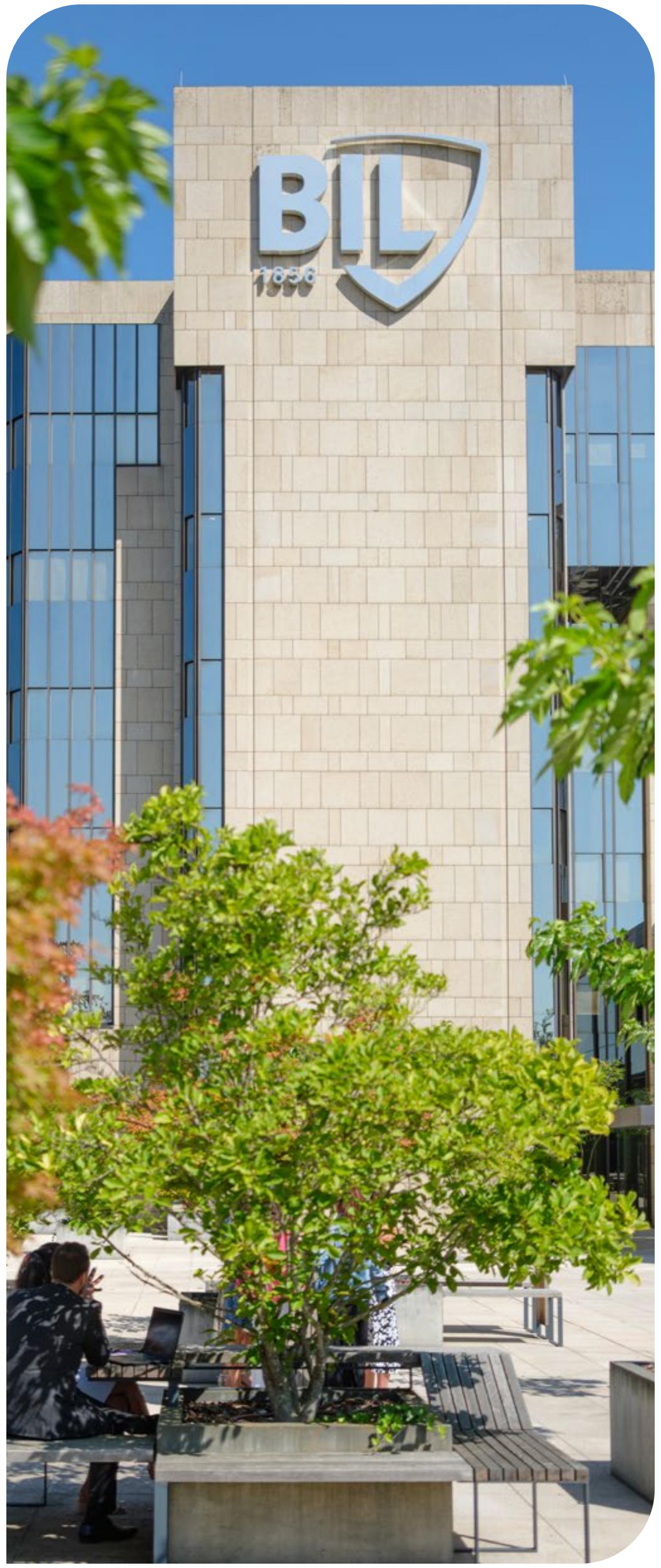


01. General Information

1. General basis for preparation

The Sustainability Report ("the Report") of Banque Internationale à Luxembourg incorporates information of the head office and its consolidated subsidiaries, as detailed in Note 2: Scope of Consolidation of the Annual Financial Statements. The consolidated entity has been referred to as 'BIL Group' in the Report. The terms "BIL", "BIL Group" and "the Bank" have been used synonymously throughout the Report. The Report does not include information on non-material associates and non-consolidated subsidiaries. The terms "clients", "consumers", "customers" and "end-users" have been used interchangeably throughout the Report.

The contents of the Sustainability Report have been based on the principles of the European Sustainability Reporting Standards (ESRS) as given under Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards. The standards have been used to disclose sustainability-related information in four parts: 'general information', 'environmental information' (including disclosures pursuant to Article 8 of Regulation (EU) 2020/852), 'social information' and 'governance information'. Cross-cutting standards have been presented under 'general information' while disclosures of topical standards are based on materiality as per the Double Materiality Assessment.

Although BIL cannot claim full compliance with the Corporate Sustainability Reporting Directive (CSRD) due to pending national transposition, the European Sustainability Reporting Standards (ESRS) provide a foundational framework for this Report. This report adheres to the Non-Financial Reporting Directive (NFRD) in anticipation of the CSRD transposition.

TIME HORIZON

The information in the Report covers the period of 1 January 2024 to 31 December 2024, following the reporting period of the Annual Financial Statements.

BIL has adopted the following time intervals in preparing its Sustainability Report:

- Short-term: 1 year (the reporting period)
- Medium-term: from the end of the short-term period to 5 years
- Long-term: more than 5 years

VALUE CHAIN INCLUSION

The Sustainability Report covers BIL Group's upstream and downstream value chain through its Double Materiality Assessment, policies, actions and targets directed towards suppliers and clients and certain metrics (Scope 3 GHG emissions calculations, EU Taxonomy disclosures). The Report, where relevant, highlights the inclusion of the value chain in the scope of the metrics disclosed. Refer to sections 'Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation")' and 'GHG emissions' for details on their preparation and accuracy.

SOURCE OF ESTIMATION AND OUTCOME UNCERTAINTY

Metrics related to GHG emissions and EU Taxonomy are subject to certain levels of estimations and assumptions. Refer to sections 'Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation")' and 'GHG emissions' for details on data quality and other dependencies.

BIL Group has not omitted any specific piece of information corresponding to intellectual property, know-how or the result of innovation in its Sustainability Report.

CHANGES IN PRESENTATION OF SUSTAINABILITY INFORMATION

Calculations pertaining to the Green Asset Ratio (GAR) under Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation") for 2023 have been modified. Changes have been detailed in section 'Disclosures Pursuant to Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation")'.

Figures of 2022 and 2023 operational GHG emissions, presented in the 2023 Sustainability Report have been amended as a result of the implementation of a new calculation tool. More details can be found in section 'BIL's operational emissions'.

Figures of the 2022 financed GHG emissions, presented in the 2023 Sustainability Report have been updated due to adjustments in the calculations. More details can be found in the section 'BIL's financed emissions'.

INFORMATION STEMMING FROM OTHER LEGISLATION

Disclosures Pursuant to Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation") have been disclosed in this Report.

Refer to section 'Disclosures Pursuant to Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation")' for more information.

2. Governance

2.1. Role of the administrative, management and supervisory bodies

Corporate Governance of BIL Group

The corporate governance of BIL Group is articulated around the following organs:

A. GENERAL MEETING OF SHAREHOLDERS (GM)

The General Meeting of Shareholders has the widest powers to adopt or ratify any action related to BIL Group. The annual GM receives a management report from the Board on the Bank's activities in the previous financial year and approves the balance sheet and profit and loss account. The annual GM also appoints the Directors and, where necessary, their replacements, while respecting legal provisions regarding the representation of salaried staff and the statutory right for directors to appoint a new director temporarily in case of vacancy. The extraordinary GM has the authority, as described in applicable laws, to amend the Bank's corporate object or legal form, as well as to decide on any amendments to the articles of association, such as those arising from capital increases or reductions.

B. BOARD OF DIRECTORS (THE BOARD)

The Board has overall responsibility for BIL Group and is tasked with defining, monitoring, and ensuring the implementation of robust governance and internal control arrangements for sound and prudent management of the Bank. Among its missions, the Board is responsible for setting and overseeing the overall business and risk strategy, including the Risk Appetite Statement and Framework of BIL Group.

The Board is assisted by four specialised committees:

- **Board Audit and Compliance Committee (BACC):** Monitors and controls effective implementation and adherence to the Bank's approved charters, policies, accounting standards, and legal and regulatory requirements. It makes recommendations to the Board or the CEO and/or the Management Board as necessary.
- **Board Strategy Committee (BSC):** Assists the Board in setting strategic direction, advising on the Bank's overall strategy and budget, and providing recommendations.
- **Board Risk Committee (BRC):** Ensures that all material risk matters are addressed and oversees current and anticipated risks within the BIL Group that could jeopardise financial and liquidity capacities. The BRC reviews and challenges the Internal Capital and Liquidity Adequacy Assessment Processes (ICLAAP) and recommends conclusions to the Board at least annually, or more frequently if needed.
- **Board Remuneration and Nominations Committee (BRNC):** Focuses on nomination and remuneration matters, assisting the Board in defining a global Remuneration Charter and advising on the suitability assessment and appointment/dismissal processes for Board and Management Board members.

C. MANAGEMENT BOARD (MB) AND EXECUTIVE COMMITTEE (EXCO)

The Board of Directors delegates the daily management of the Bank to the Management Board (MB), which consists of members authorised by the European Central Bank. The MB leads, directs, and manages BIL Group, implementing the strategy and achieving business objectives in line with the risk appetite set by the Board. The MB is collectively responsible for the effective day-to-day management of the Bank. It meets weekly and, on an ad-hoc basis as needed. MB Members are jointly responsible for all decisions made by the MB, with recommendations for election made by the BRNC-N following positive suitability assessments defined in the Suitability & Succession Charter.

The ExCo comprises Authorised Managers and heads of support functions and business lines, chaired by the CEO. The Chief Compliance Officer and Chief Internal Auditor are permanent invitees to the ExCo, with direct reporting lines to the Chair of the Board and the Chair of the Board Audit and Compliance Committee.

D. MANAGEMENT COMMITTEES

To enhance effectiveness on transversal topics within the MB's scope, which require specific emphasis, the MB delegates decision-making powers to Management Committees composed of MB members and technical experts.

The "administrative, management and supervisory bodies" mentioned in this Report comprise the BIL Group's Board of Directors and Executive Committee.

The table below represents the composition of the Board of Directors of BIL Group.

COMPOSITION OF THE BOARD OF DIRECTORS	2024
Number of executive members in the Board	0
Number of non-executive members in the Board	13
Percentage of independent members (Staff representatives included)	30%
Percentage of independent members (Staff representatives excluded)	44%
Percentage of male members[1]	89%
Percentage of female members[1]	11%
Average ratio of female to male board members[2]	1:9

The table below represents the composition of the Executive Committee (ExCo) of BIL Group.

COMPOSITION OF THE EXECUTIVE COMMITTEE	2024
Number of executive members in the ExCo	11
Percentage of male members	73%
Percentage of female members	27%
Average ratio of female to male Executive committee members	3:8

Management body expertise on sustainability matters

The knowledge and experience of climate-related and environmental risk is one of the criteria assessed in the context of the individual and collective suitability assessment exercise, both when on-boarding a new member and on an annual basis.

During this exercise, not only is each member asked to self-assess the level of his/her knowledge in this matter but the Bank, through its Board Remuneration and Nomination Committee, and ultimately the Board of Directors, proceeds to its own assessment both at individual and collective level.

In addition to being provided with relevant trainings, the management body receives regular expert updates on how the Bank performs in sustainability-related matters.

Having a management body with an appropriate understanding and expertise of sustainability-related matters ensures that this topic is considered when discussing impacts, risks and opportunities.

[1] Staff representatives excluded in line with EBA guidelines
[2] Excluding staff representatives

2.2. Sustainability matters addressed by the administrative, management and supervisory bodies

(A) INFORMATION FLOW TO ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The administrative, management, and supervisory bodies are regularly informed about sustainability matters through structured reporting mechanisms. Specifically, the ESG Strategic Steering Committee, the Executive Committee and the Board of Directors receive comprehensive updates on a regular basis. ESG matters are also addressed in specific management committees such as the Asset and Liability Management (ALM) Committee or the Credit Committee.

The ESG Strategic Steering Committee

To strengthen ESG governance, the ESG Strategic Steering Committee oversees the ESG Programme implementation, which covers all ESG projects at BIL.

The ESG Strategic Steering Committee, is composed of seven permanent members, all members of the Executive Committee (including four members of the Authorised Management (*)), and the Group Head of Sustainability:

- Head of Strategy, SGO and Balance Sheet Management (*)
- Chief Risk Officer (*)
- Head of Wealth Management
- Head of Luxembourg Market and CIB (*)
- Head of CEO Office
- Chief Financial Officer (*)
- Chief Compliance Officer

In addition, permanent invitees ensure that all programme/business/control and support functions are represented, including the 3 Lines of Defence. This level of management involvement ensures that the ESG strategy is meticulously planned and managed for BIL Group. The ESG Strategic Steering Committee is sponsored by the Head of Strategy, SGO and Balance Sheet Management and meets every six weeks to manage all initiatives.

The Committee is responsible for:

1. Defining and implementing BIL's ESG Strategy:
   - At Entity level:
     - Selecting and prioritising initiatives for launch
     - Addressing the initial strategic aspects such as climate strategy, target settings and business approach, before making proposals at a higher level
     - Monitoring ESG performance at entity level
   - At Products & Services level:
     - Ensures strategic consistency
     - Validating the proposed commercial strategy
     - Selecting and prioritising new products and services or major key existing products and services for submission to the New Products Committee (NPC)
     - Validating front change management approach
     - Monitoring the performance of ESG products
   - At Regulatory level:
     - Monitoring regulatory compliance
     - Approving cases of risk acceptance to be submitted to Management-level such as the Audit, Risk and Compliance Committee (ARCC), the ExCo or other governance bodies (BSC, BRC, etc.)
2. Resolving inter-project dependencies and deliverables issues
3. Coordinating with other committees (ALM Committee, Credit Risk, Green Bond, etc.).

In 2024, the ESG Strategic Steering Committee convened seven times, with one meeting conducted via circular mail.

Looking ahead to 2025, BIL aims to further integrate ESG considerations into its core business activities, transitioning from a centralised ESG initiative to embedding sustainability within all value chains. This transition will involve governance changes, moving from a program management approach to a "business as usual" ESG Oversight Committee. This committee will replace the existing ESG Strategic Steering Committee and will provide global guidance on key ESG topics and monitor essential KPIs effectively.

The Executive Committee

A regular update of the ESG Strategic Steering Committee is provided to the Executive Committee on a quarterly basis. Ad hoc presentations are included on the agenda if deemed necessary, in addition to regular updates. In 2024, this was the case for the validation of the 2023 Sustainability Report, the Double Materiality Assessment, the validation of BIL's Transition Plan and the Donation & Sponsoring Strategy.

In addition, the **ESG Dashboard** is presented to the administrative, management and supervisory bodies every six months.

The ESG Dashboard provides a comprehensive overview of BIL's climate change impact, emphasising its operational carbon footprint and financed emissions. It also highlights ESG risks and opportunities associated with the Bank's activities that are most vulnerable to environmental and climate-related challenges, including its real estate portfolio, corporate loan portfolio, banking investment portfolio, and customer investment portfolio. Additionally, the Dashboard includes corporate-level insights, such as social impact metrics based on defined human resources indicators, the Green Asset Ratio, updates on ESG external ratings, and information on regulatory developments.

Oversight on setting of targets related to key material topics, such as GHG emissions and Human Capital, are done through the ESG Dashboard. More details can be found in sections 'Targets related to climate change mitigation and adaptation', 'Targets related to own workforce'.

Board of Directors' involvement in ESG matters

The ESG strategy is fully integrated into the Bank's Energise Create Together 2025 (ECT2025) corporate strategy and is therefore monitored by the Board of Directors. Indeed, the Board of Directors defines and oversees the implementation of the ESG strategy: targets and ambitions, risk appetite and risk approach, evolution of sustainable finance initiatives and the progressive integration of ESG considerations in policies and processes.

- A quarterly update on the implementation of the ESG strategy is included in the ECT2025 dashboard and presented to the Board of Directors / Board Strategy Committee.
- A more detailed report on the ESG Programme is presented to the Board of Directors on a quarterly basis. The ESG Dashboard is presented every 6 months. In 2023, the Board of Directors also validated BIL's Transition Plan.
- The Risk Dashboard is presented quarterly to the Board.

ESG issues are also considered in the following management committees:

- In the **Asset and Liability Management (ALM) Committee**, which tracks the proportion of ESG bonds within the Bank's investment portfolio against established targets.
- In the **Credit Committee**, where ESG factors, primarily derived from the ESG assessment of borrowers, are factored into lending decisions.

(B) CONSIDERATION OF IMPACTS, RISKS AND OPPORTUNITIES

The administrative, management, and supervisory bodies at BIL actively consider impacts, risks, and opportunities related to sustainability when overseeing the Bank's strategy, major transactions, and risk management processes.

The Board of Directors and the Executive Committee assess how sustainability initiatives fit within the Bank's overall strategy. This evaluation includes examining the long-term impacts of ESG factors on business objectives and its stakeholders while ensuring that sustainability is a fundamental aspect of strategic planning. ESG risks are incorporated into the Bank's comprehensive risk management framework and are presented through both the ESG Dashboard and the Risk Dashboard. The Risk Dashboard includes crucial ESG-related information, such as stress test and the Credit Risk Appetite, which provides insights into sectors with significant ESG risk exposure and the potential impact of biodiversity loss. This enables the administrative, management, and supervisory bodies to review ESG-related risks during their regular assessments and to address potential challenges and seize opportunities effectively. Please refer to the 'Resilience of BIL's strategy and business model' section for more details.

Other topics such as effectiveness of targets, actions and metrics based on policy objectives are also covered through the ESG Dashboard and discussed in the ESG Strategic Steering Committee.

In 2024, BIL's Transition Plan was reviewed and approved in a dedicated meeting with the ExCo and the Board of Directors, outlining how the Bank assesses and mitigates the risks its clients may encounter due to climate change while also highlighting the opportunities for clients to invest in their own transitions. A set of metrics, targets, and strategies has been established for three key areas: BIL's Residential Real Estate Portfolio, BIL's Corporate Lending Portfolio, and its own Operational Carbon Footprint.

Developing ESG expertise within Governance bodies

To strengthen the governance and to ensure the management bodies have the adequate competencies to address ESG matters, the Executive Committee and Board received regular training on ESG topics. In 2024, the training included:

- A dedicated session on the amendments to the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD), which clarified the expectations for financial institutions to integrate Environmental, Social, and Governance (ESG) risks into their risk assessment frameworks and internal governance processes. This ensures that these factors are considered in capital adequacy evaluations and overall strategic planning.
- A session focused on regulatory expectations related to diversity and best practices in the market.
- A session that concentrated on green and transition financing, aligning with BIL's Transition Plan and climate targets.

(C) MATERIAL IMPACTS, RISKS AND OPPORTUNITIES ADDRESSED

During the reporting period, the administrative, management, and supervisory bodies, including the ESG Strategic Steering Committee, the Executive Committee, and the Board of Directors, focused on several short-term material impacts, risks, and opportunities related to sustainability and following related actions and initiatives:

1. **ESG Training:** Implemented training programs to enhance understanding of ESG principles across the organisation.
2. **Climate Risks and Financed Emissions:** Evaluated the implications of climate risks and assessed the Bank's financed emissions, ensuring these factors are progressively integrated into decision-making processes. New ESG indicators on physical and transition risks were integrated in Risk Dashboards.

3. **Evolution of Investment Decision Processes and ESG Integration:** Reviewed the ongoing evolution of investment decision-making processes to incorporate ESG considerations more effectively.

4. **Regulatory Compliance:** Monitored evolving regulations related to sustainability and ensured that the Bank's practices align with these requirements, including the validation of the Transition Plan.

5. **Implementation of ESG MiFID Requirements:** Monitored the progress of implementing ESG requirements under the MiFID framework to ensure compliance and alignment with regulatory expectations.

6. **EPC Collection Strategy:** Discussed strategies for collecting Energy Performance Certificates (EPC) to better assess transition risks on the real estate portfolio.

7. **CSRD Preparation:** Prepared for compliance with the Corporate Sustainability Reporting Directive (CSRD), ensuring that the Bank meets the evolving reporting standards.

The Bank did not identify any significant trade-offs between its sustainability goals and other business objectives during the reporting period.

2.3. Integration of sustainability-related performance in incentive schemes

BIL's Remuneration Charter and associated practices are aimed at defining remuneration structures that protect the interests of its clients, suppliers, employees, and shareholders, while ensuring the Bank's financial sustainability over the long term.

For the majority of BIL's staff members, variable remuneration is discretionary and is determined based on a reference amount. The bonus reflects the outcomes of the year-end performance review. Incentive schemes are designed to foster a culture of accountability and performance, while also aligning with the Bank's core values of "*caring, leading, engaging, accessible, and reliable*".

BIL has established Environmental, Social, and Governance (ESG) objectives. These objectives are progressively cascaded down from the Executive Committee (ExCo) to people managers and relevant functions, such as those in the investment office. Performance is assessed from two perspectives:

- **"What":** This refers to specific targets, including a mix of individual, collective, financial, and non-financial targets.
- **"How" :** This dimension considers adherence to BIL's values, emphasising care, compliance, and business ethics.

Sustainability-related performance metrics are included in both the "What" and "How" aspects of performance assessment. This ensures that while individual performance is measured, it does not incentivise behaviours that could lead to conflicts of interest. By avoiding purely quantitative commercial criteria, ethical decision-making aligned with the long-term goals of the Bank is encouraged.

At this stage, there is thus an indirect link between variable pay and sustainability-related targets, reflecting BIL's commitment to embedding ESG considerations into its performance evaluation processes.

Examples of ESG Objectives by Department:

Throughout the organisation, various departments are tasked with setting and achieving specific ESG objectives, including:

- **Risk:** Proactively managing ESG risks and integrating climate capabilities into existing frameworks.
- **Procurement:** Managing supply chain ESG risks by ensuring BIL does business with suppliers with consistent values and standards.
- **IT:** Deploying IT assets to help the rest of the firm develop innovative ESG products and respond to regulatory requirements, notably reporting.

2.4. Sustainability due diligence

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY REPORT
Embedding due diligence in governance, strategy and business model	**Part I: General Information** 2.5 Risk management and internal controls over sustainability reporting Resilience of BIL's strategy and business model 4.1.4 Decision-making and internal control procedures **Part IV: Governance** 3.3. Identifying, reporting and investigating unlawful behaviour 4.1. Managing the procurement process 8.1.2. Key actions taken on data protection and privacy 8.2 Cybersecurity
Engaging with affected stakeholders in all key steps of the due diligence	**Part I: General Information** 3.2 Interests and views of stakeholders **Part II: Environment** Client Engagement – Climate Transition Maturity Assessment **Part III: Social** 3. Processes to engage with own workforce and worker's representatives about impacts 4. Processes to remediate negative impacts and channels for own workforce to raise concerns 14. Processes for engaging with consumers and end-users about impacts 15. Processes to remediate negative impacts and channels for consumer to raise concerns **Part IV: Governance** 3.3. Identifying, reporting and investigating unlawful behaviour
Identifying and assessing adverse impacts	**Part I: General Information** 3.3. Material impacts, risks and opportunities and their interaction with strategy and business model 4. Impact, risk and opportunity management **Part II: Environment** 3.1. Impacts on climate change **Part III: Social** 1. Material impacts, risks and opportunities relating to own workforce and their interaction with strategy and business model 3. Processes to engage with own workforce and worker's representatives about impacts 4. Processes to remediate negative impacts and channels for own workforce to raise concerns 11. Incidents, complaints and severe human rights impacts 12. Material impacts, risks and opportunities relating to consumers and end-users and their interaction with strategy and business model 14. Processes for engaging with consumers and end-users about impacts 15. Processes to remediate negative impacts and channels for consumer to raise concerns **Part IV: Governance** 2. Material impacts, risks and opportunities relating to business conduct and their interaction with strategy and business model 5. Prevention and detection of corruption and bribery

Taking actions to address those adverse impacts	**Part I: General Information** 3.1.3. BIL's sustainability strategy **Part II: Environment** 5. Actions and resources in relation to climate change policies **Part III: Social** 5. Taking actions on material impacts, managing material risks and pursuing material opportunities related to own workforce 16. Taking actions on material impacts, managing material risks and pursuing material opportunities related to consumers and end-users **Part IV: Governance** 3.3. Identifying, reporting and investigating unlawful behaviour 3.4. Training on business conduct matters 8.1.2. Key actions taken on data protection and privacy 8.2.2. Key actions taken on cyber security
Tracking the effectiveness of these efforts and communicating	**Part II: Environment** 5. Actions and resources in relation to climate change policies **Part III: Social** 5. Taking actions on material impacts, managing material risks and pursuing material opportunities related to own workforce 16. Taking actions on material impacts, managing material risks and pursuing material opportunities related to consumers and end-users **Part IV: Governance** 3.3. Identifying, reporting and investigating unlawful behaviour 3.4. Training on business conduct matters 8.1.2. Key actions taken on data protection and privacy 8.2.2. Key actions taken on cyber security

2.5. Risk management and internal controls over sustainability reporting

BIL has established a comprehensive risk management and internal control system specifically tailored for sustainability reporting. This system is governed by a centralised Sustainable Development Team that leads the sustainability reporting process and ensures compliance with relevant regulations.

Key components include:

- **Governance and Oversight:** The ESG Strategic Steering Committee oversees the non-financial reporting process, providing regular updates to senior management, including the Executive Sponsor (Head of Strategy, SGO, and Balance Sheet Management) and the Executive Committee.
- **Timetable and Accountability:** The Sustainable Development and Finance departments have developed a detailed timetable that outlines internal deadlines and identifies key contributors for the non-financial reporting process, ensuring accountability and timely delivery.
- **Internal Audit Assessment:** The activities of the Bank have been split-up in 'audit units'. The list of all audit units is called the 'audit universe'. All audit units are included in the pluri-annual audit plan, scored and audited as foreseen in the methodology. The frequency of review is linked to the scoring of the audit unit that is calculated on a yearly basis through the risk assessment exercise. ESG is part of the audit universe. In 2024, the internal audit function assessed the risks and internal control systems relating to the production of BIL's Non-Financial Reporting (NFR), with findings reported to senior management to promote continuous improvement and accountability.

The risk assessment approach on sustainability reporting involves a thorough evaluation of risks associated with non-financial reporting. Key risks are identified through discussions with internal and external auditors, as well as external ESG reporting experts. Periodic assessments of regulatory compliance are conducted to identify and address potential gaps effectively.

Key risks identified in the sustainability reporting process include:

- **Data Accuracy and Completeness:** Mitigated through a two-level control framework that ensures the reliability and timeliness of reported data. A dedicated reporting tool enhances data collection processes, including stakeholder identification and real-time monitoring.
- **Regulatory Compliance Risks:** Addressed by pursuing adherence to the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS), with external support utilised to close identified gaps.
- **Governance Risks:** Managed through the establishment of clear roles and responsibilities within the ESG governance structure, promoting accountability and effective oversight.
- **Methodology Coherence:** The methodology behind the Double Materiality Assessment is documented and periodically reviewed by both internal and external auditors to ensure consistency and transparency.

The findings from risk assessments and internal controls are integrated into relevant internal functions through:

- **Cross-Departmental Collaboration:** Regular engagement meetings ensure that all stakeholders are aware of their responsibilities and adequately prepared for disclosures.
- **Four-Eyes Control:** Information undergoes validation through a hierarchical review process, ensuring accuracy and accountability at the N-1 level of Executive Committee.
- **Regular Updates to the ESG Strategic Steering Committee:** Progress on the reporting process and the CSRD project is communicated routinely to the ESG Strategic Steering Committee, facilitating ongoing oversight and alignment with strategic objectives.

The results of risk assessments and internal controls are reported periodically to the administrative, management, and supervisory bodies through:

- **Status of Internal Assessments:** Updates on findings from internal audits are provided to the administrative, management and supervisory bodies to ensure transparency and informed decision-making.
- **External Assessment:** A third-party external assurance provider conducted a gap assessment to evaluate overall compliance with the CSRD, assess the effectiveness of certain data collection processes, and ensure adherence to the EU Taxonomy.

This structured approach ensures that BIL's sustainability reporting is thorough, compliant, and effectively managed, fostering a culture of accountability and continuous improvement within the organisation.

3. Strategy

3.1. Strategy, business model and value chain

3.1.1. Significant groups of products and services offering

Sustainable Financing Initiatives

(A) REAL ESTATE FINANCING

Green Loans

BIL currently offers two specific sustainable financing products:

- low-interest climate loans – loans subsidised by the Luxembourg government to encourage energy retrofitting; and
- renewable energies loans – special preferential rate loans to finance the installation of solar panels, heat pumps and geothermal systems (especially for retail clients).

However, most of BIL's sustainable financing comes through more traditional products such as mortgages and consumer loans for individuals, and business loans for corporate and institutional clients.

BIL is trying to progressively raise the quality of its non-financial data in order to better identify its sustainable financing in the future; for example, in 2024, better identification has been carried out internally to be able to allocate loans for energy renovation.

In addition to its range of product, BIL also enhanced its Green Loans offering with additional services through referrals with external partners: since 2023, with Alfred Reckinger SA for the financing of heat pumps and solar panels, and since 2024, with YES GEO SERVICES for the financing of geothermal system.

Energy Performance Certificate (EPC) Collection Process

Better data collection on energy performance is essential if BIL is to "green up" its mortgage portfolio.

Moreover, regulations have been introduced to require more transparency from banks in the energy performance breakdown of their mortgage portfolio, through quantitative disclosures on ESG risks under Pillar 3, in accordance with Article 449a of the Capital Requirements Regulation (CRR, EBA/ITS/2022/01), or through the disclosure of the Green Asset Ratio as described in the Delegated Act, Article 8.

From the last quarter of 2023, BIL has required an EPC for any new residential property used as a collateral to secure a loan. This document is mandatory, influences the credit rate and must be submitted before the loan is provided. In 2024, the emphasis has been placed on implementing a plan to remediate energy performance certificates from the stock of existing credits.

Looking beyond the Bank's monitoring needs, data collection must coincide with discussions to encourage and support clients with their energy retrofit work. This should be based on the current energy performance of the property being financed and include information about available support options.

(B) MOTOR VEHICLE FINANCING

BIL supports e-mobility by offering special terms for the financing of 100% electric vehicles on both consumer loans for retail clients and on finance leases for business clients provided through BIL Lease.

(C) CORPORATE LENDING

Apart from the renewable energy loans, most of BIL's sustainable financing for corporate and institutional client comes through more traditional products such as business loans or finance leases.

BIL is trying to raise the quality of its non-financial data in order to better identify its sustainable financing in the future. To begin with, BIL has planned to define a green loan framework by 2025 in order to define what type of financing will be considered as sustainable and then determine how to flag them into its systems.

It is also important to highlight that BIL supports the local economy and will participate in the new "BOUNCE" risk-sharing program launched by the Mutualité de Cautionnement. This program provides a guarantee covering up to 80% of financing requirements from banks for loans of up to €150,000, and 50% for higher amounts. In this way, it facilitates access to finance, particularly for entrepreneurs who do not have sufficient guarantees, and thus encourages innovation and growth within the entrepreneurial ecosystem.

In 2024, as outlined in the 'Actions and Resources in Relation to Climate Change Policies' section, several training courses were conducted for relationship managers in the Corporate department. These courses focused on climate change adaptation and mitigation, equipping managers with the knowledge and tools to support their clients through the transition process. This includes implementing a client engagement strategy tailored for corporate customers.

Responsible Investment Solutions

(A) RESPONSIBLE INVESTMENT PRODUCTS

BIL is committed to develop its Responsible Investment (as per BIL's Sustainability Investment Framework) to clients with an interest in responsible investing.

BIL Luxembourg achieved a new milestone towards responsible investment practices by renewing its LuxFlag ESG Label accreditation (starting 1st of October 2024 and ending on 30th September 2025) for the BIL Invest Patrimonial, the BIL Invest Bonds EUR Corporate Investment Grade and the BIL Invest Equities Europe funds. Currently, six of BIL Invest's 17 in-house funds benefit from the LuxFlag ESG Label.

ASSETS UNDER MANAGEMENT IN ARTICLE 8 FUNDS (EUR MILLION)	2024
BIL Invest Patrimonial Defensive	5.41
BIL Invest Patrimonial Low	133.07
BIL Invest Patrimonial Medium	120.06
BIL Invest Patrimonial High	49.13
BIL Invest Bonds EUR Corporate Investment Grade	160.89
BIL Invest Equities Europe	122.62
TOTAL ASSETS UNDER MANAGEMENT	591.18

Scope: BIL Luxembourg

In 2025, BIL plans to further enhance its responsible product offering by launching new products and modifying existing ones, including:

- **Serenio Reflect:** This responsible discretionary portfolio management service will focus on responsible investment practices, though it will not specifically target sustainable investments.
- **Flexicav:** Flexicav is a savings scheme that enables customers to invest regularly in any BIL Invest funds. The Bank aims to propose limiting the investment universe to responsible BIL Invest funds, pending validation by the appropriate product committee.

As of the reporting period, BIL has not established specific targets related to investment products focused on sustainability. The Bank recognises the significance of setting such targets to promote responsible investing. Current emphasis is on gathering accurate data and developing robust frameworks, while enhancing both internal and external maturity through targeted training initiatives. This foundational work will guide all future target-setting efforts, ensuring they are relevant and impactful.

(B) BIL SUSTAINABILITY INVESTMENT FRAMEWORK

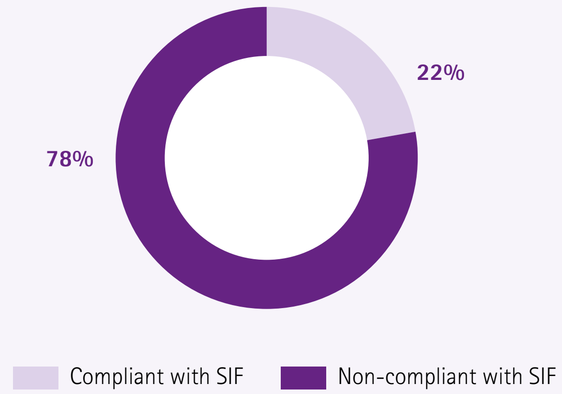
In response to evolving ESG regulations, current market demand, and operational and data challenges, BIL established its Sustainability Investment Framework (SIF) in 2023, aligning with SFDR requirements. This framework aims to identify improvement areas to enhance compliance with regulatory guidelines when defining sustainable investments.

The SIF provides a consistent and comprehensive methodology for classifying financial instruments into two categories: sustainable and non-sustainable. It serves as the foundation for addressing investors' sustainability preferences and ensuring alignment with the requirements of MiFID II (Markets in Financial Instruments Directive II). Additionally, the SIF aims to establish a unified definition of sustainable investment criteria within the Bank's investment portfolio.

The SIF strengthens the Bank's ability to meet the demand for sustainable investment products and services that comply with regulatory standards. The SIF will be updated when needed to take into consideration evolution in regulations or market practice.

Assets under Discretionary Portfolio Mandates

Assets under Advisory Mandates



The calculation of SIF-compliant assets under Advisory mandates and Discretionary Portfolio mandates is done by taking the sum of securities with the 'BIL ESG status' within the mandates, divided by the total of securities within the mandates. The 'BIL ESG status' indicates that BIL considers the security as sustainable according to the Sustainable Investment Framework.

(C) MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE (MIFID)

The MiFID II Directive outlines rules and guidelines related to governance, products, investor protection, and information disclosure. As the legal framework evolves to incorporate sustainability-related requirements, it now includes the need to define clients' sustainability preferences and adhere to product governance standards. Since August 2, 2022, banks are required to gather information about clients' sustainability preferences and consider these when providing advice.

In July 2024, BIL launched an updated version of its investor risk profile, which integrates the BIL sustainability questionnaire, replacing the previous separate questionnaire. This new approach enables automatic collection of clients' ESG preferences and classifies them into three sustainable profiles: neutral, moderate, or substantial.

In 2025, BIL will further enhance its processes by automating the sustainable suitability test for advisory transactions and improving the collection of ESG data for securities.

(D) BIL GREEN BONDS

In 2022, BIL was the first bank in Luxembourg to establish a Green Bond Framework dedicated to issuing green bonds. BIL has implemented its Green Bond Framework with a clear commitment to supporting the growth of the sustainable finance market with a primary focus to channel financing towards energy-efficient real estate in Luxembourg.

After a strong start with new issues in 2022, primarily through private placements, BIL Luxembourg has raised over EUR 500 million in Green Bonds since its launch by the end of 2024. This demand has come from the Bank's retail and private banking network, as well as local and international institutional investors. BIL has set up a dedicated Green Bond Committee to ensure the compliance of the bonds issued with the Green Bond Framework. The Green Bond Committee is chaired by the Chief Financial Officer and composed of the Asset and Liability Management (ALM) Committee, the Head of Sustainable Development and the Head of Long-Term Funding. The Green Bond Committee meets at least annually.

An assessment of the environmental impact of the eligible portfolio reviewed by an independent consulting firm is carried out annually.

BIL GREEN BONDS	2024
Number of issuances (target market: Institutional and Professional only)	17
Number of issuances (target market: Retail eligible)	10
Outstanding amount (EUR million)	**519.30**

All issuances of BIL bonds (including Green Bonds) are registered by the originator of the transaction in the Actarus database with a specific flag to identify green bonds. This database is used for Balance Sheet Management monitoring and monthly reporting. The report is reviewed by the LTF (Long Term Funding) desk and approved by the Head of ALM before being shared with the various stakeholders.

Daily Banking Products

BIL emphasises sustainability through various daily banking products and services that align with its commitment to accessibility, security, and environmental stewardship. Here are some significant offerings related to sustainability:

Digital Banking Solutions:

- **BILnet and BILnet Mobile:** These platforms provide clients with 24/7 access to their banking services, enabling them to manage their finances remotely. The shift to digital banking not only enhances user experience but also reduces the environmental footprint associated with traditional banking practices.
- **LuxTrust Mobile:** Encouraging clients to transition from physical tokens to the LuxTrust Mobile solution enhances security while promoting a paperless environment.
- **Electronic Document Signing:** BIL offers clients the ability to electronically sign various loan and credit card documents via their BILnet accounts. This service reduces the need for physical document handling and travel to branches.
- **Paper-Free Services:** All new clients are automatically enrolled in the "paper-free" service, receiving documents electronically rather than by post. This initiative significantly cuts down on paper consumption.
- **Green Energy Utilisation:** BIL has committed to powering all its servers with green energy, further decreasing the environmental impact of its eBanking services. This transition supports clients in minimising their carbon footprints while engaging in digital banking.
- **Sustainable Card Production:** BIL is committed to sustainability in its card offerings by using 100% recycled PVC for newly issued debit and credit cards. This initiative helps reduce reliance on new plastic materials and minimises environmental impact. The cards feature a logo indicating their recycled content, and to avoid unnecessary waste, they are issued in line with the expiration of existing cards, transitioning over a maximum of four years.
Currently, all new BIL Visa Debit cards are made from recycled plastic, while the migration from V Pay to Visa Debit will conclude by February 2025, ensuring that all clients have at least one card made from 100% recycled materials. However, Visa Platinum and Visa Business Gold cards have not yet transitioned to this material. For other credit cards, such as Visa Classic, Gold, Infinite, and Business, the shift will depend on the expiration dates of the existing cards.
- **National ATM Network Initiative:** BIL is part of a project to create a unique national ATM network by the end of 2025, which will enhance the accessibility of cash services while optimising energy consumption. The new machines will consume 30% less electricity, and the reduced number of refilling journeys will further lower the environmental impact.
- **Accessibility Enhancements:** The new ATM network is designed with accessibility in mind, ensuring that services are available to all clients, including those with disabilities.

The Bank's Investment Portfolio

In addition to its role as a provider of investment solutions to private and institutional investors, BIL also manages an investment portfolio for its own account. It is important to note that the investment portfolio has been positioned so that by the end of 2025, at least 30% of the total portfolio will consist of Green, Social and Sustainable Bonds.

By integrating strong minimum proportions of Green, Social and Sustainable Bonds and prioritising such investments, BIL encourages issuers to integrate ESG considerations into their issues while supporting the sustainability transition. The ESG Dashboard of the Bank's portfolio is presented quarterly at the ALM Committee and at least semi-annually to the Board Risk Committee and the Board of Directors. As of 31 December 2024, Green, Social and Sustainable bonds accounted for 26.89% of the total portfolio, for a total amount of EUR 2,395 million (+33% versus 31 December 2023).

BANK INVESTMENT PORTFOLIO	2024
Share of ESG assets (%)	26.89%
Amount in ESG assets (EUR million)	2,395

The amount of ESG assets in the Bank portfolio are calculated as the sum of the nominal value of Green, Social and Sustainable bonds existing in the Bank portfolio. The share of ESG assets is the total nominal of ESG assets divided by the total nominal of assets in the Bank portfolio.

BREAKDOWN OF BIL'S GREEN, SOCIAL AND SUSTAINABLE BONDS	2024
Green Bonds	13.03%
Social Bonds	34.89%
Sustainable Bonds	52.07%

The Green Bonds in BIL's Bank Investment Portfolio are the nominal value of bonds that have a ICMA Green Bond Principle Framework, a Second Party Opinion (SPO) and a use of proceeds in green assets. The Social Bonds in BIL's Bank Investment Portfolio are the nominal value of bonds that have a ICMA Social Bond Principle Framework, an SPO and a use of proceeds in Social assets. The Sustainable Bonds in BIL's Bank Investment Portfolio are the nominal value of bonds that have a ICMA Sustainable Bond Principle Framework, an SPO and a use of proceeds in sustainable assets (i.e. mix of green and social assets).

BIL's Investment Portfolio Guidelines Charter generates a reasonable risk-adjusted return and serves as a liquidity reserve for the Bank. The Charter sets out a general framework, which defines the guidelines for the Bank's investment portfolio and covers:

- The Investment Portfolio Guidelines,
- The Portfolio Management Decision Process and,
- The Breach Treatment Process

The Charter applies to the portfolios of BIL Luxembourg and BIL Suisse and has been developed internally with contributions from the Secretary General Office and in consultation with the Audit, Legal, Compliance, Operational Risk Management departments and the Chief Information Security Officer (CISO).

Target on BIL's investment portfolio

BANK INVESTMENT PORTFOLIO	Unit	Baseline value (2021)	2025	Scope of target	Base Year	Absolute/ Relative target
Share of sustainable investment	percent	10%	30%	Liquidity portfolio of BIL Group	2021	Relative

The above target indicates BIL's commitment to have 30% of its Bank's portfolio in sustainable investments by 2025. In setting this target, BIL closely monitored general market trends in ESG bonds. This involves understanding market dynamics and identifying growth opportunities in the ESG bond market. BIL also considered maturities within the existing portfolio to ensure that reinvestment is focused on sustainable bonds. This process is key to gradually increasing the proportion of sustainable investments in the portfolio.

3.1.2. Markets and customer groups served

BIL provides a broad range of services to meet the needs of its clients, presented as described in 2024 Annual Report Note 3 by operating segment. "Retail Banking, Corporate & Institutional Banking (CIB) and Wealth Management" are reported as "Luxembourg Market & CIB and Wealth Management".

Retail Banking

Retail Banking serves the diverse retail and personal banking needs of both resident and non-resident individuals. BIL is represented in Luxembourg by a network of branches and advice centres located throughout the country, integrating Personal Banking and Corporate Banking competence centres. In addition to the branch network, BIL also serves its clients through its online digital banking platform (mobile and web applications). BIL is a licensed insurance broker and offers its clients and partners a broad range of solutions, such as life insurance, pension schemes and retirement savings.

The main value proposition encompasses:

- Daily Banking (e.g. savings, payments, cards);
- Financing (e.g. mortgage loans, consumer loans, credit lines);
- Insurance (e.g. loan insurance, life insurance);
- Investment solutions (e.g. brokerage, advisory, discretionary management).

Corporate & Institutional Banking (CIB)

CIB activities serve business owners, start-ups, small – medium – large companies, financial and non-financial institutions and public sector clients in Luxembourg and abroad.

Clients have access to a wide range of products and services, and thanks to experts in the various fields, the CIB business lines can accompany its clients throughout the entire company lifecycle.

While focusing primarily on support for the local economy, international lending is also offered and complies with pre-defined criteria limiting the expansion of the international loan portfolio.

The main value proposition includes:

- Daily Banking and Account management solutions (e.g. cash management, SWIFT, corporate credit cards);
- Financing (e.g. direct lending through credit lines or loans, leasing through BIL Lease, syndicated lending);
- Treasury Management and Global custody (e.g. Direct access to the financial markets, hedging tools, discretionary portfolio management);
- Alternative investment funds depositary (e.g. Safekeeping of assets, oversight duties, treasury solutions).

Wealth Management

The Wealth Management business line (both in Luxembourg as well as Switzerland) provides financial and non-financial products and services to a wide range of clients, with a tailor-made approach, drawing on the unique capabilities of different BIL entities (BIL Luxembourg S.A. ("BIL"), BIL (Suisse) S.A. ("BIL Suisse"), and BIL Manage Invest S.A. ("BMI")).

The main value proposition includes:

- A full product suite of wealth management products (including execution-only, advisory and discretionary portfolio management investment options, alternative investment options and lending solutions).
- Access to a wide range of financial assets (including direct access to financial markets via the Bank's Transaction Desk) combined with bespoke advice from experts.
- Strong cross-border expertise for entrepreneurial clients with international needs, as well as cross-border lending and secondary home financing.
- Access to prestigious private banking booking centres in Luxembourg and Switzerland.
- Cross-border wealth planning and structuring.
- Set-up, administration, and management of regulated or unregulated structures.
- Expertise and advice on key topics for entrepreneurs through Corporate Finance services.

Financial Markets

Financial Markets is primarily responsible for Balance Sheet Management which includes the Investment Portfolio, Treasury (short-term liquidity and secured funding management), Long-Term Funding (Euro Medium Term Notes (EMTN) and Euro-Commercial Paper (ECP) programmes) and Asset and Liability Management (ALM).

BIL also offers a comprehensive range of professional treasury and financial market products and services, including structured products, warrants and investment funds.

These services meet the needs of a diverse client base including banks, insurance firms, large corporations and multinationals, state institutions, asset managers and investment funds. In-house trading floors in Luxembourg and Zurich handle financial market transactions for all business areas of the Bank.

Besides these customer relationships, BIL relies on multiple providers and suppliers for the purchase of goods and services to manage its day-to-day activities. 83% of these are located in Luxembourg and the Greater Region. BIL maintains full control of all outsourced activities. As such, oversight is organised by BIL and providers (frequency depending on provider classification) in order to, among other issues, escalate any operational incidents impacting the outsourced activity and providers' ability to perform outsourced functions effectively.

Given BIL's operating segments, the potential impacts, risks, and opportunities related to Environmental, Social, and Governance (ESG) factors are significant:

- In Retail Banking, Corporate & Institutional Banking, and Wealth Management, BIL faces physical risks such as property damage from extreme weather and transition risks from regulatory changes affecting high-carbon industries. Social risks arise from evolving customer expectations for responsible banking and the need for accessible financial services, while governance risks involve ensuring compliance with evolving regulations and maintaining robust internal controls. However, these challenges also present opportunities for BIL to expand into green financing, develop sustainable financial products, and enhance customer trust through responsible banking practices.
- In Financial Markets, ESG factors can lead to market volatility and asset devaluation, but they also offer the potential for long-term returns through sustainable investments. Strengthening risk management practices and ensuring transparency in investment decisions can further capitalise on these opportunities.
- At Corporate level, the Bank must navigate operational risks from ESG disruptions, manage stakeholder expectations, and ensure employee well-being. Maintaining ethical standards and effective oversight is crucial, but there are significant opportunities to enhance BIL's corporate reputation through strong ESG practices and foster a positive workplace culture.
- Across BIL's value chain, supply chain disruptions pose risks, but adopting sustainable procurement practices and collaborating with suppliers can enhance resilience. Focusing on fair labour practices and ensuring supplier compliance with ESG standards can create a more robust and sustainable supply chain.

Headcount of BIL Group employees in the reporting period:

	2024
HEADCOUNT BY REGION	Total
Europe	1,889
Asia	13
TOTAL	1,902

3.1.3. BIL's sustainability strategy

BIL is committed to playing a strategic role in the transition to a sustainable world.

BIL adheres to international sustainability frameworks, specifically committing to the United Nations Principles for Responsible Banking (UNPRB) and the United Nations Global Compact (UNGC). This includes integrating ESG criteria into the lending and investment processes, actively engaging with clients on sustainability issues, and reporting transparently on progress.

This is reflected in the Bank's comprehensive approach that encompasses both corporate responsibility and its role as financial intermediary.

In 2024, BIL established an *ESG Charter* that embodies BIL's dedication to sustainable banking practices that not only drive economic growth, but also contribute positively to society and the environment. The ESG Charter, covering the activities of BIL Group, outlines the Bank's commitment towards integrating principles of ESG into every facet of its operations and uphold the highest standards of governance and transparency. Additionally, it outlines the Bank's mission as a corporate citizen, a financial intermediary and a transition facilitator.

Based on the Charter's objectives, BIL has established sustainability-related goals that encompass various groups of products and services and customer categories.

The overarching objective is to manage ESG risks to ensure resilience and profitability while limiting negative impacts and enhancing positive contributions to society and the planet.

Specific goals include:

- **Advance green and transition finance services:** The Bank aspires to continue providing green and transition financing solutions that empower clients on their sustainability journeys. The Bank's goal is to establish specific targets for green mortgages, renovations, and renewable energy projects within its Transition Plan, while also identifying future opportunities for corporate loans.
- **Integrate ESG factors across lending practices:** The Bank aims to fully integrate Environmental, Social, and Governance (ESG) factors into its lending processes. The Bank's goal is to ensure that all mortgage decisions account for both physical and transition risks, as well as to evaluate corporate clients' exposure to ESG risks. This will allow to support clients' sustainability journeys effectively.
- **Strengthen client engagement:** The Bank aims to deepen its engagement with individual and corporate clients, providing tailored financing solutions and advisory services that support their sustainability objectives. The Bank's goal is to work closely with high-emitting clients to collaboratively evaluate and enhance their transition plans, fostering a culture of sustainability.
- **Collect and analyse sustainability preferences:** The Bank strives to establish a systematic approach to collecting and analysing clients' sustainability preferences. The Bank's goal is to ensure that it provides informed and relevant advice on sustainable investments, enabling clients to make choices that align with their values and objectives.
- **Enhance sustainable investment offerings:** The Bank seeks to develop a comprehensive suite of sustainable investment products that cater to the diverse sustainability preferences of its clients. The Bank's goal is to integrate ESG factors into all investment processes, enhancing its risk management framework and aligning with its commitment to responsible investing.

In the assessment of significant products and services, BIL has identified key offerings aligned with its sustainability goals. This includes:

- Green and transition Loans: the green loan offerings encompass mortgages, personal loans, and investment loans designed to support renewable energy projects and energy-efficient renovations.
- Sustainable Investment Products: the Bank provides investment options such as green bonds and sustainable investment funds, enabling clients to contribute to the transition towards a sustainable economy.

The Bank continuously assesses its markets and customer groups to ensure alignment with its sustainability objectives and to identify opportunities for growth in sustainable finance.

Additionally, the strategy incorporates risk management considerations into lending and investment decisions, progressively integrating risk into the mortgage decision process and pricing, including incentives for sustainable choices. BIL is committed to implementing comprehensive data management initiatives to enhance sustainability metrics tracking and reporting capabilities, acknowledging the challenges of transitioning to a sustainable business model. Ongoing training and development initiatives will equip advisors with the necessary skills to support clients in their sustainability journeys, while the Bank also recognizes the importance of reducing its operational carbon footprint alongside its role as a financial intermediary.

3.1.4. Value creation

INPUT	VALUE CREATED
Human and educational capital A skilled and committed workforce is vital for operational efficiency, risk mitigation, innovation, compliance, and competitiveness at BIL. BIL, therefore, invests in the training and development of its employees to ensure that professionalism is reflected across all its services.	**Human and educational capital** • 1,902 employees under BIL Group • A total of EUR 253 million paid in salaries and benefits • 28.35 average training hours per employee
Digital and intellectual capital BIL offers innovative digital solutions which provide clients with multi-channel access. An online application gives clients 24/7 access to the Bank's products and services. Cybersecurity is a key topic given the large volumes of data handled digitally. BIL ensures that it stays up to date with the latest security standards.	**Digital and intellectual capital** • 190,367 active BILnet users • 4.5/5 rating for the BILnet application on App store and 3.2/5 on Google Play Store • 216 employees trained on cybersecurity
Relationship capital BIL's relationship managers are the heart of its business. They provide professional and tailored advice to individual and corporate clients.	**Relationship capital** • 72% positive client satisfaction score • 22% market share for corporate clients and 13.2% for retail clients
Financial capital Financial capital allows BIL to grant loans to businesses and individuals, fostering economic growth. It also supports the development of diverse financial products and services, catering to the needs of a broad client base.	**Financial capital** • Net income of EUR 170 million • 13.04 CET 1* • Total customer deposits of EUR 18.8 billion • Total customer loans of EUR 16.2 billion • EUR 5.7 million of green car financing • 185 renewable energy loans amounting to EUR 4,247,200 • 30 green renovation loans amounting to EUR 505,902
Social capital BIL supports local communities through sponsorship, donations and philanthropic action. The Bank upholds its commitment to regulatory responsibility, contributing to the communities it serves by fulfilling its tax obligations transparently and diligently.	**Social capital** • Total taxes paid of EUR 20 million • Donations of EUR 126K • 190 volunteers active throughout the year
Environmental capital The Bank recognises the profound impact that its activities can have on the ecosystems in which it operates. By integrating eco-friendly initiatives into its activities and fostering a culture of environmental responsibility, the Bank aims to contribute positively to the preservation and enhancement of its environmental capital.	**Environmental capital** • EUR 519.3 million outstanding of green bonds issued • 42% share of electric vehicles in BIL's leasing fleet • 28% SIF-compliant assets under Discretionary Portfolio Mandates; 22% SIF-compliant assets under Advisory Mandates • 26.89% ESG share in Bank portfolio • 100% renewable energy used in BIL's headquarter building

** Before 2024 profit allocation*

3.2. Interests and views of stakeholders

BIL actively engages with a diverse range of key stakeholders, which include clients (retail, wealth management, and corporate clients), employees of the BIL Group, suppliers, shareholders (notably Legend Holdings Corporation), non-profit organisations, governments and regulators, rating agencies and sustainability experts, supranational organizations focused on sustainability, and the Luxembourg Bankers' Association (ABBL).

Engagement with these stakeholders occurs regularly and is tailored to meet the specific needs of each group. For example, clients are engaged through relationship managers, branch offices, digital channels, and client satisfaction surveys. Employees provide feedback through regular feedback meetings, surveys like the Employee Net Promoter Score (E-NPS), and townhall meetings. Regulators and shareholders maintain open lines of communication regarding performance and expectations.

The organisation of this engagement is structured through various channels, ensuring that each stakeholder group has the opportunity to voice their opinions and concerns. This includes formal surveys, direct meetings, collaborative events, and ongoing communication through both digital and traditional platforms.

The outcomes of stakeholder engagement are systematically analysed and integrated into BIL's decision-making processes. Feedback received informs strategic adjustments and operational improvements, ensuring that the Bank remains responsive to its stakeholders.

In response to stakeholder views, BIL has amended its strategy to develop sustainable financing solutions, enhance digital services, and improve employee health & well-being.

BIL incorporates the interests, views, and rights of its employees through inclusive policies, regular feedback mechanisms, and collaboration with unions and employee representatives. The Bank emphasises fair treatment, competitive remuneration, career development opportunities, and a healthy work environment, reflecting its values of caring and reliability. BIL integrates consumer interests and rights into its strategy by ensuring transparency in communications, providing access to financial education, and maintaining ethical banking practices.

CATEGORY OF STAKEHOLDER	MODE OF DIALOGUE	INTERESTS AND VIEWS OF KEY STAKEHOLDERS
Clients (retail, wealth and corporate)	• Relationship managers and advisors • Bank branch offices (physical channel) • BILnet – BIL's banking application (through secure messaging) • Digital channels (website, social media channels) • Client satisfaction (TNS ILRES) surveys and engagement surveys • Complaints handling and management process • Client events and conferences	• Product awareness, services, transparency • Access to financial services and education • Satisfaction, suggestions and complaints from clients • Suggestions and opinions on the Bank's future strategic plans
Employees of BIL Group	• Regular feedback culture between employees and managers, based on the Feedback Model Policy of the Bank. • E-NPS (Employee Net Promoter Score) survey that allows employees to voice their opinions on the internal operations of the Bank. • Regular townhall meetings and webinars given by top and senior management with Q&A • Blink – the Bank's internal social channel • Representation in social bodies and a network of union representatives • A network for psycho-social support	• Training and education • Fair and competitive remuneration as per the Collective Bargaining Agreement and the Bank's Remuneration Charter • Coaching and career guidance • Healthy and safe working conditions • Transparency around the Bank's strategy, organisation, policies, results, and performance
Suppliers	• Regular dialogue with the Bank's suppliers • ESG assessment survey	• Supplier selection process • Collaboration and performance • Contractual and payment-related dialogue
Shareholder	• Regular consultation and operational contacts with Legend Holdings Corporation	• Transparency around company performance and results • Ad hoc information for answering external questions • Risk management
Non-profit organisations and communities	• Various events and collaborative sessions for charitable causes • Dialogue with various organisations and associations	• Selection of environmental and social themes and challenges where BIL can have positive impact • Feedback and expectations of non-profit organisations vis-à-vis BIL
Governments and regulators	• Regular and ad hoc exchanges with supervisors and regulators in the context of Banking Supervision (European Central Bank, Commission de Surveillance du Secteur Financier, Single Resolution Board, Banque Centrale du Luxembourg, etc.)	• Compliance with regulations and statutory obligations • Proper financial and non-financial reporting • Topics falling within the scope of the supervision of significant banking institutions such as governance, risks to capital, risks to liquidity, business model
Rating agencies, sustainability experts and consultants	• Active engagement with rating agencies • ESG performance assessments	• Transparency regarding how the business is conducted, proper financial and non-financial communication • Materiality of sustainability topics
Supranational organisations focused on sustainability	• Periodic reports to the UN Global Compact (UNGC) on progress as an early adopter through the enhanced Communication on Progress (CoP) • Impact analysis and annual reports on progress on the UNEP FI Principles for Responsible Banking (PRB), as required • Signatory of the Women in Finance initiative by the Financial Sector Diversity Charter	• 10 UNGC principles relating to human rights, labour, the environment and anti-corruption • 6 UNEP FI PRB principles relating to governance, alignment of business with SDGs and the Paris Agreement, impactful target setting, transparency and accountability and building & sharing ESG expertise • Measuring and rebalancing gender differences at every level of the Bank
Luxembourg Bankers' Association (ABBL)	• Regular expert meetings and working groups • Conferences and events	• Evolution of the banking sector • Risks and opportunities • Collaborative actions and initiatives • Regulatory watch

The administrative, management, and supervisory bodies are regularly informed about stakeholder views and interests through specific and topic-related presentations done to the Executive Management (for e.g. client surveys, employee satisfaction, double materiality assessment, etc.).

3.3. Material impacts, risks and opportunities and their interaction with strategy and business model

BIL conducted a Double Materiality Assessment with the aim of identifying all material impacts, risks, and opportunities. The objective was two-fold: to confirm that the Bank's strategy and sustainability commitments are tackling issues that its stakeholders consider to be relevant and to identify any additional topics that are a priority for those stakeholders.

The assessment results were grouped and categorised into 12 material topics for clearer representation:

	BIL's material topics	
1.	Data protection, privacy and cybersecurity	Entity-specific
2.	Innovation and digitalisation	Entity-specific
3.	Responsible business conduct	G1 Business Conduct
4.	Developing sustainable products	Entity-specific
5.	Environmental impact of own operations	E1 Climate Change
6.	Bank profitability	Entity-specific
7.	Products and services transparency	S4 Consumers and end-users
8.	Transition support to clients	E1 Climate Change
9.	Employee development	S1 Own Workforce
10.	Diversity and inclusion	S1 Own Workforce
11.	Human Rights	S1 Own Workforce
12.	Client engagement	S4 Consumers and end-users

The results of the Double Materiality were presented on a matrix, which can be found in section 'Double Materiality'.

The findings from this materiality assessment highlight key areas that are critical for the Bank's operations and strategic direction, reflecting both current and anticipated effects on its business model.

The Bank recognises the **increasing demand for sustainable client solutions**, which impacts its service offerings and necessitates a shift in strategy to assist clients in transitioning to more sustainable practices. This commitment aligns with the Bank's dedication to conducting business responsibly while strategically growing to support the global economy. As part of this commitment, the Bank is enhancing its sustainability initiatives throughout its value chain to reduce the environmental impact of its operations. The demand for innovative and sustainable banking products shapes the Bank's product development strategy, driving efforts to create tailored solutions that meet client needs and align with sustainability goals. In addition, the Bank is focused on **innovating and digitalising** its banking solutions, leveraging technology to improve efficiency, enhance user experience, and deliver cutting-edge services. The Bank is committed to **maintaining transparency** regarding its product and service offerings, fostering trust and credibility with clients. To **enhance client communication and engagement**, the Bank is improving its strategies to better understand client needs through feedback mechanisms and personalised service approaches.

In light of **growing cybersecurity risks**, the Bank acknowledges the need for robust data protection measures, influencing its decision-making regarding technology investments and data governance to safeguard user safety and privacy. To address this, the Bank is prioritising investments in cybersecurity infrastructure and employee training, ensuring that it is well-equipped to protect client data.

Moreover, the Bank is dedicated to **upholding human rights** across its employees, supply chain, and clients. In this context, the Bank is enhancing its engagement with suppliers to ensure they adhere to the same standards of human rights and ethical practices.

Fostering the skills and competencies of its employees is also a priority, enabling the workforce to better serve clientele and adapt to evolving market demands. The Bank is investing in employee development programs and training to enhance the capabilities of its team.

The Bank actively integrates **diversity and inclusion** into all relevant operations, ensuring that its hiring practices and internal culture reflect these values. This includes the implementation of diversity training programs and initiatives aimed at creating a more inclusive workplace.

Additionally, the Bank is focusing on **employee engagement**, thus promoting a culture of caring, empathy, and open-mindedness.

These key topics define the disclosures for this Report and highlight essential actions taken in the year.

BIL'S MATERIAL IMPACTS ON THE PEOPLE AND THE ENVIRONMENT

Positive Impacts:

- **Retail & Corporate Lending:** By offering green loans to retail customers for energy-efficient home improvements, electric vehicles, and renewable energy installations, BIL supports the transition to a low-carbon economy. Similarly, the Bank's green loans to corporations for sustainable projects—such as renewable energy initiatives, green buildings, and sustainable supply chains—contribute to environmental sustainability and economic resilience.
- **Investment Services:** BIL provides investment solutions with an ESG focus, directing client funds towards projects and companies that support climate change mitigation and adaptation. This approach not only helps in reducing carbon footprints but also aligns investments with clients' sustainability preferences, ensuring that their financial goals are met in a responsible manner.
- **Green Funding:** Through the issuance of green bonds and other sustainable finance instruments, BIL directs funds towards projects that mitigate climate change and enhance resilience.
- **Bank Portfolio Management:** By allocating a portion of its own investment portfolio to sustainable investments, the Bank supports projects that promote climate resilience and reduce carbon emissions. Developing a sustainability-focused internal investment framework enhances long-term profitability by capitalising on the growing market for sustainable investments.
- **Risk Management:** Implementing climate risk management strategies reduces BIL's vulnerability to climate-related disruptions, ensuring the overall stability and resilience of the financial system. This proactive approach safeguards not only the Bank's assets but also those of its clients and stakeholders.
- **Facilities Management:** By adopting green building practices, the Bank enhances energy efficiency, reduces waste, and promotes a healthier environment—both for its employees and the communities in which it operates.
- **Transparent Marketing and Communication:** The Bank's effective marketing campaigns raise awareness about climate change and the importance of adaptation and mitigation efforts, encouraging customers to make environmentally friendly choices. By promoting sustainable practices, the Bank contributes to a broader cultural shift towards sustainability.
- **Human Resources Practices:** The Bank is committed to providing stable job opportunities, promoting diversity and inclusion, and upholding human rights practices. These initiatives contribute to employee development and satisfaction, while robust data protection measures safeguard employees' personal information and privacy.
- **Client Centricity:** Engaging in two-way communication with its clients allows the Bank to address their complaints and grievances effectively. This leads to better product and service offerings, enhancing client satisfaction and retention, and fostering long-term relationships built on trust.
- **Compliance:** Enforcing strict anti-corruption and anti-bribery policies maintains a fair and transparent working environment, while a strong anti-discrimination policy ensures equitable treatment of employees and clients.

Negative Impacts:

- **Retail & Corporate Lending:** Financing projects for high-emitting clients, thermal vehicles, or low energy-efficient houses contributes to financed GHG emissions, negatively impacting the environment.
- **Bank Portfolio Management:** Allocating investments into non-sustainable projects increases the Bank's financed emissions, undermining its sustainability goals.
- **Facilities Management:** The Bank's own operations, including buildings and travel, contribute to GHG emissions.
- **Compliance:** Extensive data collection can lead to privacy violations and misuse of personal information.
- **IT:** Increased reliance on digital platforms exposes the Bank and its customers to cyber threats and data breaches.
- **Client Centricity:** Absence of two-way engagement with clients can result in difficulty retaining them.
- **HR Practices:** Violating human rights can lead to dissatisfied workers, impacting employee satisfaction and retention.

The impacts vary in their time horizons. Actual impacts, such as those from current lending practices and investment services, are immediate. Potential impacts, like those from future green building practices and sustainability-focused investment frameworks, are expected to materialise over the medium to long term. The Bank's ongoing efforts in climate risk management and employee development also have long-term implications for stability and resilience.

The Bank is involved with these impacts through its direct activities and business relationships. For instance, retail and corporate lending directly influences financed emissions and the promotion of green projects. Investment services and green funding are connected to the Bank's strategy of directing client funds towards sustainable initiatives. The Bank's internal operations, such as facilities management and HR practices, also contribute to its overall environmental and social footprint. Additionally, the Bank's relationships with clients and stakeholders, including through client engagement and compliance policies, play a crucial role in shaping these impacts.

CHANGES IN MATERIAL TOPICS COMPARED TO THE PREVIOUS REPORTING PERIOD

In 2023, the materiality assessment was conducted to determine key sustainability topics that the Bank could prioritise and implement in its strategy and business model.

In the previous reporting period, the Bank identified 16 material topics, with 6 considered critical and 5 major. The critical topics were:

1. Responsible products & services offering
2. Finance green innovation, infrastructure projects
3. Responsible business conduct (includes Bank profitability)
4. Data protection, security & ethical use of personal data
5. Responsible environmental impact
6. Access to financial services and education

For the current reporting period, 12 material topics have been identified with 8 critical topics to reflect evolving priorities and emerging risks and opportunities. The critical topics identified are:

- Data protection, privacy and cyber security
- Innovation and digitalisation
- Responsible business conduct
- Developing sustainable products
- Environmental impact of own operations
- Bank profitability
- Products and services transparency
- Transition support to clients

The inclusion of **transition support for clients** underscores the increasing recognition of the need for guidance as businesses and individuals navigate the complexities of sustainability transitions. This evolution acknowledges the Bank's responsibility to empower clients, particularly those playing a vital role in the transition, by providing them with the support needed to develop their transition activities. In this context, **green financing is now encompassed within transition support**, focusing on assisting clients in their sustainability efforts. However, BIL also recognises the importance of addressing its **own operational environmental impact**. While assisting clients in their transition, the Bank is equally committed to enhancing its sustainability practices.

The ongoing emphasis on **bank profitability and responsible business conduct** reflects the necessity of maintaining financial health while pursuing sustainability goals, ensuring that the Bank can continue to invest in responsible products and services. This comprehensive focus not only reinforces BIL's commitment to ethical practices but also enhances the Bank's resilience, enabling it to effectively navigate challenges and deliver long-term value to stakeholders.

Furthermore, the continued focus on **data protection, privacy, and cybersecurity** confirms the Bank's dedication to safeguarding of client information, reinforcing its values of accessibility and trustworthiness. Lastly, the **commitment to developing sustainable products** showcases a proactive approach to meeting market demands and fostering innovation in sustainability.

These changes demonstrate the Bank's ongoing commitment to addressing the most pressing sustainability challenges and opportunities relevant to its stakeholders.

MATERIAL IROs COVERED BY ADDITIONAL ENTITY-SPECIFIC DISCLOSURES

The DMA highlights 3 material topics that are entity-specific which have been addressed through additional disclosures not covered by the ESRS.

- Data protection, privacy and cyber security
- Developing sustainable products
- Innovation and digitalisation

CURRENT EFFECTS OF MATERIAL IROs

The Bank recognises that its material impacts, risks, and opportunities significantly influence its financial position, financial performance, and cash flows:

- **Financial Position:** the Bank's commitment to sustainable finance is expected to enhance its financial position by improving the quality of its loan portfolio and potentially increasing its asset base. The integration of ESG features, such as the ESG borrower assessment at loan origination, is designed to inform adjustments to Expected Credit Loss (ECL) and Risk-Weighted Assets (RWA) calculations based on the assessed creditworthiness of counterparties. Additionally, Energy Performance Certificate (EPC) levels are embedded in the pricing of residential real estate loans to align risk and return while addressing transition risks. This proactive approach aims to position the Bank for a robust balance sheet that aligns with its focus on sustainability and responsible lending.
- **Financial Performance:** The Bank's emphasis on sustainable lending and investment strategies is maturing and may have implications for its revenue potential. While the specific effects of these initiatives on overall profitability are still developing, the focus on sustainability is expected to contribute to shaping future financial outcomes. It is important to note that challenges do exist, particularly regarding exposure to high-emission sectors, which could introduce risks that may affect financial performance, including potential regulatory changes that might impact credit risk.
- **Cash flows:** The Bank's expectations regarding cash flows from green loans and investments are still evolving. While there is potential for positive contributions to liquidity and operational efficiency, various factors, including market conditions and regulatory changes, could influence the actual cash flows from these initiatives.

BIL employs quarterly scenario analyses that assess various risks defined in the Bank Risk Taxonomy. These analyses not only help gauge the Bank's situation under potential future scenarios but also establish a basis for an additional Economic Capital Assessment (ECAP) buffer linked to ESG features. By closely monitoring these impacts, BIL aims to ensure resilience in its financial position, performance, and cash flows.

No material risk or opportunity presents a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.

RESILIENCE OF BIL'S STRATEGY AND BUSINESS MODEL

Under European Central Bank (ECB) Supervisory expectations relating to business models and strategy, "Institutions are expected to understand the impact of climate-related and environmental risks on the business environment in which they operate, in the short, medium and long term, in order to be able to make informed strategic and business decisions" (Expectation 1 of ECB Guide).

Regulatory expectations were addressed through the identification and assessment of material risks: building a robust risk management framework, using scenario analysis and stress testing, strengthening risk corporate governance to ensure board-level oversight of climate risks and compliance with evolving regulations.

- BIL annually conducts its **Global Risk Cartography**, integrating an ESG risk mapping exercise, with the objective of identifying the transmission channels for climate-related risk drivers, social and governance risk drivers on financial and non-financial risks, considering a medium and long-term horizon.
- BIL applies **ESG stress testing scenarios** to identify potential weaknesses in its exposure across different activity sectors, challenges the business strategy and provides quarterly a high-level view of the impacts of ESG drivers on credit, market, liquidity and non-financial risks to the Bank's Management bodies.
- Since 2023, BIL developed an **ESG Dashboard** to monitor the impact of climate change and environmental degradation, providing a global overview on the Lending portfolio, Bank Investment Portfolio, Client Investment Portfolio, its carbon footprint and its climate targets.
- In the context of the **Bank's Risk Appetite Framework (RAF)**, BIL classifies its loan book exposures according to SASB criteria, taking into account ESG features, with a focus on those subject to Biodiversity Risk and losses. These assessments are included in the Global Risk Dashboard and presented quarterly to the Management.

In September 2024, the Board of Directors approved new indicators and limits related to Transition and Physical risks for the Residential and Commercial Real Estate Portfolio as part of the Risk Appetite Statement. These indicators will help monitor and manage risks associated with energy performance and collateral classifications, ensuring alignment with environmental standards. Additionally, in December 2024, new ESG risk indicators were validated, focusing on exposure to ESG bonds, concentration in top emitting sectors, and the impact of ESG factors on non-financial risks. The RAF indicators are designed to be linked to the Bank's activities to monitor material impacts and risks, ultimately facilitating market opportunities through pricing strategies or the development of new products and services. The metrics are monitored at least quarterly and reported to the Management Body through the Global Risk Dashboard. As part of the Risk Appetite Framework (RAF), these indicators are governed by established protocols, including escalation procedures in the event of a breach of RAF indicators (triggers and/or limits).

- All Risk Appetite Indicators related to ESG are currently above their internal triggers.
- BIL's quarterly ESG assessments evaluate the potential impacts of ESG drivers on traditional financial risks, including Credit Risk, Market Risk, and Liquidity Risk, as well as Non-Financial Risks (NFR) such as Operational and Enterprise Risks. The results demonstrate that the Bank exhibits strong resilience, with limited impacts across all considered risks.

This way, the Bank is proactively responding to changes in its business environment stemming from climate-related and environmental risks, impacting the resilience of its business model over time.

The Bank regularly focuses on technological innovations and maintaining an agile business model in order to quickly respond to market and regulatory changes while taking advantage of identified opportunities.

4. Impact, risk and opportunity management

4.1. Description of the process to identify and assess material impacts, risks and opportunities

The Double Materiality Assessment (DMA) is composed of **two phases**:

- the impact materiality exercise;
- the financial materiality exercise

BIL's business model, rooted in its expertise in banking and financial services in the domains of retail banking, wealth management, corporate and institutional banking, aligns closely with the DMA by recognizing the significance of both the financial implications of its banking operations and their potential effects on stakeholders and the environment. This consideration of BIL's business model in the DMA has been reflected in the key stakeholders' selection (i.e., clients from retail banking, wealth management, and corporate banking have been consulted) as well as in the selection of material topics that are pertinent to BIL's specific business environment.

SCOPE

BIL's DMA exercise followed the financial scope of consolidation.

BIL considered its entire value chain when performing the DMA exercise, including both its own operations and its business relationships. Based on its business lines, BIL considered its downstream value chain [retail clients, wealth clients, corporate clients, invest clients (as per Risk Cartography)], its own operations (employees, shareholders, BIL's subsidiaries) and its upstream value chain (suppliers). A high-level view on the Bank's credit and investment portfolios was considered for the first year of reporting. In more details, BIL comprehensively integrated the views of the following stakeholders for the Bank:

- internal stakeholders (i.e., ESG Expert Group from BIL's key functions, employees) from BIL Group
- external stakeholders (i.e., ABBL, ESG rating agencies, clients, suppliers, non-governmental organisations).

As part of the **impact materiality exercise**, BIL evaluated how its operations, products and services impact the environment and society, encompassing factors such as carbon emissions, waste management, labour practices and community relations. BIL started by identifying its IROs (impacts, risks and opportunities). As per the ESRS requirements, BIL identified its key involved stakeholders (internal and external) and integrated their views in the DMA exercise.

As part of the **financial materiality exercise**, BIL evaluated how sustainability issues affect the Bank's financial performance and value, including risks and opportunities related to ESG topics. BIL considered the ESG risk scenarios developed as part of BIL's Risk Cartography exercise as well as ESG opportunities for the Bank.

For the purpose of the DMA, BIL took into consideration best-market practices, peers, CSRD regulatory requirements, EFRAG's guidance and clarifications.

The process and methodology of the DMA carried out by BIL are detailed as explained in the following paragraphs.

4.1.1. Impact materiality

The first and foremost step involved developing a list of all positive and negative, actual and potential impacts that BIL has/could have on the environment, people and its components. This was done by analysing every aspect of the Bank's operations and value chain in detail, along with current market practices and international standards, in accordance with the assessment guidelines provided by EFRAG. BIL used ESRS 1 AR 16 as support to identify and connect impacts to sustainability topics and sub-topics. For each topical standard, a list of impacts was developed per business line of the Bank. The list of identified impacts served as a basis for the DMA exercise. Impacts were grouped and represented in the form of 23 ESG topics.

STAKEHOLDER ENGAGEMENT

BIL engaged with key internal and external stakeholders to assess its impact on the environment and its components.

On the one hand, BIL leveraged on data from 2023 to integrate external stakeholders' feedback from two different surveys. The first survey, the Luxembourg Banking Survey Individuals 2023 (TNS ILres), was conducted with focus on BIL's retail client segment and its results were integrated into the materiality assessment 2024. The second survey involved the assessment of the same topics through the perspectives of a broader audience including employees, clients (retail, wealth management, corporate), NGOs, suppliers, and shareholders. The 2024 assessment reconciled the ESG topics from the 2023 surveys with those identified in 2024.

On the other hand, BIL considered internal and external stakeholders' perception in 2024 based on a questionnaire to BIL's ESG experts' group. The Experts' group consisted of 17 employees from BIL's HR, Risk, Compliance, Finance, Sustainability, Products, Investment and Strategy departments. The employees from BIL's subsidiaries also took part in assessing the impact materiality of topics. The questionnaire consisted of a list of 23 pre-defined ESG topics along with multiple examples of positive and negative impacts arising from BIL's own-activities or as a result of its business relationships (upstream or downstream value chain). Each stakeholder gave a score on every ESG topic based on Scale, Scope, Irremediability (for negative impacts only) and Likelihood on a range from 1 to 4. The scores given on the 4 axes (Scale, Scope, Irremediability, Likelihood) were added to give a consolidated score for each topic in a range from 1 to 16, which was further converted to a 1 – 4 range.

BIL also consulted the Luxembourg Banker's Association (ABBL) to assess which topics are material for BIL, based on the same questionnaire given to the ESG Experts' group.

ESG rating agencies' perception were also integrated in the analysis, based on the importance given by these agencies to each topic. Topics defined by the ESG rating agencies have been reconciled with the topics predefined by BIL. In case the topic selected by BIL did not correspond to any of the topics selected by the ESG rating agencies, the value given to these topics was 0, to give a major importance to topics considered by those agencies.

In the context of the impact materiality exercise, a key element prescribed by the EFRAG is to incorporate stakeholders' perceptions in the exercise. To do so, each stakeholder was given a specific weight, based on its impact and influence concerning BIL. Stakeholders were grouped as:

- **Group 1:** ESG experts' group, ABBL and ESG rating agencies
- **Group 2:** Clients and Employees
- **Group 3:** Suppliers and NGOs

A score between 0 and 5 was given to each stakeholder category (Group 1, 2 and 3) and was based on their impact and influence towards BIL.

The stakeholder impact could be defined as the extent to which the stakeholders have interest that would be positively/negatively impacted by the undertaking's activities through its value chain (e.g., 0; weak impact, 5; strong impact).

The stakeholder influence could be defined as the extent to which the stakeholders have potential to influence the organisation's decision-making (e.g., 0; weak influence, 5; strong influence).

#	Stakeholders impact	Stakeholders influence	Stakeholder weight
	Range from 0 to 5	*Range from 0 to 5*	-
Group 1	3.25	3.25	65%
Group 2	1.25	1.25	25%
Group 3	0.5	0.5	10%

The scores established as a result of the stakeholder engagements from the two surveys were aggregated per ESG topic. If a particular topic was considered in the survey from 2023, but not in 2024, the topic was not considered in the 2024 final analysis. If the topic was new in 2024, only ESG expert group, ESG rating agencies and ABBL's perceptions were considered, each of them accounting for a weight of 33.3%.

Consolidation of scores

Inputs from the various stakeholder engagements were used to score each identified impact. The scoring of each impact was done on the same scale as the questionnaire provided to the stakeholders.

The thresholds were as follows:

AXES	THRESHOLD
Scale *How serious the negative impact is or how beneficial the positive impact is for people or the environment*	**4.** High **3.** Medium **2.** Weak **1.** Minimal
Scope *Extent of the environmental damage or benefit to a geographical perimeter or the number of people adversely or positively affected*	**4.** Widespread **3.** Medium **2.** Limited **1.** Minimal
Irremediability (for negative impacts only) *Whether and to what extent the negative impacts could be remediated, i.e., restoring the environment or affected people to their prior state.*	**4.** Irremediable **3.** Very difficult to remedy **2.** Difficult to remedy **1.** Relatively easy to remedy
Likelihood *How likely is the impact to take place on the environment, people & the planet?*	**4.** Frequent **3.** Probable **2.** Moderate **1.** Infrequent

Actual **positive** impacts were scored on the 'Scale' and 'Scope' axes, with the aggregated score of the impacts being the average of the two scores. Actual **negative** impacts were scored on three axes – 'Scale', 'Scope' and 'Irremediability'. Similarly, potential positive impacts were scored on 'Scale', 'Scope' and 'Likelihood' while potential negative impacts were given a score on all 4 axes.

Impacts were considered material if their average score was above 2. Material impacts were grouped by ESG topics for clearer representation.

4.1.2. Financial materiality

To align with the ESRS requirements, BIL considered the risks as well as the opportunities in the financial materiality exercise.

Opportunities were established by analysing the Bank's operations and business model and were scored by taking into consideration the current and forthcoming strategy of the Bank. BIL leveraged on its existing Risk Cartography exercise to establish its lists of risks (refer to section 'Climate-related physical and transition risks and opportunities' for detailed explanation). BIL used these ESG scenarios as a foundation to understand its financial materiality. As prescribed by the EFRAG Guidance, BIL assessed the Likelihood and Magnitude of all risks and opportunities, on a range from 1 to 4.

The thresholds were in line with the Risk Cartography and were presented as follows:

AXES	THRESHOLD
Magnitude *As per the Bank's interest income/expense, interest earning assets, dividend income, operating income/expense, fee income/expense, Net P&L Trading/Banking Book*	**4.** Extreme **3.** Major **2.** Moderate **1.** Insignificant / Minor
Likelihood	**4.** Frequent **3.** Probable **2.** Moderate **1.** Infrequent

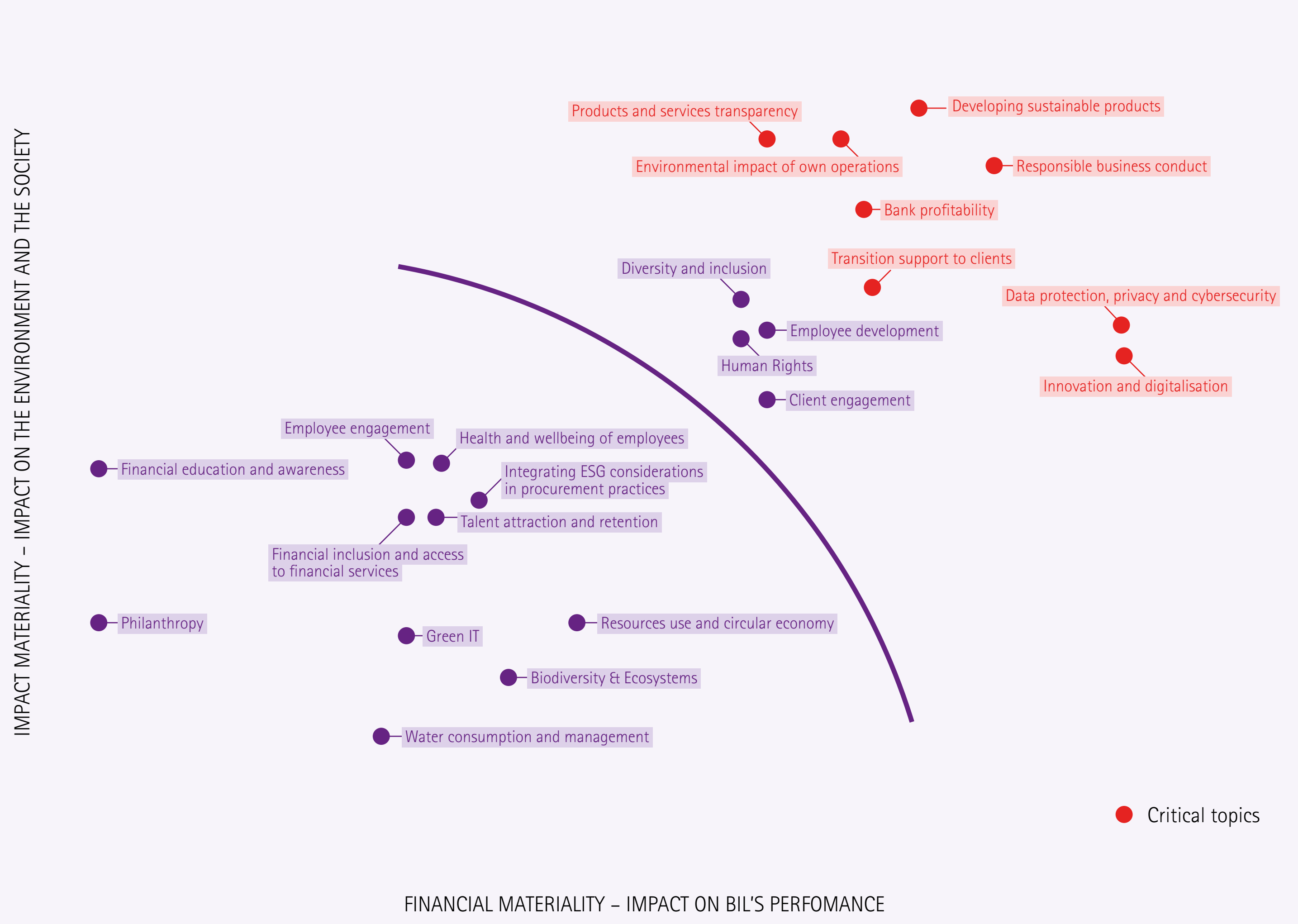
The scores on Magnitude and Likelihood were averaged for each risk and opportunity. Additionally, BIL proceeded with adjustments ("overrides") to adapt the scoring for certain risks. The rationale behind the overrides is that for some topics, both the Likelihood and Magnitude were relatively low even though the topic could be challenging based on the results of the Risk Cartography. To reflect this fact, some topics were artificially given a higher potential financial effect.

If the final financial effect of a risk or opportunity was scored greater than 2, it was considered as material for the Bank. Similar to impacts, risks and opportunities were also grouped into 23 ESG topics for clearer representation.

4.1.3. Double Materiality

The results of the impact and financial materiality were consolidated based on the defined ESG topics and can be found in section 'Material impacts, risks and opportunities and their interaction with strategy and business model'. As per the outcome of the Double Materiality Assessment, the 23 pre-selected topics defined by BIL can be ranked from the most significant to the least significant in terms of potential effects, taking into account both impact and financial perspectives.

BIL's Double Materiality Matrix 2024



The topics can be classified into 2 main groups:

1. **Material and Critical Topics:** Material topics consist of ESG topics with impacts, risks and opportunities above the threshold of 2 were represented above the curve in the matrix. These topics are deemed strategic and of priority for BIL. 8 of these topics are considered as "critical" with an impact and financial materiality threshold greater than 2.5 and 2.6 respectively.
2. **Important topics:** ESG topics with impacts, risks and opportunities below the curve were considered below the thresholds of materiality. While these topics are relevant ESG considerations for the Bank, they are not classified as strategic or priority issues according to the 2024 Double Materiality exercise.

4.1.4. Decision-making and internal control procedures

BIL's ESG Programme covers all projects involving work on strategy, ESG governance, target setting, and approaches to integrate ESG aspects in the Bank's business model. BIL's ESG Strategic Steering Committee defines and implements the ESG strategy governing all ESG projects throughout the Bank. The DMA was an exercise conducted as a part of the ESG Programme and its progress and methodology were regularly shared with the Steering Committee. This ensured consistent monitoring and control over the procedure. The results of the DMA were validated by the Steering Committee and has been monitored and reviewed by BIL's Executive Committee.

From an operational point of view, the initial list of proposed material topics has been selected by the Sustainable Development Team of BIL. In a second step, the selection of material topics has been decided based on the perception of key internal and external stakeholders. As a final step, the material topics have been reviewed and approved by the Executive Committee of BIL, providing the final list and prioritisation of material topics for BIL as disclosed in this Report.

4.2. Disclosure requirements covered by the Sustainability Report

Disclosure Requirement	Details	Location in the report
ESRS 2 BP-1	Basis for preparation	Page 6
ESRS 2 BP-2	Disclosures in relation to specific circumstances	Page 6
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	Pages 8-9
ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Pages 10-12
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	Page 12
ESRS 2 GOV-4	Statement on due diligence	Pages 13-14
ESRS 2 GOV-5	Risk management and internal controls over sustainability reporting	Page 15
ESRS 2 SBM-1	Strategy, business model and value chain	Pages 16-23
ESRS 2 SBM-2	Interests and views of stakeholders	Pages 24-25
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Pages 26-29
ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Pages 30-35
ESRS 2 IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability report	Pages 36-37
ESRS E1	Climate Change	Pages 38-65
ESRS E1-1	Transition plan for climate change mitigation	Pages 44-45
ESRS E1-2	Policies related to climate change mitigation and adaptation	Pages 51-52
ESRS E1-3	Actions and resources in relation to climate change policies	Pages 53-54
ESRS E1-4	Targets related to climate change mitigation and adaptation	Pages 55-57
ESRS E1-5	Energy consumption and mix	Page 58
ESRS E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Pages 59-65
ESRS E2	Pollution	*Not material for BIL*
ESRS E3	Water and marine resources	*Not material for BIL*
ESRS E4	Biodiversity and ecosystems	*Not material for BIL*
ESRS E5	Resources and circular economy	*Not material for BIL*
ESRS S1	Own workforce	Pages 66-88
ESRS S1-1	Policies related to own workforce	Pages 70-77
ESRS S1-2	Processes for engaging with own workers and workers' representatives about impacts	Pages 74-75
ESRS S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Page 76
ESRS 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	Pages 77-79
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Pages 80-81
ESRS S1-6	Characteristics of the undertaking's employees	Pages 82-83
ESRS S1-8	Collective bargaining coverage and social dialogue	Pages 84-85
ESRS S1-9	Diversity indicators	Page 86
ESRS S1-10	Adequate wages	*Not material for BIL*
ESRS S1-11	Social protection	*Not material for BIL*

Disclosure Requirement	Details	Location in the report
ESRS S1-12	Persons with disabilities	*Not material for BIL*
ESRS S1-13	Training and skills development indicators	Page 87
ESRS S1-14	Health and safety indicators	*Not material for BIL*
ESRS S1-15	Work-life balance indicators	*Not material for BIL*
ESRS S1-16	Gender pay gap and remuneration ratio	*Not material for BIL*
ESRS S1-17	Incidents, complaints and severe human rights impacts and incidents	Page 88
ESRS S2	Workers in the value chain	*Not material for BIL*
ESRS S3	Affected communities	*Not material for BIL*
ESRS S4	Consumers and end-users	Pages 89-101
ESRS S4-1	Policies related to consumers and end-users	Pages 92-93
ESRS S4-2	Processes for engaging with consumers and end-users about impacts	Pages 94-95
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Pages 96-97
ESRS 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	Pages 98-100
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	*Not disclosed*
ESRS G1	Business Conduct	Pages 102-123
ESRS G1-1	Business conduct policies and corporate culture	Pages 106-109
ESRS G1-2	Management of relationships with suppliers	Pages 110-111
ESRS G1-3	Prevention and detection of corruption and bribery	Pages 112-113
ESRS G1-4	Incidents of corruption or bribery	Page 114
ESRS G1-5	Political influence and lobbying activities	*Not material for BIL*
ESRS G1-6	Payment practices	Page 115

The Double Materiality Assessment enabled BIL to link key material impacts, risks and opportunities (IROs) with the topics and sub-topics given under AR 16 of ESRS 1. Based on the alignment with the sustainability matter, if an IRO was considered as material from either an impact or financial materiality point of view or both, it was disclosed in the Report as per the relevant standard.

02. Environment

1. Disclosures Pursuant to Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation")

REPORTING PRINCIPLES

The preparation of the EU Taxonomy reporting is based on prudential consolidation of BIL SA. The consolidation is in accordance with the supervisory reporting of financial institutions as defined in Regulation (EU) No 575/2013 of the European Parliament and of the Council, and the Commission Implementing Regulation (EU) 2021/451 (FINREP).

Furthermore, the preparation of the reporting is based on the Delegated Act supplementing Article 8 of the Taxonomy Regulation (Disclosures Delegated Act 2021/2178).

TEMPLATE DESCRIPTION

Following background information supports the information presented in the various tables in Appendix:

TEMPLATE 0. Summary of KPIs

The KPIs are presented in a summary as introduction to the tables that follow.

TEMPLATE 1. Assets for calculation of Green Asset Ratio

The on-balance sheet exposures aligned to the EU Taxonomy and included in the numerator are:

- Aligned exposures to financial and non-financial corporations subject to NFRD based on the alignment ratio publicly disclosed by the counterparties (both CapEx and turnover based alignment).
- Aligned exposures in the household loan portfolio: residential property loans (mortgages), building renovation loans and motor vehicle loans.
- Aligned exposures to local governments

TEMPLATE 2. GAR sector information

A detailed breakdown of the row "non-financial companies". The tables present exposures in the banking book to various companies, presented by their principal activity, broken down at the 4 NACE level, with information on the reported gross carrying amount and amounts that are environmentally sustainable within the various climate objectives.

TEMPLATE 3. GAR KPI STOCK

Detailed information on the different asset rows in relation to the percentages of all covered assets in the denominator.

TEMPLATE 4. GAR KPI flow

Detailed information on the different asset rows in relation to the percentages of all covered assets in the denominator. Unlike the GAR KPI stock, this GAR KPI flow is limited to new exposures in 2024.

TEMPLATE 5. KPI off-balance sheet exposures

Detailed information on the various off-balance sheet exposures regarding the percentages in relation to all Taxonomy-eligible off-balance sheet assets.

As far as AuMs are concerned, BIL addressed the following scope: BIL Luxembourg (Discretionary Portfolio Mandates).

OTHER TEMPLATES (1-5)

Templates relating to exposure to economic activities involving fossil gas and nuclear energy. Five tables with detailed information regarding the six identified economic activities within nuclear power and fossil gas-related activities.

Templates for 2023 and 2024 can be found in the Appendix.

BIL'S APPROACH

Taxonomy objectives

BIL is reporting on the eligibility and alignment of all six objectives: Climate Change Mitigation (CCM), Climate Change Adaptation (CCA), Water and marine resources (WTR), Circular Economy (CE), Pollution (PPC) and Biodiversity and Ecosystems (BIO).

Disclosure reference date

For the reporting period 2024, BIL has used the Taxonomy reporting of eligibility and alignment of its counterparties (financial and non-financial undertakings) based on published data from 2023 and 2022 in case data of 2023 is not yet available.

Approach for exposures to financial and non-financial corporations subject to NFRD

- At this stage, BIL has no internal flags enabling it to identify whether a company is subject to NFRD, nor does it have access to a public database listing such companies. The categorisation was therefore based on internal customer segmentation.
- BIL determined the Taxonomy eligibility and alignment of its financial and non-financial counterparties using the published percentages in their annual reports or sustainability reports. This data was collected via an external ESG data provider. Assessment of whether non-financial and financial undertakings fulfil the requirement in terms of Substantial Contribution (SC), Do No Significant Harm (DNSH) criteria and compliance with Minimum Safeguards covering social and governance Standards (MSS) is based on the undertaking's own published Taxonomy reporting.

Approach for exposures in the household loan portfolio: building renovation loans and motor vehicle loans

- In terms of Eligibility Assessment, 100% of these two types of exposures are eligible.
- Due to the comprehensive level of details required, data on motor vehicle loans and renovations loans are not assessed for alignment.
- BIL could have identified exposures aligned with the taxonomy for motor vehicle loans based solely on the Substantial Contribution criteria based on the emissions of the vehicles financed. However, BIL is currently unable to assess the technical screening criteria of the EU Taxonomy in terms of DNSH criteria which is based for example on information about the tyres.

In a prudential approach, BIL has therefore decided, to set the alignment of both types of exposure at 0%.

Approach for exposures in the household loan portfolio: residential property loans (mortgages)

In terms of Eligibility Assessment, 100% of these exposures are eligible to the objective Climate Change Mitigation (CCM).

BIL has improved its methodology on how to assess the Taxonomy alignment of mortgages. The alignment was also enhanced due to the increased data collection for Energy Performance Certificate (EPC) for buildings and to the physical risk assessment for the DNSH criteria.

- For buildings built before 31 December 2020, BIL considered aligned:
  - all mortgages having a documented and valid EPC of A, or
  - Mortgages within the top 15% of the national building stock. To define the collaterals within this top 15%, BIL consulted external experts specialising in green buildings for its Green Bond Framework. These experts provided a methodology to establish relevant and robust eligibility criteria for residential buildings in Luxembourg, in accordance with the EU Taxonomy Climate Delegated Act:
    - The year of construction of a single-family house should be 2017 or newer based on the Règlement Grand-Ducal (RGD) of 2016, and
    - the year of construction of a multi-family house should be 2019 or newer based on the Règlement Grand-Ducal (RGD) of 2019.
- For buildings built after 31 December 2020, BIL considered aligning all mortgages having a documented and valid EPC with energy performance at least 10% lower than:
  - 41KWh/m^{2}a for Luxembourg (i.e. 36.9 KWh/m^{2}a). The threshold for Nearly Zero-Energy Buildings (nZEB) in Luxembourg is defined in the "Règlement Grand-Ducal du 9 juin 2021 concernant la performance énergétique des bâtiments", which sets the equivalence of nZEB to energy class A (41 kWh/m^2 per year).
  - 50KWh/m^{2}a for France (i.e. 45 KWh/m^{2}a). As for France, the "Réglementation Thermique 2012" (RT2012) sets the NZEB equal to the Maximum Primary Energy Consumption (Cepmax) amounting to 50KWh/m^2 per year.
- Do Not Significant Harm Criteria

Mortgages are considered aligned with the taxonomy if they substantially contribute to climate change mitigation and do not cause significant harm to the climate change adaptation objective. Physical climate risk assessments for residential real estate lending have been conducted using Moody's Climate on Demand platform since June 2024, as this is a Do No Significant Harm criterion. Exposures identified with a Red Flag have not been assessed as Taxonomy-aligned assets.

Approach for exposures to local governments

Local governments do not report Taxonomy data: BIL is therefore unable to determine the Taxonomy eligibility and alignment of this type of counterparties.

RESULTS OF 2024

The Green Asset Ratio (GAR) measures the proportion of exposures related to Taxonomy-aligned activities relative to BIL's total covered assets.

For the financial year 2024, BIL's GAR on stock is 0.62% (vs. 0.06% in 2023) for the Turnover KPI and 0.69% (vs. 0.17% in 2023) for the CAPEX KPI of the counterparties.

The increase in the GAR is attributed to the rise in total Taxonomy-aligned assets. This growth has been primarily driven by enhancements in the methodology for assessing the Taxonomy alignment of mortgages, EPC data collection, and physical risk assessment (methodology details in the previous section). This allowed the Bank to include these aligned mortgages in the calculation. For the financial year 2023, the total residential real estate loans were considered eligible but not aligned due to the inability to assess the DNSH criteria.

Although this ratio may seem very low, it can be largely explained by several factors, including BIL's business model and clientele type, data accessibility issues, and the stringent framework of taxonomic criteria, particularly DNSH.

Like many of its peers, BIL has chosen to adopt a very cautious approach, reporting 0% alignment for certain exposures. This is because it is currently not feasible to meet all the technical screening criteria set by the EU Taxonomy and to collect all the necessary information (without using proxies as required by the Taxonomy), despite BIL's considerable efforts.

This does not affect BIL's determination to enhance both the quality of its data and its Green Asset Ratio in the future by supporting its customers in their transition.

To understand the final result, below is the calculation method for the main KPI - GAR on stock:

- **Total GAR Assets: €23,287 million**, of which the following exposures are excluded from the numerator
  - Non-financial corporations not subject to NFRD (mainly SMEs or non-EU corporates) account for €5,093 million. It is important to note that the majority of financing through BIL's lending portfolio goes to SMEs, making the portfolio not eligible and not aligned. This, in turn, inflates the denominator and lowers the GAR.
  - Derivatives, on demand interbank loans, cash and cash related assets and other assets (e.g. Goodwill, commodities etc.) for an amount of €1,476 million.

- **GAR – Covered assets in both numerator and denominator: €16,719 million.** This represents 72% of the total GAR assets. Only the following exposures are potentially eligible and aligned:
  - Households: The total exposure amounts to €7,498 million, representing 32% of the covered assets in the numerator of the GAR. This includes €6,522 million in loans collateralized by residential immovable property. These total mortgages are 100% eligible and 1.8% aligned, based on the previously detailed methodology.
  - Financial corporations began reporting their Taxonomy alignment in year 2024. However, their eligibility and alignment data were largely unavailable at the reporting date, highlighting that their Taxonomy data remains very limited.
  - Non-financial corporations: The total exposure amounts to €959 million, representing 4.1% of the covered assets in the numerator of the GAR. 7.2% of these exposures are eligible and 1.4% aligned.
  - Local governments financing: The total exposure amounts to €100 million, representing 0.4% of the covered assets in the numerator of the GAR. Local governments do not report Taxonomy data: BIL is therefore unable to determine the Taxonomy eligibility and alignment for these exposures to local governments.

In brief, the total environmentally sustainable assets amount to €145 million, resulting in a GAR of 0.62% on turnover and 0.69% on CapEx for the financial year 2024.

LIMITATIONS

- **Asymmetry of the GAR calculation**

The numerator and denominator are not symmetric. BIL has 22% of the total GAR assets (GAR denominator) to non-financial corporations not subject to NFRD (mainly SMEs and companies from outside EU), which cannot be included as eligible or aligned financing, therefore environmentally sustainable.

A Bank's business model, its market and its type of customer therefore have a major impact on the scope of eligible assets and therefore on the GAR result.

- **Complexity to meet all technical screening criteria**

To be aligned means to be able to demonstrate compliance with all technical screening criteria related to substantial contribution and DNSH. Some of these criteria are currently unachievable due to a lack of historical data, raising questions about the future role of the Bank. For instance, proving that tyres comply with external rolling noise requirements in the case of motor vehicle loans.

- **Data availability**

As BIL strives to accurately calculate and report its Green Asset Ratio (GAR), the Bank faces significant challenges due to the lack of comprehensive taxonomy data. This issue primarily stems from two main causes:

  - Lack of Reporting by Companies, and
  - Data Gaps from External Data Providers

CORRECTION IN THE FIGURES OF 2023

BIL revised its calculation approach relating to financial guarantees for the year 2023.

Financial Guarantee Figures 2023	2023 figures as disclosed in 2023 Sustainability Report (EUR million)	2023 figures corrected in 2024 Sustainability Report (EUR million)
Total Gross Amount	790	812
of which towards taxonomy relevant sectors (Taxonomy-eligible)	11	25

BIL revised its reporting related to the GAR category 31-Collateral obtained by taking possession: residential and commercial immovable properties for the year 2023.

	2023 figures as disclosed in 2023 Sustainability Report (EUR million)	2023 figures corrected in 2024 Sustainability Report (EUR million)
Total Gross Carrying Amount	2	9
of which towards taxonomy relevant sectors (Taxonomy-eligible)	2	5

BIL'S ACTION PLAN

BIL is actively working to address data availability challenges by enhancing its data collection processes and collaborating with its counterparties and data providers to improve the quality and consistency of the data. The Bank's commitment to transparency and accuracy remains steadfast as it continues to navigate these complexities.

In addition, BIL is committed to improving the quality of its Green Asset Ratio by supporting its customers in their transition.

UPCOMING SHIFTS IN REGULATORY REQUIREMENTS

With the implementation of the Omnibus package in 2025, the disclosure obligation may modify the scope of companies subject to this new framework. Consequently, this will decrease the number of counterparties potentially eligible for the Taxonomy, to be included in the numerator of the Green Asset Ratio (GAR), which could impact BIL's GAR result.

However, most of BIL's counterparties are not subject to NFRD/CSRD, thereby significantly reducing the scope of eligible assets.

2. Transition Plan

BIL developed a Transition Plan by reviewing its strategy and business model in order to align itself to achieving net-zero by 2050.

COMPATIBILITY WITH LIMITING GLOBAL WARMING TO 1.5°C

The Bank is committed to achieving net-zero greenhouse gas (GHG) emissions by 2050 for its own operations and its lending portfolio.

This ambition aligns with the global goal of limiting warming to 1.5°C, and BIL Group is actively working on developing comprehensive targets across all areas of its activities to ensure it meets this critical objective.

Indeed, by assessing its carbon footprint since 2021, BIL Group has pinpointed three critical areas to focus on in its journey towards decarbonisation, as described in detail in the following section.

- Lending portfolio: targeting Corporates & SMEs and Residential Real Estate, as these sectors contribute the most to financed emissions and risks;
- Own operations: aiming to lead by example by acting on its own operational practices, even if the associated risks and impacts are minimal compared with the portfolios mentioned above.

For its business loans, BIL Group aligned its targets with the International Energy Agency (IEA) guidelines. The IEA provides sector-specific pathways and benchmarks for reducing GHG emissions.

BIL's objectives for residential real estate are aligned with the "Plan National Intégré en Matière d'Énergie et de Climat" (PNEC) of Luxembourg, outlining the country's strategy for achieving its energy and climate goals for 2021-2030. Additionally, BIL is committed to adhering to the Carbon Risk Real Estate Monitor (CRREM) pathway, viewing it as a global benchmark scenario. CRREM provides decarbonisation pathways specifically for the real estate sector, including residential properties.

For its own operations, BIL Group aligned its targets with the Science Based Targets initiative (SBTi). While the targets are not SBTi-validated, the Bank used SBTi's robust framework for setting GHG emission reduction targets that are in line with climate science.

These targets are described in detail in the section 'Targets related to climate change mitigation and adaptation'.

DECARBONISATION LEVERS AND KEY ACTIONS

BIL Group is not excluded from the EU Paris-aligned Benchmarks as per Article 10 of the Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020.

To reach Net Zero by 2050, the Bank has identified several key decarbonisation levers and actions across the three critical areas described previously:

Lending Portfolio – Corporates & SMEs:

Client engagement is the key lever for decarbonising business loans. This involves working closely with clients, especially those with higher CO_2 emissions, to assess, encourage and support their transition to more carbon-efficient business practices and investments.

Lending Portfolio – Residential Real Estate:

- Three levers have been identified to decarbonise this portfolio: financing new acquisitions with improved energy performance, and financing renovation and renewable energy.
- All three levers need to be activated to achieve the targets set. However, an essential external factor is the leverage effect of national efforts, including government initiatives, regulations, and aid schemes, without which the banks cannot achieve their objectives alone.

To support the different decarbonisation strategies within the lending portfolio, several actions have been identified and scheduled for the coming years:

- Product and service portfolio: expanding the green financing range of products and services offered for corporate and individual clients.
- Green financing framework: to be defined by ensuring alignment with LMA Green Loan Principles, Taxonomy requirement, and other adequate frameworks.
- Risk management: enhancing ESG integration into risk management, including credit risk appetite, credit granting (including exclusion policy), pricing policy and stress testing.
- Awareness and training: providing training and raising awareness among employees and stakeholders about the importance of decarbonisation and energy efficiency.
- Data collection: improving ESG data collection, storage and exploitation.

Own operations:

In line with the Bank's commitment to the Science-Based Targets Initiative (SBTi) trajectories for scopes 1 and 2, BIL has developed a Transition Plan that aims for the complete electrification of its employee leasing fleet by 2030. However, it is important to note that these trajectories have not been validated by the SBTi. Recognising that buildings contribute significantly to its operational emissions, the Bank will develop a comprehensive buildings' strategy.

Engagement with stakeholders, including employees and the community, will be a key component of the Bank's approach, ensuring transparency and collaboration in its sustainability initiatives.

Progress towards electrification and building goals will be regularly monitored, and updates will be communicated to all stakeholders.

These decarbonisation levers and actions are described in detail in the sections 'Targets related to climate change mitigation and adaptation' and 'Actions and resources in relation to climate change policies'.

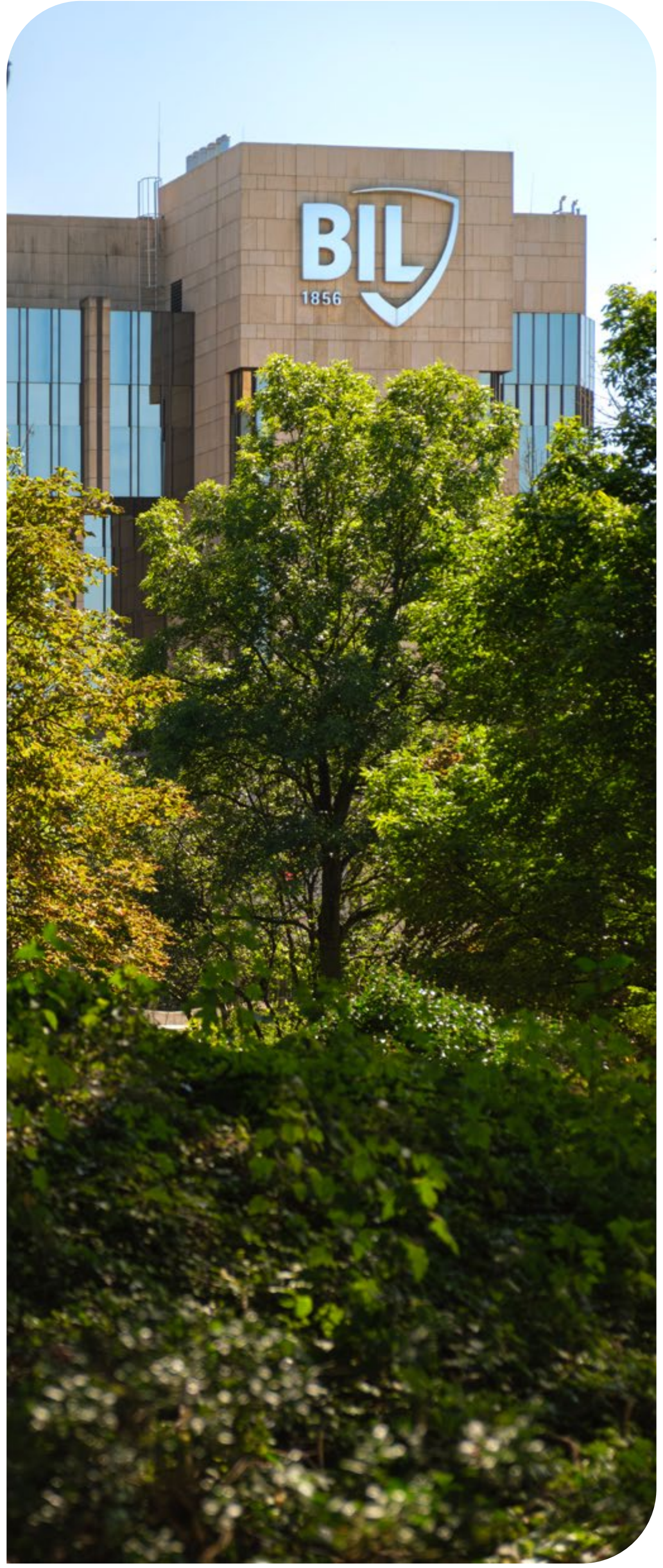
APPROVAL BY ADMINISTRATIVE BODIES AND ALIGNMENT WITH BUSINESS STRATEGY

Throughout 2024, BIL has been working on defining its Transition Plan, which was approved by the Executive Committee and then the Board of Directors in October 2024, taking effect in 2025.

The Transition Plan is integrated into the Bank's overall business strategy and financial planning. This ensures that the ambition to achieve Net Zero by 2050 is supported by the Bank's long-term goals and operational decisions.

PROGRESS ON IMPLEMENTATION

A Transition Plan monitoring will be integrated into the Bank's ESG Dashboard. BIL will continue to calculate its annual carbon footprint, covering both operational and financed emissions, and assess the alignment of its credit and investment portfolios with the IEA's NZE 2050 scenario. The Bank will also report annually on its net-zero progress, including updates on interim targets and key milestones.



3. Climate-related impact, risk and opportunity management

3.1. Impacts on climate change

BIL Group, like all players in the financial sector, has an impact on the climate through its own activities, but above all through its financing and investment activities. These impacts are measured by calculating the Bank's carbon footprint, including the emissions financed through credit and investment activities. The scale of the impact depends heavily on the type of client and the composition of the portfolio. High-emitting clients contribute to climate change by engaging in activities that release significant amounts of greenhouse gases, such as carbon dioxide and methane. This can include industries such as fossil fuels, manufacturing and agriculture with intensive emissions. An increase in exposure to high-emitting clients therefore translates into a significant negative impact on the climate. BIL has been measuring its carbon footprint since 2021. The measurement includes scope 1, scope 2 and scope 3 emissions and is improving in quality and scope.

On the other hand, banks can be transition facilitators by helping clients to move towards sustainable practices. This includes providing financial incentives for eco-friendly initiatives, offering expertise in sustainable investments, and developing products that support environmentally responsible behaviour. By aligning their services with the principles of sustainable finance, banks can play a crucial role in fostering positive economic and environmental transitions.

The Double Materiality Assessment conducted by BIL identified both positive and negative impacts related to climate change adaptation and mitigation. Key positive impacts include the promotion of green loans and investment solutions aimed at supporting sustainable projects, directing client funds towards climate-friendly initiatives, and enhancing energy efficiency through green building practices. Conversely, the assessment also noted negative impacts from financed greenhouse gas emissions associated with high-emitting clients and the Bank's own operational emissions.

To identify actual and potential impacts, BIL Group screened its business lines and their activities along with its upstream and downstream value chain. As the Bank has a large set of different stakeholders, it was imperative to analyse how BIL Group's activities may lead to a positive or negative impact on them and the environment.

The Bank examined its various business lines, such as, Retail & Corporate Lending, Investment services, Bank Portfolio Management, Risk Management and Facilities Management, for activities that could directly or indirectly lead to an impact on the Bank's GHG emissions.

3.2. Climate-related physical and transition risks and opportunities

BIL's Risk Cartography exercise was used as a foundation to identify risks material for the Bank and understand their effect on the Bank's financial position and performance. More details on BIL's Risk Cartography can be found in section 'Identification of Risks'.

Material risks particularly linked to climate were categorised as transition or physical risks. Key risks include potential regulatory compliance issues due to inadequate ESG-focused investment solutions, reputational damage from a lack of a decarbonization strategy, and financial risks linked to the depreciation of high-emission assets. Additionally, failure to collect client sustainability preferences and assess climate risks in investment proposals could lead to unmet client expectations and unforeseen exposure for investors. Physical risks, such as server disruptions from extreme weather events and impact on property prices, further highlight the vulnerabilities associated with climate change.

While the Risk Cartography includes physical risks through its systematic approach, additional assessments are conducted.

For the specific assessment of physical risks associated with its real estate lending portfolio, BIL employs Moody's climate risk platform. This platform offers a forward-looking perspective on catastrophe risks related to climate change and their financial implications. The physical risks are categorised into seven natural hazards projected across single and multiple long-term scenarios reaching 2050.

- Floods
- Heat Stress
- Hurricanes and Typhoons
- Earthquakes
- Sea Level Rise
- Water Stress
- Wildfires

Using Moody's methodology, the Bank calculates the frequency of peril-specific catastrophe events for its collateral portfolio. This results in risk scores and levels that identify the Bank's exposure to various physical climate risks. Moody's approach incorporates Representative Concentration Pathway (RCP) scenarios and Network for Greening the Financial System (NGFS) scenarios, allowing for a comprehensive evaluation of the portfolio across different locations. In alignment with regulatory recommendations, BIL has established indicators and limits for physical risk, ensuring an effective risk management strategy.

Since September 2024, the analysis has been expanded to include Commercial Real Estate exposures, integrating new indicators into the Bank's risk appetite framework related to ESG considerations. Refer to section 'Resilience of BIL's strategy and business model' for details.

LEVERAGING ON SCENARIO ANALYSIS

The Bank leverages climate-related scenario analysis to evaluate potential future climate conditions and their impacts on operations, business activities, and the overall market environment. This analysis is essential for identifying and assessing both physical and transition risks, enabling informed decision-making in alignment with the organisation's strategic objectives.

The scenarios are categorised into two main types: (1) identification scenarios as part of the ESG Risk Cartography process and (2) quarterly ESG scenarios for comprehensive assessments.

(1) Identification of Risks

Background: The Risk Taxonomy serves as the foundation for identifying risks, with all risk definitions updated to reflect the evolving risk profile of the Bank and the latest industry standards. Each identified risk is assigned a scenario drafted by the Enterprise Risk Management (ERM) team and reviewed by relevant stakeholders. The scenarios are also complemented by ESG drivers impacting one or several classical risks. A Risk Cartography Assessment Questionnaire is circulated among participants across all business lines and entities within the Bank Group to evaluate the Gross risk, based on their frequency (likelihood) and monetary impact (severity). Participants may also propose additional scenarios. Then, key controls in place are identified and assessed based on the type of control and the effectiveness. The residual risk is finally being automatically determined based on the assessment. In order to improve the risk controls, an action plan is recommended for any high residual risk rating and mandatory for any very high residual risk rating.

The purpose of the ESG Risk Cartography exercise is to identify material risks that the Bank may face, ensuring that its internal capital is adequately assessed to manage those risks. The ESG scenarios help in understanding, amongst others, physical and transition risks and in developing mitigation strategies.

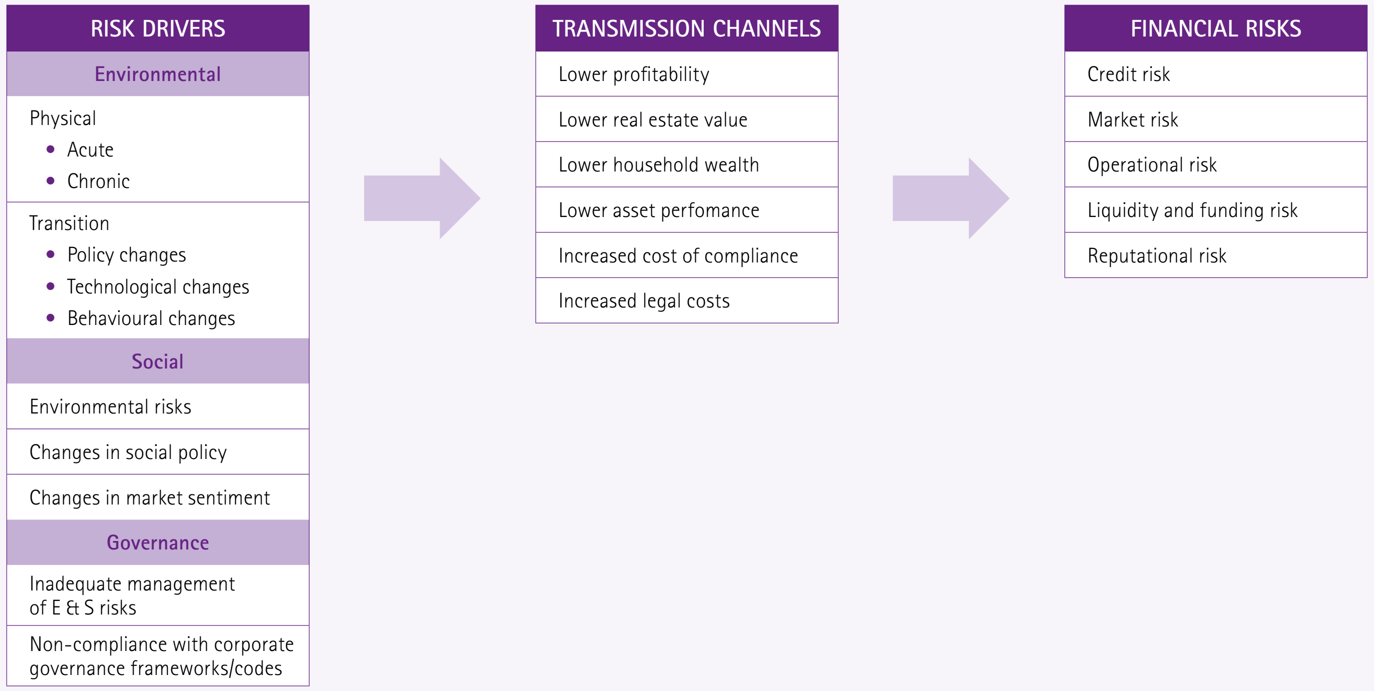
The Risk Cartography and its scenarios consider the Bank's entire value chain, including counterparties, financed companies, suppliers, clients, and all upstream and downstream aspects.

The same remark applies to geographical scope, as it is not an exclusion per se. The list of experts contributing to the Risk Cartography realisation is selected from various business lines within the First and Second Lines of Defence.

Focus on ESG Methodology: The ESG Risk Cartography was developed in 2023 using the same methodology as the Global Risk Cartography. The exercise is also based on the collection of questionnaires provided to various stakeholders, requesting their assessment on ESG specific scenarios, with focus on Climate and Environmental Risks as well as Social and Governance aspects. The ESG Cartography is merged with the Global Risk Cartography, but with a dedicated ESG section including the medium to long-term horizon in all areas of climate-related and environmental risk assessments.

In accordance with the "ECB Guide on Climate-Related and Environmental Risks," published in November 2020, ESG risks are not treated as stand-alone risks but assessed based on their impact on existing risks, particularly financial risks (covering credit and market risks) and non-financial risks (covering operational, ICT, and enterprise risks).

According to regulatory guidelines from the ECB and EBA, ESG factors can lead to negative financial impacts through various risk drivers, known as transmission channels.



Respondents of the Cartography are asked to assess the different scenarios on three possible time horizons:

- Short-Term: 1-3 years
- Medium term: 3-5 years
- Long term: more than 5 years

In this context, the results of the cartography are crucial for understanding how the Bank can mitigate risks and capitalise on opportunities related to its strategy and business model, thereby enhancing its resilience to climate-related risks.

The output of the ESG Risk Cartography informs how to strengthen the risk management framework and integrate climate-related risks into the overall risk assessment processes. The outcomes could also serve to create capital buffers to cover unexpected climate and environmental risks within existing risk categories (credit, market, liquidity, non-financial risks). Mitigation actions can generate business opportunities, such as developing green loans aimed at decarbonising the mortgage portfolio, thereby reducing exposure to transition risks.

(2) Quarterly ESG scenarios to complete the assessments

The ESG scenario assessments quantitatively evaluate all material risk areas impacted by ESG drivers. The exercise assesses potential impacts of ESG drivers on classical financial risks, including credit risk, market risk, and liquidity risk, as well as non-financial risks (NFR), such as operational and enterprise risks. It is essential to note that this analysis focuses on ESG factors/drivers impacting classical risks rather than defining ESG risks as mentioned in the identification section.

In this context, a first way to assess the impacts of the ESG factors is to develop scenarios linking the ESG factors to the classical risks. Climate stress tests are defined as: "Assessment featuring fully fledged scenarios that map out possible future development paths of transition variables (e.g., carbon prices), physical variables (e.g., temperature increases) and the related changes in macro variables (e.g., output in different sectors, GDP, unemployment) and financial variables (e.g., interest rates)". These scenarios are then translated into changes in portfolio (risk) attributes.

Risk teams concentrate on the ESG impact on these variables and their implications for credit risk scenarios, market risk scenarios, and liquidity risks. Initially, each risk is assessed independently. A second step planned for 2025 will review this methodology to include joint behaviour between risks, serving as a basis for ESG Economic Capital Assessment (ECAP) as outlined in the ECB letter dated January 26, 2024, which states that significant institutions should thoroughly identify and, where material, quantify and manage climate-related transition or physical risks in accordance with their internal risk taxonomy.

In fact, the ECB expects that the assessments in the ICAAP and ILAAP address climate risks and their contribution to other risk categories (e.g., credit, market, business/strategic or operational risks) under various scenarios to ensure forward-looking capital adequacy.

ESG in credit risk: The Bank measures ESG impacts on credit risk, focusing on ESG drivers affecting GDP, unemployment, inflation, equity, and interest rates (including sectoral views). These variables are utilised to forecast Expected Credit Loss (ECL) and Risk-Weighted Assets (RWA).

For classical ECL projections, Moody's data buffet is employed, incorporating specific ESG scenarios based on state-of-the-art scenarios provided by the Network for Greening the Financial System (NGFS). Currently, three scenarios from NGFS's six scenarios are utilised in Moody's models:

- Up – Early Policy corresponding to the NGFS orderly scenario,
- Down – Late Policy corresponding to the NGFS disorderly scenario (also referred to as Delayed +1.5°C), and
- Base – Current Policy corresponding to the NGFS Current Policies scenario.

These variables are utilised by the Risk Department to forecast and stress ECL and RWA according to various regulatory requirements and internal policies. These calculations are used for risk modelling purposes and do not impact the ECL models applicable under the accounting framework and reported in the Financial Statements of the Bank.

ESG in market risk: In 2023, the Autorité de Contrôle et de Résolution (ACPR) carried out its second climate stress test, leveraging on the results of the first exercise in 2020-21, improving the scenarios and refining the set of macro-financial and climatic variables, and better considering physical risk drivers. The aim of this exercise is to update the assessment of vulnerabilities of financial institutions to climate change risks. The scenario leverages on the last generation of NGFS scenarios. ACPR stress tests introduced a short-term scenario, analysing the occurrence of extreme events in terms of acute physical risk, as well as transition risk with a shock on assets valuation linked to a sudden adjustment in financial markets. BIL decided to assess this short-term scenario. The hypothesis of this scenario is that the occurrence of successive extreme climate events would impact major infrastructures used in production of energy and water resources management, which would play a catalytic role in market anticipations. The cost of funding of most carbon-intensive sectors would increase suddenly, leading to corporate spreads shocks, as well as their stock prices sharply falling, then spreading to all sectors. Finally, sovereign yields undergo a sharp increase.

ESG in liquidity risk: As part of the Bank's Risk Appetite framework, the Bank has developed a credit risk appetite by economic sector based on ESG factors along with the Sector Vulnerability Index. It includes Environmental, Social and Governance (ESG) factors based on the Sustainable Accounting Standard Board (SASB)'s Materiality Map. SASB's Materiality Map identifies likely material sustainability issues on an industry-by-industry basis. The map serves as a snapshot of likely material sustainability issues and enables determining the ESG issues that are most probable to materially affect the financial performance of a company within an economic sector. As such, the standards are well-suited to serve as a valuable input to the Bank's existing approach to identifying, assessing, managing, and monitoring risks and opportunities. To assess BIL's ESG impacts related to Liquidity Risk, the Risk team applies the following approach:

- The primary idea, as suggested by a Banca d'Italia paper, is to apply the SASB classification to the Bank's depositors with the following scenario: "The need for some counterparties to incur expenses to finance their green transitions could lead to a reduction in their deposits." The process to obtain liquidity risk exposure is established through the following method:
  - liability exposures are classified by type of counterparties based on SASB classification (using NACE codes),
  - sectors are allocated ESG scores, to which sensitivity tests (% outflows) are applied, and
  - retail exposures are excluded, as sectors for natural persons correspond to the sectors in which they are employed, meaning potential withdrawals of their cash are not related to this sector. In this context, impacts on the Net Stable Funding Ratio (NSFR) are assessed.

ESG in non-financial risks (NFR): Based on the ESG risk strategy and appetite, the supervisors expect that the risk evaluation process needs to integrate climate and environmental risks into the existing well-known risk categories (credit, market, liquidity, NFR). Consequently, the NFR need to be quantified as part of the process notably to identify adequate capital requirements (e.g., ICLAAP) over a sufficiently long timeframe. The regulatory requirements to integrate ESG risks into the existing NFR framework pose several challenges for financial institutions. This means that ESG relevance must be examined for each material NFR, and, if required, the assessment methodology needs to be adjusted, existing ESG aspects identified, or additional scenarios for ESG included in the assessment. Additionally, the right data framework is key to covering these challenges as the ESG risk management asks for a high level of transparency of the reports, focusing on identifying relevant risks and implementing measures to monitor and manage those risks. In this context, the impact of ESG scenarios included in the Risk Cartography has been quantitatively assessed to combine historical losses (from 2011) and NFR forward-looking scenarios in an integrated fashion to fit frequency and severity distribution. The outcomes of this process have been estimated to be 99.90% VaR of a simulated loss distribution, which is obtained simulating both frequency and severity distribution.

Overall, the Bank is considering the short, medium and long term for the coverage of ESG risks in their strategies and processes for assessing and continuously maintaining the adequacy of its internal capital. The Capital Requirement Regulation (CRR III) and the Capital Requirement Directive (CRD VI) require financial institutions to incorporate ESG risks into their capital and liquidity assessment processes, to manage the amounts, types and allocation of internal capital to withstand potential ESG related risks considered material in the risk cartography identification exercise.

Additionally, Risk teams are currently working on the inclusion of the ESG scenarios in the assessment of the financial trajectory.

For the identification of transition climate risks, again, the **Risk Cartography framework** serves as the foundation for overall risk assessment. Additionally following assessments allow to specifically focus on transition risks:

- The ESG stress test scenarios exercise is used as described in the section hereafter
- Within the framework of the Bank's Risk Appetite Statement (RAS), the Sustainability Accounting Standards Board (SASB) framework is employed to classify loan book exposures according to ESG criteria. This includes a granular identification of exposures subject to biodiversity and nature-related risks.
- In addition to identifying transition risks, BIL calculates financed emissions to identify high-emitting clients within its portfolio. This assessment is crucial for understanding the carbon footprint of the Bank's lending activities and investment strategies. By quantifying financed emissions, BIL can engage with clients to encourage practices that lead to reduced carbon outputs and support their transition to more sustainable business models.
- BIL also conducts portfolio alignment exercises to ensure that its lending practices are in line with climate-related goals, particularly those of the Paris Agreement. These exercises help the Bank assess the compatibility of its portfolio with a low-carbon future.

In December 2024, BIL established additional indicators to further cover transition and physical risks. Please refer to the section on 'Resilience of BIL's strategy and business model' for details.

The ESG stress test scenarios are conducted quarterly and provide a high-level overview of the potential impacts of ESG drivers—particularly those related to climate and environmental factors—on traditional financial risks (Credit Risk, Market Risk, and Liquidity Risk) as well as non-financial risks (NFR).

By evaluating scenarios that outline potential future developments of transition variables, physical variables, and their associated changes in macroeconomic and financial factors, BIL can identify vulnerabilities and formulate strategies to mitigate risks.

The physical and transition risks identified in the Double Materiality Assessment gave rise to climate-related opportunities, as presented in section 'Double Materiality'.

4. Policies related to climate change mitigation and adaptation

4.1. Policies on climate change mitigation and adaptation

The following policies address the identification, assessment, management, and remediation of BIL's material climate change mitigation and adaptation impacts, risks, and opportunities:

The *BIL ESG Charter* outlines the Bank's commitment to sustainable banking practices by integrating Environmental, Social, and Governance (ESG) principles into its operations, strategies, and governance framework, ensuring that sustainability considerations are embedded in decision-making processes. The main processes impacted by ESG integration at BIL encompass risk management, lending and investment decisions, product development, procurement, human resources, environmental impact management, and human rights considerations, all aimed at embedding sustainability into the Bank's operations. The Charter encompasses all entities of the BIL Group and is implemented through the ESG programme, overseen by a member of BIL's Executive Committee. The Charter is accessible to all internal stakeholders via the internal website, it is also available to external stakeholders on the Bank's website.

BIL's Transition Plan is designed to mitigate climate change impacts and enhance resilience through targeted strategies. This plan outlines BIL's commitment to reducing greenhouse gas (GHG) emissions in alignment with the Paris Agreement, ensuring that the Bank's business model remains relevant in a transitioning economy toward Net Zero, thereby mitigating potential transition risks.

As described more in detail in the section 'Transition Plan', BIL's Transition Plan focuses on three critical areas in the journey toward decarbonisation: lending portfolios targeting Corporates, SMEs, and Real Estate, which are significant contributors to financed emissions and associated risks, and BIL's own operations, aiming to lead by example by improving its operational practices.

The Group Head of Sustainable Development is responsible for the implementation of the Transition Plan, reporting directly to the Executive Committee to ensure alignment with corporate strategy. BIL is committed to the Principles for Responsible Banking, ensuring that its transition efforts align with global best practices. By aligning its GHG reduction targets with established frameworks (such as SBTi, IEA and CRREM), BIL ensures that its overall ambition to achieve net-zero emissions by 2050 is scientifically grounded and contributes effectively to the global effort to limit warming to 1.5°C.

The Transition Plan outlines specific measures to reduce GHG emissions, focusing on the scope of decarbonising both credit portfolios and the Bank's operational footprint. The Transition Plan was developed with the assistance of external consultants and discussed with the relevant internal stakeholders, primarily from Retail Banking, Corporate Banking, and Corporate Real Estate. It is based on international references and guidelines, as detailed in the Transition Plan section.

Risk Management is dedicated to progressively implementing risk approaches that support the Bank's business model and future strategy in addressing ESG matters. Initial indicators have already been integrated into the Risk Appetite Framework. BIL's plan incorporates energy efficiency measures for its operations and promotes energy efficiency initiatives through its mortgage offerings. The same commitment applies to the deployment of renewable energy.

The **Bank's Risk Cartography** is an annual exercise and ESG factors are included in the overall analysis as part of an iterative assessment. The *Risk Identification and Assessment Policy* aims at providing the main principles, methodological and process steps for the performance of the Risk Identification and Assessment Process at BIL Group as part of its Risk Management Framework, including the capture of ESG risks through the separate set of ESG scenarios as part of the self-assessment. The Chief Risk Officer is responsible for the implementation of this policy, which is reviewed on an annual basis.

BIL's Principal Adverse Impact (PAI) statement describes how the Bank considers the PAI of its investment decisions on sustainability factors and summarises the Bank's investment due diligence policies in respect of the associated processes. The Chief Investment Officer is responsible for the statement with the ESG Officer having a central role in overseeing BIL's responsible investment processes and reporting to the Chief Investment Officer. Responsibilities include carrying out ex-post control procedures on the ESG characteristics of any securities/funds added to the BIL investment universe, as well as monitoring the evolution of portfolio/fund exposure to PAI. The ESG Officer also supports product development and portfolio management efforts on sustainable investment solutions, works together with portfolio managers on constructing and reporting on various product programs, and coordinates with the investment management team, supporting managers with ESG due diligence, integration, and improvements.

The Statement of Principal Adverse Impacts of investment decisions on sustainability factors is available on BIL's website.

The *Responsible Investment Policy* addresses the responsible investment process for all in-house products classified as Article 8 per SFDR and discretionary mandates at BIL Luxembourg. Responsible investment involves considering environmental, social, and governance (ESG) issues when making investment decisions. The policy goes through several types of responsible investment processes, from exclusions screening to ESG integration. It also describes the monitoring performed to secure BIL's responsible investment commitments. The process follows BIL's applicable Sustainability Risk Policy and is managed by the Chief Investment Officer.

BIL addresses sustainability risk within the investment process and advisory services through a comprehensive approach laid out under the *Sustainability Risk Policy*. BIL applies a risk/return assessment during the security selection process. This selection process applies to discretionary portfolio management and in-house BIL Invest funds. In advisory services, advisors rely on BIL's carefully selected investment universe, which undergoes the selection process described in the Sustainability Risk Policy and enables advisors to provide clients with information about potential sustainability risks. The Chief Investment Officer is responsible for the implementation of this policy. The Sustainability Risk Policy of investment decisions on sustainability factors is available on BIL's website.

BIL's *Investment Portfolio Guidelines Charter* defines the guidelines of the Investment Portfolio for BIL. With respect to ESG matters, BIL deems investing in companies and sovereigns that respect ESG principles. The Bank's investment approach is carefully aligned with its exclusion policy and the Sustainable Investment Framework. The Charter is the responsibility of BIL's Balance Sheet Management department and is validated by the Head of Strategy, SGO & Balance Sheet management. The Charter's scope covers the activities of BIL Luxembourg and BIL Switzerland and solely targets the Bank's own investment portfolio actions.

BIL's established Green Bond Framework supports the growth of the sustainable finance market, ensuring to meet commitments of the Paris Agreement on global climate action and to address investors' willingness to finance sustainable activities.

4.2. Other related policies

BIL's Lending policies also aim to enhance the identification, assessment, management, and remediation of climate change mitigation and adaptation impacts, risks, and opportunities. The *Global Risk Charter* and the *Credit Risk Appetite Framework* outline how the credit risk appetite integrates ESG factors. This includes sector limits informed by the SASB Materiality Map, which identifies material sustainability issues for various industries. These measures facilitate the monitoring of ESG exposure and its impact on borrowers' creditworthiness. The monitoring applies to all new credit transactions involving Corporate and MidCorp counterparties, focusing on sectors identified as having high, medium, or low ESG risks. The *Credit Charter* sets out a general framework for the Bank's credit portfolio, which defines the principles, governance, authorities, responsibilities and risk strategy for credit, including prohibited sectors, countries and industries, credit risk appetite and lending caps, maximum exposures. These Charters and Policies cover the operations of BIL Luxembourg, BIL Lease and BIL Switzerland and are under the responsibility of the Chief Risk Officer of the Bank which are reviewed on a regular basis and if need be. They are available for access to all employees through the internal platform.

BIL Group's *Stress Testing Charter* describes the use of Climate Risk scenarios to test the resilience of the Bank to the physical and transition risks associated with different possible climate scenarios. This Charter covers BIL Luxembourg, Belair House, BIL Lease, BIL Manage Invest and BIL Switzerland and is implemented by the Chief Risk Officer.

A detailed description of the integration of ESG considerations into risk management can be consulted in BIL's latest Risk Management report (Pillar III reports), which explains the Bank's commitments, implementation and governance procedures for incorporating ESG criteria into the Bank's business activities.

BIL's *Loan Pricing Charter* and *Policy* establish guiding principles for developing the *Bank's Loan Pricing Framework* at the Group level. This Framework aligns with BIL's business strategies and risk appetite, incorporating profitability, risk perspectives, and ESG risks. The Policy and Charter are managed by the Chief Risk Officer and the Head of Product Governance and Pricing, with approval from the Executive Committee (for the Policy) and the Board of Directors (for the Charter). Both documents significantly impact BIL's clients by ensuring transparent and equitable loan pricing practices.

With respect to investment activities, the *Sustainability Investment Framework (SIF)* aims to establish a consistent and comprehensive methodology for categorising financial instruments within two distinct categories: sustainable and non-sustainable.

By carefully outlining the definition, criteria, and indicators, the Policy enhances the clarity and transparency of the categorisation process. The SIF is applicable to

- the client investment universe, setting out the criteria for classifying financial instruments as sustainable for the purpose of enriching the offering to clients as per MiFID II, Delegated Regulation 2021/1253,
- and the Bank's investment portfolio, delineating criteria that define what is considered sustainable for the Bank's investment portfolio.

The Investment Value Chain, led by the Head of Investment Product Management, is the owner and is responsible for the definition and implementation of the SIF, which is reviewed at least once a year. The results of the review are presented to the ESG Strategic Steering Committee to acknowledge potential changes and ensure the alignment of the SIF with the Sustainability Risk Policy and with the Bank's ESG Strategy.

5. Actions and resources in relation to climate change policies

To align with the Bank's Transition Plan and environmental commitments, several actions were taken. The implementation of these actions was dependent on the availability and allocation of resources on climate change mitigation and adaptation. They contribute to the achieving the targets set under the Transition Plan, as detailed under section 'Targets related to climate change mitigation and adaptation'.

ACTIONS ON BIL'S BUILDINGS

BIL is firmly committed to becoming more energy-efficient in order to free itself from dependence on non-renewable energy sources and price fluctuations. The Bank's main building currently operates 100% on renewable electric energy. By early 2025, part of the building's electricity will be generated by strategically installed photovoltaic panels on the roof during 2024. Monitoring energy consumption represents the first step towards effective energy management, and BIL has implemented several tools to refine its overall view.

Since 2022, BIL Luxembourg has initiated an energy-saving program. In 2024, the following measures were taken:

- To minimise energy consumption at BIL's headquarters, the Bank has continued the replacement of the control system and temperature sensors across the building. This new technology combines optimal comfort and energy efficiency.
- The lighting at headquarters continues to be gradually transformed to LED. Additionally, the Bank is improving its building management system (BMS) for optimised parking lighting that integrates presence detection.
- The Bank has also updated the transmission systems of all ventilation units. This improvement has the advantage of enhancing energy efficiency. Replacing pulleys and belts with state-of-the-art equipment optimises the transmission efficiency between the motor and the fan, thereby reducing the electricity consumption needed to ventilate the spaces. The Bank continues to adhere to the energy management decisions established in 2022, maintaining heating at 21°C and cooling at 26°C, while optimising outdoor lighting operations to reduce energy consumption.
- A reflection on the consumption of hot sanitary water and the fitness area has led the Bank to install (work currently being completed) a geothermal heat pump with the cooling tower water as the heat source, which will allow to reach temperatures >54°C for the hot water needs of the kitchen and fitness area.

ACTIONS ON PRODUCTS AND SERVICES

Integration of physical risks into mortgage decisions

BIL Luxembourg established a framework to evaluate seven key physical risk factors: floods, heat stress, hurricanes and typhoons, sea level rise, water stress, wildfires, and earthquakes. Based on the risk assessment, limits have been established for the total exposure of transactions corresponding to different risk scores for each risk type. Both physical and transition risks are now taken into account into the credit scoring and thus affect the mortgage pricing.

In the second half of 2024, the Bank adopted several Risk Appetite Framework (RAF) indicators presented to the Management Body. These indicators assess the impacts of transition and physical drivers on Residential and Commercial Real Estate exposures, the Bank Investment Portfolio exposures, and the concentration of profit and loss across specific sectors. They also address the influence of ESG factors on Non-Financial Risks (NFR).

Client engagement – climate transition maturity assessment

Throughout 2024, BIL Luxembourg worked on implementing a client engagement approach for the corporate clients under its credit portfolio.

To assess clients' transition plans towards a carbon-neutral business in a meaningful and comprehensive manner, BIL has developed the "Climate Transition Maturity Assessment" tool respecting Carbon Disclosure Project's assessment criteria and inspired by the ACT (Assessing Carbon Transition) Initiative methodology. This assessment will primarily focus on qualitative client information and maturity matrices to limit subjectivity, with quantitative aspects based on carbon footprint and CO_2 reduction target and trajectory.

The tool was implemented in Q3 2024 and an initial pilot began in Q4 2024 for two teams in the Corporate department with specific training. By the end of 2024, 2 customers had been met.

Green Bond

Since its inception, BIL's Green Bond Framework has become an essential tool in enlarging the Bank's investor base, strengthening its access to liquidity and offering clients investments that support the transition to an environmentally sustainable future. Following a promising start of new issues in 2022 primarily in the form of private placements, the total amount raised since its launch by BIL Luxembourg in Green Bonds stood at over EUR 500 million equivalent as of end-2024. More details can be found in section 'Significant groups of products and services offering'.

BIL Lease's partial digitalisation of contractual documentation

In September 2024, BIL Lease launched an initiative to digitalise contractual documentation in order to reduce the entity's environmental impact. The initiative has been launched in order to save approximately 20,000 sheets of paper annually. Other recurrent actions by the entity include becoming a major actor in financing electric buses of Régime Général des Transports Routiers (RGTR) in Luxembourg and granting incentives to foster leasing contracts for electric vehicles by providing a discount of 60 basis points on standard interest rates.

Training

A number of training courses were given in 2024 to BIL Luxembourg's Corporate department's relationship managers in connection with climate change adaptation and mitigation, through 4 distinct sessions:

- ESG – Luxembourg Market and CIB – Ecological transition journey for individual & corporate clients: General awareness of environmental issues and the regulatory context, with a special focus on Transition Plan and decarbonisation.
- ESG - Green loan financing training: Fundamentals of ESG at BIL, with a special focus on green loans/financing.
- ESG & Client engagement - Climate Transition Maturity Assessment: Dedicated session for "Climate Transition Maturity Assessment" tool's users.
- ESG - Renewable Energies: dedicated training on renewable energies for corporate advisors.

A total of 103 advisors have been trained in 2024, over a total training period of 126 hours.

OTHER ACTIONS

BIL Switzerland's initiatives

- **Bike to Work Challenge:** Employees of BIL Switzerland were actively encouraged to participate in the Bike to Work Challenge in June 2024. This initiative aimed to promote eco-friendly commuting options, reduce the Bank's carbon footprint and enhance the overall well-being of its employees.
- **Contribution for public transport:** BIL Switzerland began offering all its Lugano and Geneva employees a Bonuspass at a reduced rate in order to promote the use of public transportation to travel to and from BIL offices.

Awareness

In addition to specific climate initiatives, BIL Luxembourg has made significant strides in enhancing overall ESG awareness across the organization. A key action taken is the launch of a mandatory ESG training program for all staff, ensuring that every employee is equipped with the knowledge and skills to contribute to the Bank's sustainability goals. Furthermore, the Bank has introduced MyCO$_2$ workshops to promote individual carbon footprint awareness, organised "climate fresks" to facilitate understanding of climate change issues and established a sustainability week to engage employees in various activities focused on sustainable practices.

6. Targets related to climate change mitigation and adaptation

BIL is committed to achieving net-zero greenhouse gas (GHG) emissions by 2050 for its own operations and its lending portfolio and has established specific GHG reduction targets for its own operations and its lending portfolio starting with several high-emitting sectors, as listed in the table below and described more in detail in this section:

GHG REDUCTION TARGETS	2022 (Baseline value)	2030
GHG Scope 1 [tCO_2e]	2,096	572
GHG Scope 2 location-based [tCO_2e]	2,737	2,573
GHG Scope 3 [tCO_2e]	-	-
of which Category 15 - Investments	-	-
of which Power Generation [tCO_2/ MWh]	Index 24.57	Index 40.44
of which Aluminium Production [tCO_2/ Ton of product]	Index 102.24	Index 52.13
of which Iron & Steel Production [tCO_2/ Ton of product]	Index 107.65	Index 72.76
of which Residential Real Estate [tCO_2/ m^2]	Index 100	Index 56

Regarding greenhouse gas (GHG) reduction targets in absolute terms, 100% of these targets pertain to GHG Scope 1 and Scope 2, calculated on a location-based approach. The scope of the targets is limited to the operational activities of BIL Luxembourg and BIL Switzerland and the lending portfolio of the Bank.

The targets, as detailed below, are monitored under BIL's Transition Plan and are approved by the administrative, management and supervisory bodies. Refer to section 'Transition Plan' for more information on the scope, scenarios selected to define the targets, data sources and alignment with international standards.

No targets have been set for Scope 3 operational emissions and for 2050.

These GHG emission reduction targets are gross targets, meaning that the Bank has not included GHG removals, carbon credits or avoided emissions as a means of achieving the GHG emission reduction targets.

The following greenhouse gases were considered:

- Carbon dioxide (CO_2),
- Methane (CH_4),
- Nitrous oxide (N_2O),
- Fluorinated hydrocarbons (HFCs, PFCs, SF_6, CFCs, HCFCs),
- Non-Kyoto/Paris-protocol: Ozone (O_3), Water (H_2O).

6.1. GHG reduction targets related to own operations

- Target: GHG Scope 1 and Scope 2 location based

  Scope 1:
  - 2022 baseline value Scope 1: 2,096 tCO_2e
  - 2030 target Scope 1: 572 tCO_2e

  Scope 2:
  - 2022 baseline value Scope 2: 2,737 tCO_2e
  - 2030 target Scope 2: 2,573 tCO_2e

- Emission scope: Scopes 1 and 2
- The levers identified are:
  - the electrification of employee leasing with a decrease by 51% of the linked GHG emissions by 2030, and
  - the implementation of energy efficiency measures in the buildings with a decrease by 16% of the linked emissions by 2030.

The assumptions underlying the extrapolation of the carbon footprint by 2030 include the expectation that Scope 3 emissions will remain stable, except for the upstream impacts of energy related to Scope 1 and 2 actions.

Methodology and assumptions used to define GHG reduction targets related to Own Operations

BIL has aligned its greenhouse gas reduction targets for 2030 with the SBTi trajectories for financial institutions. The baseline for this effort was established through the first BIL group calculation conducted in 2022, adhering to the GHG Protocol methodology.

For scopes 1 and 2, BIL refers to the cross-sector absolute reductions (Absolute Contractions Approach) pathway based on the year 2020 given under Pathways to Net-Zero – SBTi Technical Summary (Version 1.0, October 2021) for the -42% reduction.

However, due to locked-in emissions from buildings, the Bank currently anticipates a reduction of only 35% in these scopes by 2030. The strategy of the building is not yet defined in the Transition Plan and the need for this strategy has been validated by the ExCo and the Board. The targets on operational emissions of BIL do not include factors such as acquisition or divestments of its buildings. The electrification of its leasing fleet and energy efficiency improvements in buildings are identified as the primary levers for achieving these reductions.

Scope 1 and 2 targets have been set through engagements conducted with the Human Resource and Corporate Real Estate Department. The targets are monitored through the annual carbon footprint calculation and the Transition Plan.

To enhance its modelling capabilities, BIL plans to internalise the calculation of its operational carbon footprint in 2025.

6.2. GHG reduction targets related to Lending Portfolio

(A) CORPORATES & SMEs:

In line with the UN Principles for Responsible Banking (UNPRB) framework and expectations, BIL has opted for a progressive Sectoral Decarbonisation Approach that is, by first focusing on the most emitting sectors to which the Bank is most exposed, then covering all or a substantial majority of these so-called most emitting sectors.

A first round of GHG reduction targets in intensity value have been validated in 2024 in BIL's Transition Plan for the following sectors: Power Generation, Aluminium Production and Iron & Steel Production, as described more in details below.

For this portfolio, no GHG reduction target in absolute value has been set at this stage.

For each of the three sectors, the sectoral physical intensity has been transposed into an Index 100, based on the 2022 target defined by the IEA's Net Zero 2050 scenario (i.e. IEA NZE 2050). This index serves as a benchmark for comparing BIL's baseline value in 2022 and the IEA's target for 2030.

Power Generation

- Target: Power Generation [tCO_2 / MWh]
  - 2022 Baseline value: Index 24.57
  - 2030 Target: Index 40.44
- Reference scenario : IEA's Net Zero 2050 scenario (i.e. IEA NZE 2050) - Electricity generation
- Emission scope: Scope 1
- Sector coverage (based on NACE code): 35.11 Production of electricity

Aluminium Production

- Target: Aluminium Production [tCO_2/ ton of product]
  - 2022 Baseline value: Index 102.24
  - 2030 Target: Index 52.13
- Reference scenario : IEA's Net Zero 2050 scenario (i.e. IEA NZE 2050) - Non-ferrous metals: aluminium
- Emission scope: Scope 1 and 2
- Sector coverage (based on NACE code): 24.42 Aluminium production

Iron & Steel Production

- Target: Iron & Steel Production [tCO_2/ ton of product]
  - 2022 Baseline value: Index 107.65
  - 2030 Target: Index 72.76
- Reference scenario : IEA's Net Zero 2050 scenario (i.e. IEA NZE 2050) - Iron and steel
- Emission scope: Scope 1 and 2
- Sector coverage (based on NACE code): 24.1 Manufacture of basic iron and steel and of ferro-alloys

Client engagement is the key lever for decarbonising Lending Portfolio – Corporates & SMEs. The target is to engage with clients who collectively represent at least 40% of GHG emissions in Business Loans by end of 2025 (> 60% by end of 2026). This approach will allow BIL to evaluate the existence and maturity of their climate Transition Plan and decarbonisation targets. Following these meetings, BIL will be able to define more precisely its own decarbonisation pathway based on real data from its customers.

(B) NATIONAL RESIDENTIAL REAL ESTATE:

BIL Lending Portfolio's highest exposure is on the Real Estate sector in Luxembourg: National Residential Real Estate has therefore also been included into the first round of GHG reduction targets in intensity value validated in 2024 in its Transition Plan.

The "Plan National Intégré en Matière d'Énergie et de Climat" (PNEC) of Luxembourg outlines the country's strategy for achieving its energy and climate goals for 2021-2030.

In its preliminary draft update published in March 2023, two long-term projections have been drawn up by STATEC, the government statistics service of Luxembourg, in collaboration with the Administration de l'Environnement (AEV), the Service d'Economie Rurale (SER) and experts from the various ministries concerned:

- The WEM ('With Existing Measures') scenario based on existing policies and measures, which have been adopted up to 31 December 2021.
- The WAM scenario ('With Additional Measures') incorporating additional policies and measures developed by the ministries in the perspective of the 2024 PNEC update.

As far as its National Residential Real Estate portfolio is concerned, BIL has decided to align its GHG reduction target in intensity value on the WAM scenario trajectory which consists of a 44% reduction from 2022 until 2030, including regular reviews of the objectives based on the actual measures implemented at national level.

At the same time, BIL is closely monitoring the Carbon Risk Real Estate Monitor (CRREM) pathway as a global reference scenario which consists of a 57% reduction from 2022 until 2030.

As described in the section 'Transition Plan', three internal levers have been identified to decarbonise this portfolio:

- financing new acquisitions with improved energy performance while limiting low energy performance
- financing renovation
- financing renewable energy
- and one external factor, namely the leverage effect of national efforts.

7. Energy consumption and mix

	ENERGY CONSUMPTION AND MIX	2024
(1)	Fuel consumption from coal and coal products (MWh)	0
(2)	Fuel consumption from crude oil and petroleum products (MWh)	546.73
(3)	Fuel consumption from natural gas (MWh)	3,145.06
(4)	Fuel consumption from other fossil sources (MWh)	11.35
(5)	Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources (MWh)	702.62
(6)	**Total energy consumption from fossil sources in MWh**	**4,405.77**
	Share of fossil sources in total energy consumption (%)	36.51%
(7)	**Total energy consumption from nuclear sources in MWh**	0
	Share of nuclear sources in total energy consumption (%)	0%
(8)	Of which Fuel consumption for renewable energy sources	0
(9)	Of which Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	7,660.11
(10)	Of which Consumption of self-generated non-fuel renewable energy	0
(11)	**Total renewable and low carbon energy consumption in MWh**	7,660.11
	Share of renewable and low carbon sources in total energy consumption (%)	63.49%
	TOTAL ENERGY CONSUMPTION IN MWh	12,065.88
	Energy Performance Ratio (KWh / UDD)	873

Scope: BIL Group

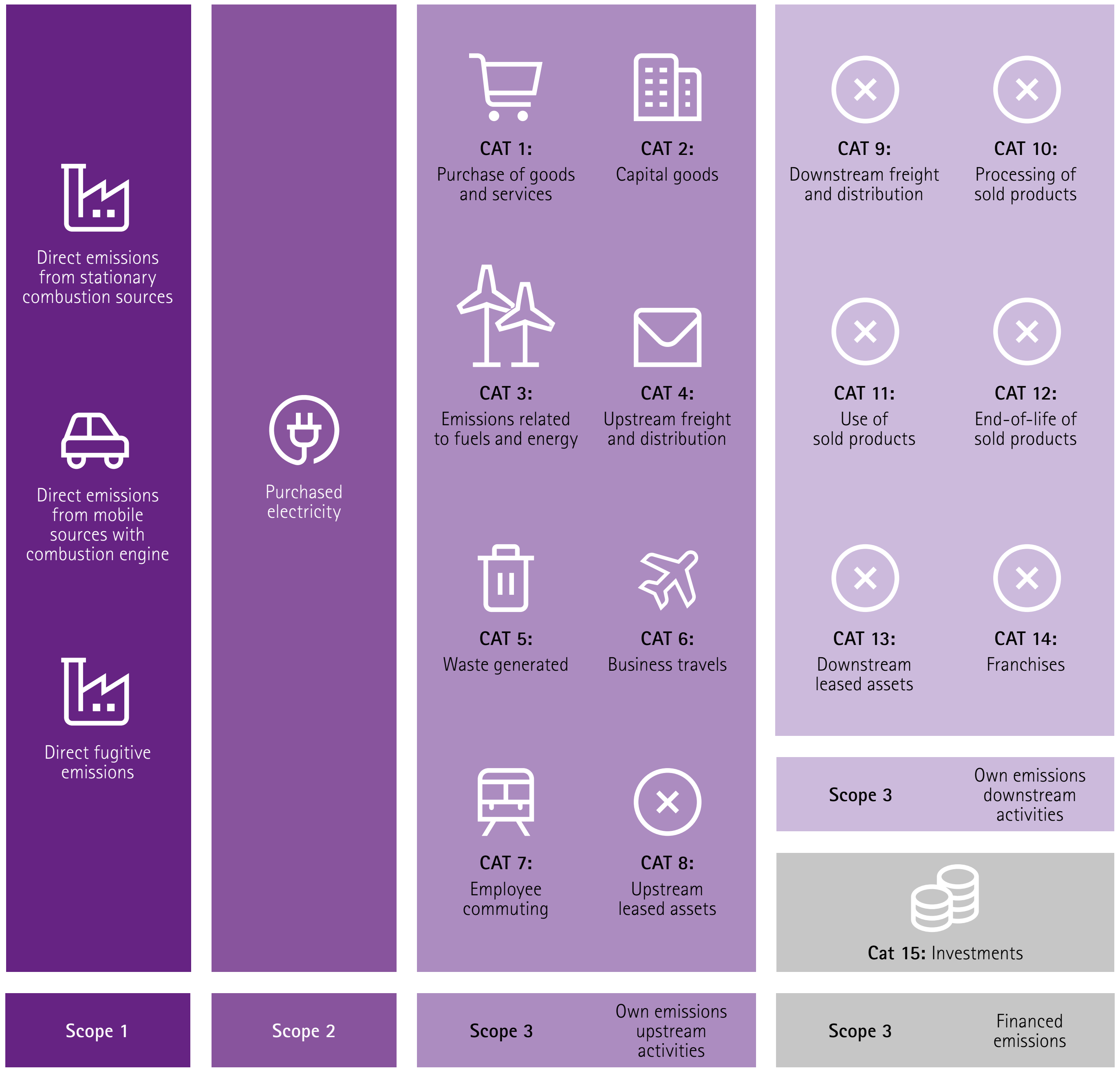
8. GHG emissions

BIL measures emissions linked to its activities on an annual basis. The exercise involves calculating the Bank's emissions on two bases – operational and financed.

For the operational carbon footprint, BIL has internalised its calculation, spanning all three scopes of greenhouse gas emissions in accordance with the GHG Protocol.

For the financed emissions, through the help of a third-party, carbon footprint calculation spans all three scopes of greenhouse gas emissions in accordance with the GHG Protocol and the Partnership for Carbon Accounting for Financials (PCAF).

BIL applies the PCAF's Global GHG Accounting and Reporting Standard Part A: Financed Emissions.



Categories not in scope of BIL's carbon footprint

8.1. Total carbon footprint

The table below presents the total gross greenhouse gas emissions calculated for BIL Group, represented in tons of CO_2 equivalent.

		Retrospective				Targets
		Base year 2022 (tCO_2e)	2023 (tCO_2e)	2024 (tCO_2e)	Evolution 2023 to 2024	2030
1-1	Direct emissions from stationary combustion sources	820	614	614	0%	
1-2	Direct emissions from mobile sources with combustion engine	1,276	1,375	1,121	-18%	
1-3	Direct emissions from non-energy processes	0	0	0	0%	
1-4	Direct fugitive emissions	0	0	0	-0%	
	Scope 1	**2,096**	**1,989**	**1,735**	-13%	**572**
2-1	Indirect emissions from electricity consumption (location-based)	2,560	2,310	2,319	0%	
2-2	Indirect emissions from steam, heat or cooling consumption	177	14	12	-14%	
	Scope 2 (location-based)	**2,737**	**2,324**	**2,331**	0%	**2,573**
Upstream emissions of Scope 3						
3-1	Purchases of products and services	7,548	11,380	11,385	0%	
3-2	Capital goods	2,441	990	1,413	43%	
3-3	Emissions related to fuels and energy (not included in scope 1 and scope 2)	705	1,108	1,073	-3%	
3-4	Upstream freight and distribution	1,164	957	748	-22%	
3-5	Waste generated	117	116	129	11%	
3-6	Business travels	300	577	683	18%	
3-7	Employees commuting	2,706	2,433	2,193	-10%	
3-8	Upstream leased assets	0	0	0	0%	
	Other indirect emissions	0	0	0	0%	
Downstream emissions of Scope 3						
3-9	Downstream freight and distribution	0	0	0	0%	
3-10	Processing of sold products	0	0	0	0%	
3-11	Use of sold products	0	0	0	0%	
3-12	End-of-life of sold products	0	0	0	0%	
3-13	Downstream leased assets	0	0	0	0%	
3-14	Franchises	0	0	0	0%	
3-15	Investments	3,652,766	3,948,871	4,105,938	4%	
	o/w Lending Portfolio	1,247,353	1,438,555	1,800,697	25%	
	o/w Bank Investment Portfolio	2,405,413	2,510,316	2,305,242	-8%	
	Other indirect emissions	0	0	0	0%	
	Scope 3 (location-based)	**3,667,747**	**3,966,432**	**4,123,562**	4%	
Total Scope 1-3 (location-based)		**3,672,580**	**3,970,745**	**4,127,628**	4%	
Reduction market-based						
2-1	Indirect emissions from electricity consumption	142	225	0	-100%	
3-3	Emissions related to fuels and energy (not included in scope 1 and scope 2)	473	487	813	67%	
Total Scope 1-3 (market-based)		**3,669,930**	**3,968,039**	**4,125,049**	4%	

GHG INTENSITY PER NET REVENUE	2024
Total GHG emissions (location-based) per net revenue* (tCO_2e / Euro)	0.01
Total GHG emissions (market-based) per net revenue* (tCO_2e / Euro)	0.01

** Net revenues as per Annual Report 2024 Primary Financial Statements*

8.2. BIL's operational emissions

SCOPE AND METHODOLOGY

BIL followed the GHG Protocol and its methodology to calculate the operational carbon footprint.

The objective of this calculation is to understand the dependencies on CO_2 in BIL's value chain and be able to define where it can act in order to decrease its impact.

The organisational perimeter includes, in addition to the Headquarters, the Luxembourgish subsidiaries (Belair House, BIL Manage Invest and BIL Lease), the branches and the offices in Switzerland (Zurich, Geneva and Lugano). The representative offices in China are not considered material due to their operational size for the calculation.

The following greenhouse gases were considered under the GHG protocol:

- Carbon dioxide (CO_2),
- Methane (CH_4),
- Nitrous oxide (N_2O),
- Fluorinated hydrocarbons (HFCs, PFCs, SF_6, CFCs, HCFCs),
- Non-Kyoto/Paris-protocol: Ozone (O_3), Water (H_2O).

Scope 1 emissions include emissions directly produced on site, stemming from BIL's heating needs (gas consumption and heating oil), losses of refrigerant gases from cooling systems, as well as the use of the company and leasing cars.

Scope 2 emissions relate to electricity consumption and the emissions occurring on the site of BIL's electricity provider and are considered indirect.

Scope 3 emissions are indirect emissions occurring in the value chain and are responsible for the majority of BIL's carbon footprint. In this Report, Scope 3 emissions have been classified into upstream and downstream emissions and provide detailed emissions by category following the GHG Protocol. Downstream emissions come from the use of services by the Bank's clients and its subsidiaries.

RESULTS OF 2024

The location-based operational carbon footprint of BIL (excluding investments in category 15) is estimated for 2024 at 21,734 tCO_2e.

The slight inflation in comparison to 2023 is mainly seen in scope 1, particularly the impact of the electrification policy on leases.

Scope 2 remains stable, due to efforts on energy consumption in buildings, particularly at the headquarter, being offset by the increased impact of electric leasing vehicles.

Scope 3 increased slightly, with the main impacts for 2024 being:

- Increase in capital goods due to BIL's investments in storage servers and computer equipment
- A decline in the commuting by employees, thanks to a higher proportion of kilometres travelled by public transport or electric vehicles
- Upstream freight and distribution decreased as a result of a decline in the volume of mail.

Correction in the emission of 2022 and 2023

The implementation of the new calculation tool required a recalculation of the 2022 and 2023 data in order to ensure that the emission factors determined for 2024 calculation monitored emissions with the same approach. Methodology adjustments considered elements such as the life cycle of company cars or leases for both years and the total services billed over the year in euros if the physical activity values were not available for 2023.

The recalculation for BIL's operational carbon footprint is estimated at 19,815 tCO_2e and 21,874 tCO_2e for 2022 and 2023 respectively.

The emissions presented in the previous report and their recalculation were as follows:

GHG EMISSIONS 2022	2022 figures as disclosed in 2023 Sustainability report (tCO_2e)	2022 figures corrected in 2024 Sustainability Report (tCO_2e)
Scope 1	1,772	2,096
Scope 2 (location-based)	3,448	2,737
Scope 3 (location-based) [excluding Category 15]	14,267	14,982

GHG EMISSIONS 2023	2023 figures as disclosed in 2023 Sustainability report (tCO_2e)	2023 figures corrected in 2024 Sustainability Report (tCO_2e)
Scope 1	1,526	1,989
Scope 2 (location-based)	3,169	2,324
Scope 3 (location-based) [excluding Category 15]	12,844	17,560

8.3. BIL's financed emissions

SCOPE AND METHODOLOGY

Banks have an impact on the climate not only through their own business but also, more importantly, through the financed emissions from their lending and investment activities, which, for BIL, account for more than 99% of the Bank's total carbon footprint. Since 2022, BIL has been calculating its financed emissions with its on-balance sheet exposures, with a specific view on:

- Lending portfolio (also called Credit portfolio):
  - BIL Luxembourg
  - BIL Lease
  - BIL Switzerland
- Bank investment portfolio (also called Bank portfolio):
  - BIL Luxembourg (with a specific view on BIL Investment Portfolio)
  - BIL Switzerland
  - Participations
  - BIL Reinsurance

In 2024, BIL reviewed the scope of its portfolio and has excluded BIL's Pension Fund portfolio due to its immateriality.

The calculation method is based on the GHG Protocol of the Partnership for Carbon Accounting Financials (PCAF) by following the procedures stated in the GHG Protocol, Chapter 15 : Investments. In 2022 PCAF published an updated standard for the calculation of financed emissions from Financial Institutions. This standard is built on top of the GHG protocol, as it provides specific guidance to Financial Institutions for calculating the financed emissions of seven asset classes commonly encountered in the financial sector.

BIL has estimated emissions linked to the following five asset classes defined in this methodology: listed equity & corporate bonds, sovereign debt, business loans & unlisted equity, mortgages & commercial real estate and motor vehicle loans.

BIL has assessed 77% of the Group's total balance sheet covering EUR 23.7 billion of outstanding loans and investments. The calculation included 95% of this exposure for scope 1 and 2 financed emissions and 55% for scope 3 (not all activity sectors disclose their scope 3 emissions as yet).

DATA QUALITY

According to the PCAF standard, financed emissions are obtained by multiplying the emissions of the investee times the appropriate attribution factor. However not all investees provide the same level of disclosure of their GHG emissions. To tackle this issue, the standard provides a Data Quality Score based on the information found for the investees, which is directly linked to the uncertainty of the GHG emissions of the investee.

Lower scores are associated with lower uncertainty and are therefore desirable: a score of 1 generally represents the best data quality for the company's or property's real emissions, whereas a score of 5 represents the broadest estimates based on the industry average of the activity being financed.

BIL aims to be as transparent and objective as possible in the calculation of its carbon footprint. Improving its data quality score is therefore a priority for the Bank when it performs this annual task. It is important to note that, since the first calculation in 2022, data quality scores have improved from 5 to 4.7 for the lending portfolio, and from 4.3 to 2.4 for the bank investment portfolio, with respect to scope 1 and 2 financed emissions.

Based on the first three years of this exercise, the Bank has identified several data sets that are critical to improving the quality of the overall result:

- Mortgages & commercial real estate: data quality score 4.9 (previously 5.0 in 2023)

To improve this score, BIL has stepped up its efforts to obtain energy performance certificates for its financed properties.

- Motor vehicle loans: data quality score 3.3 (previously 3.5 in 2023)

To improve this score, BIL must record the type of engine in the financed vehicle, or ideally the exact model.

- Business loans: data quality score 4.4 (previously 4.8 in 2023)

To improve this score, BIL collects data on its counterparties' real emissions, if available, and more detailed financial data to produce more accurate estimates, prioritising the highest emitting industries.

RESULTS OF 2024

PORTFOLIOS AND ASSET CLASSES	Total outstanding loan and investments (in EUR million)	Total financed emissions (tCO_2e)	SCOPE 1 AND 2				SCOPE 3			
			Scope 1 and 2 Financed Emissions (tCO_2e)	Scope 1 and 2 Intensity (tCO_2e / Mill. EUR invested)	Scope 1 and 2 Data Quality Score	Scope 1 and 2 Analysed Coverage (%)	Scope 3 Financed Emissions (tCO_2e)	Scope 3 Intensity (tCO_2e / Mill. EUR invested)	Scope 3 Data Quality Score	Scope 3 Analysed Coverage (%)
BIL	23,687	4,105,938	1,852,310	83	3.8	95%	2,253,628	173	3.4	55%
LENDING PORTFOLIO	13,872	1,800,697	310,025	22	4.7	100%	1,490,672	337	4.4	32%
Business Loans	4,483	1,667,077	176,405	40	4.4	99%	1,490,672	-	4.4	-
Mortgages & commercial real estate	9,098	128,291	128,291	14	4.9	100%	-	-	-	-
Motor Vehicle Loans	291	5,329	5,329	18	3.3	100%	-	-	-	-
BANK INVESTMENT PORTFOLIO	9,815	2,305,242	1,542,285	179	2.4	88%	762,956	88	2.9	88%
Sovereign debt	5,880	2,056,356	1,489,665	261	1.5	97%	566,691	99	2.0	97%
Listed equity and corporate bonds	3,665	171,403	9,128	3	4.5	73%	162,275	61	4.5	73%
Unlisted Equity	269	77,483	43,492	162	1.7	100%	33,990	126	4.8	100%

Total financed emissions as of 31 December 2024 were estimated to be 4,105,938 tCO_2e: 1,852,310 tCO_2e for scope 1 and 2 financed emissions and 2,253,628 tCO_2e for scope 3 emissions.

The 4% increase compared to 2023 is mainly due to a 17% rise in scope 3 emissions from BIL's counterparts. However, the perimeter of scope 3 data is constantly evolving, influenced by the specific industries involved. On the other hand, scope 1 and 2 emissions from counterparts have decreased by 8% during the same period.

The lending portfolio's financed emissions as of 31 December 2024 were estimated to be 1,800,697 tCO_2e:

- Most emissions (92.6%) can be attributed to business loans, which only account for 32% of outstanding loans. An in-depth analysis identified the highest emitting sectors and clients, for which the transition risk is greatest and therefore in need of mitigation. A number of initiatives have been taken with this in mind and are described in 'Part II: Environment', including client engagement and assessment of alignment of its lending portfolio and bank investment portfolio with the IEA's NZE by 2050 Scenario.
- Although the real estate portfolio makes up 66% of outstanding loans, it accounts for only 7.1% of emissions. As mentioned earlier, the biggest challenge at this stage is to improve data quality scores, and with this in mind BIL has stepped up its efforts to obtain energy performance certificates for its financed properties. And as detailed in the 'Part II: Environment', BIL is aiming to "green up" its mortgage portfolio, with regards to both new acquisitions and the renovation of existing properties.
- The motor vehicle lending portfolio accounts for 0.3% of emissions. This figure should decline as the share of electric vehicles increases.

The bank investment portfolio's financed emissions as of 31 December 2024 were estimated to be 2,305,242 tCO_2e:

- Most emissions (89%) can be attributed to government and sovereign bonds, which make up 60% of investments. In line with the Financial Sector Science-Based Targets Guidance (Version 1.2 September 2024), this type of product is considered to be out-of-scope and cannot be covered by available methods for decarbonisation targets.
- The remaining emissions can be attributed to investments in corporate bonds, listed equities and funds.

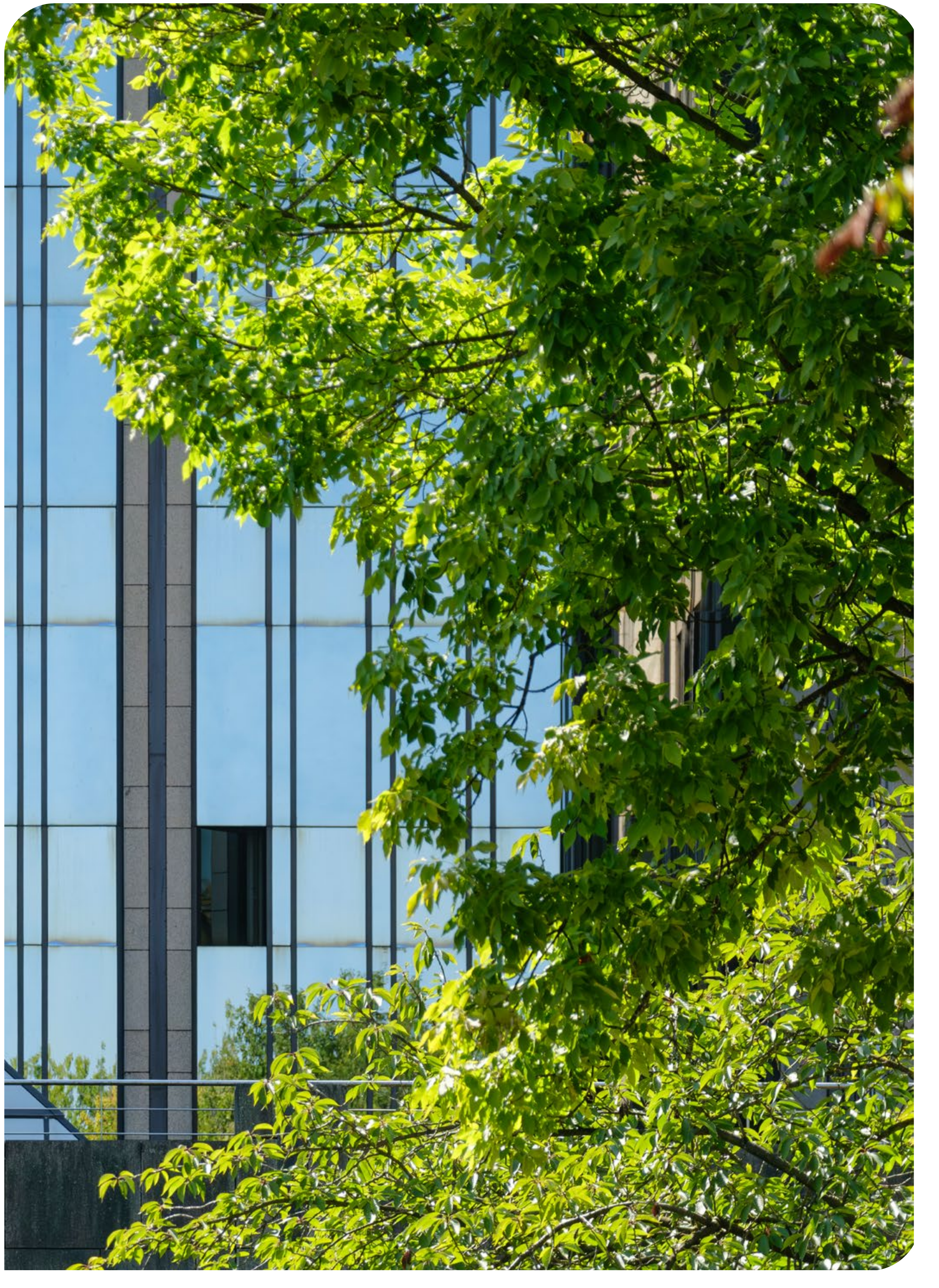
As described in the section 'Significant groups of products and services offering', it is important to note that the investment portfolio has been positioned so that by the end of 2025, at least 30% of the total portfolio will consist of Green, Social and Sustainable Bonds. By integrating strong minimum proportions of Green, Social and Sustainable Bonds and prioritising such investments, BIL encourages issuers to integrate ESG considerations into their issues while supporting the sustainability transition.

CORRECTION OF THE 2022 FINANCED EMISSIONS

GHG EMISSIONS	2022 figures as disclosed in 2023 Sustainability report (tCO_2e)	2022 figures corrected in 2024 Sustainability Report (tCO_2e)
Investments	4,924,713	3,652,766
of which Lending Portfolio	2,519,711	1,247,353
of which Bank Investment Portfolio	2,405,002	2,405,413

Corrections have been made on the basis of the following reasons:

- for the Bank investment portfolio, a slight calculation error
- for the Credit portfolio: a calculation error (switch between data relating to companies' turnover and assets) and an attribution factor's revised rule, with a major impact on results



03. Social

1. Material impacts, risks and opportunities relating to own workforce and their interaction with strategy and business model

1.1. Key types of employees

At BIL Group, the workforce comprises both full-time and part-time internal employees, all of whom are engaged through a bilateral contract between the Bank (the employer) and the employee. In addition to the internal staff, the Bank also utilises external resources, including consultants, interim workers, interns, and temporary student positions, to support operational needs.

BIL Luxembourg adheres to the Luxembourg Collective Bargaining Agreement (refer to section 'Collective bargaining coverage and social dialogue'), which establishes measures to identify and address the various characteristics and risks associated with the staff. This agreement ensures that all employees receive adequate protection against potential threats.

1.2. Identified impacts, risks and opportunities

Material impacts, risks, and opportunities (IROs) related to BIL's workforce stem from the strategies and processes implemented within the Bank. Continuous stakeholder engagements and consultations helped in identifying key opportunities that can be implemented to boost positive and remediate negative impacts on Bank's employees.

Key material impacts include providing stable job opportunities and career growth to employees, maintaining and promoting diversity and committing to human rights practices. Opportunities include initiating comprehensive diversity and inclusion programmes and investing in internal training and skills development programs, thereby enhancing the Bank's reputation, fostering a more innovative and collaborative work environment.

Recognising the critical role of its workforce allows the Bank to proactively manage risks such as talent retention, skill gaps, and employee health and safety. Employees working in environments with low natural light, employees engaging in manual labour and employees involved in the transportation of funds are more vulnerable to harm. The Bank maintains an insurance policy that provides coverage to employees in the event of accidents during work leading to disability or death.

Simultaneously, the Bank capitalises on opportunities to enhance employee engagement and drive organisational growth. The Bank's strategic commitment to fostering a supportive and inclusive work environment not only mitigates risks but also unlocks potential for innovation and excellence. This holistic approach solidifies its workforce as a cornerstone of BIL's sustainable business success.

The material impacts, risks and opportunities of the Bank have been limited to all the people employed under BIL Group as permanent (employees with an indefinite contract) and temporary employees (employees with a fixed-term contract). The Double Materiality Assessment excludes non-employees and external staff into its scope.

In relation to material negative impacts, the Bank continuously monitors and assesses the contexts in which it operates to identify any widespread or systemic issues. The Bank is also vigilant in addressing any individual incidents that may arise, such as work accidents.

Positive impacts on BIL's workforce could be seen as a result of:

- **Regular Feedback Culture:** BIL promotes open feedback between employees and managers through the Feedback Model Policy. In 2024, a new Performance Management process was introduced.
- **Employee Engagement Surveys:** The annual Employee Net Promoter Score (E-NPS) survey gathers employee opinions on internal operations, guiding initiatives to improve communication and address needs.
- **Townhall Meetings and Webinars:** Regular sessions with senior management foster transparency and include Q&A segments. In October 2024, a special "BIL vision update" session shared the Bank's strategy and priorities.
- **Internal Communication Channels:** "Blink," BIL's internal social platform, facilitates open communication on corporate news, social interactions, and collaborative spaces.
- **Union Representation and Joint Commissions:** BIL collaborates with employee unions and maintains joint commissions for ongoing dialogue on labour relations. A new collective bargaining agreement was signed in July 2024.
- **Psycho-Social Support Network:** A support network is available to address personal and workplace challenges, contributing to overall well-being.
- **Training and Development:** BIL offers comprehensive training through the BIL Academy, including an online platform, conferences, and special events. Programs like the Youth Program and leadership development ensure career growth and job opportunities.

BIL is committed to ethical business practices and strictly prohibits any form of forced labour or child labour in its operations. No activity under BIL Group poses significant risk of incidents of forced labour or child labour.

2. Policies related to own workforce

BIL is committed to fostering a workplace that prioritises employee engagement and development through a series of comprehensive policies such as the *Responsible Employer Policy*, the *Feedback Model Policy*, the *Employee Retention Policy*, and the *Regulatory and Mandatory Trainings Policy*.

These policies collectively aim to create an inclusive and respectful work environment. The Responsible Employer Policy discloses the Bank's commitments to ensuring a sustainable and supportive workplace that promotes integrity, employee well-being and community engagement. The Feedback Model Policy establishes a framework for open communication, allowing constructive feedback that enhances both engagement and development. The Employee Retention Policy aims to minimise turnover by offering career development opportunities and supporting employee development through retention programs such as the Youth program, talent management programs, leadership programs, and a specific training and development add-on. Lastly, the Regulatory and Mandatory Trainings Policy ensures that employees are well-equipped with the necessary compliance knowledge through ongoing training initiatives.

All four policies apply to every BIL employee across global operations, covering activities related to recruitment, onboarding, training, performance management, and regulatory compliance. There are no exclusions regarding specific employee demographics or geographical locations, ensuring that all employees benefit from these initiatives.

The implementation of these policies is overseen by the Head of CEO Office, who is responsible for ensuring alignment with BIL's strategic goals. Additionally, department managers play a critical role in facilitating feedback and training initiatives.

BIL's policies align with the principles of the United Nations Global Compact, particularly regarding human rights and decent work, as well as industry best practices in performance management and employee retention.

POLICIES RELATED TO DIVERSITY

Several policies ensure Diversity is addresses throughout BIL's value chains:

Diversity Charter – BIL Management Body

The general objectives of the *Diversity Charter* are to enhance the decision-making process by fostering diverse perspectives, reduce groupthink, and create an inclusive environment that reflects the variety of backgrounds, experiences, and skills among its members.

The Charter sets measurable objectives, including specific targets for gender representation within the management body, and establishes a process for monitoring progress through the Board Remuneration and Nominations Committee (BRNC-N), which is responsible for assessing the implementation and effectiveness of the Charter on an annual basis.

The Diversity Charter applies to all entities within BIL Group and encompasses the management body in both supervisory and management functions. It is designed to ensure that diversity principles are adapted to the specific context of each subsidiary while maintaining compliance with local regulations.

The most senior level accountable for the implementation of the Diversity Charter is the Board of Directors, with direct oversight and responsibility delegated to the Board Remuneration and Nominations Committee (BRNC-N). The BRNC-N is tasked with selecting, assessing, and proposing appointments for members of the management body, ensuring that diversity criteria are integrated into all stages of the nomination process. Candidates will be considered against objective criteria, described under the terms Reputation, Experience and Independence of Mind as laid down in the *BIL Group Suitability and Succession Charter*, with the prime consideration being to maintain and enhance the Management Body's overall effectiveness.

BIL's commitment to diversity and inclusion aligns with various industry standards and initiatives aimed at promoting equality and representation within corporate governance. While the Charter itself does not specify individual third-party standards, BIL actively monitors and aligns its practices with relevant regulatory frameworks and best practices in diversity and inclusion.

The Diversity Charter is made available to all employees through BIL's internal communication channels.

Responsible Employer Policy

BIL's Responsible Employer Policy complements the Diversity Charter by acknowledging the diverse composition of its workforce, which includes variations in origins, nationality, age, gender, and expertise. The Bank prioritises effective management of this diversity through a dedicated strategy that integrates diversity into all HR processes and employee management practices, with the goal of fostering a more inclusive workplace.

POLICIES RELATED TO HUMAN RIGHTS

The *Human Rights Policy* outlines following commitments with respect to its employees:

- **Respect for Human Rights:** The Bank upholds the rights of all employees, ensuring fair treatment and non-discrimination based on sexual identity, gender expression, ethnicity, nationality, religion, age, disability, and other legally protected categories.
- **Diversity, Inclusion, and Equal Opportunities:** Internal policies regarding recruitment, management, promotion, compensation, and employee development are firmly grounded in the principles of respect and equality. The Bank is dedicated to fostering a workplace where individuals from diverse backgrounds—regardless of sexual identity, gender expression, ethnic origin, nationality, beliefs, religion, political opinions, age, marital status, or disability—are valued and provided equal opportunities for growth and advancement. Additionally, it addresses key issues such as discrimination and harassment, freedom of expression and opinion, the right to privacy and data protection, the rejection of child labour, forced labour, and human trafficking. The policy also respects employees' rights to freedom of association and collective bargaining, prioritises occupational health and safety, supports work-life balance, ensures decent employment and remuneration conditions, and provides professional development opportunities.
- **Discriminatory Use of Technology:** BIL actively avoids the discriminatory use of technology that could jeopardise employee security and equality. By implementing robust safeguards and continuously evaluating technological practices, the Bank strives to uphold the principles of equality and security in the workplace.
- **Labour Rights:** The Bank rejects child labour, forced labour, and human trafficking, and respect employees' rights to freedom of association and collective bargaining.
- **Occupational Health and Safety:** The Bank prioritises employee well-being through rigorous health and safety measures, in line with the *Occupational Health and Safety Policy*.
- **Work-Life Balance and Professional Development:** The Bank supports employees in achieving a healthy work-life balance and provide opportunities for professional growth. Policies such as the *Right to Disconnect Policy*, *Teleworking Charter* and *Policy*, *Flexitime Management Policy*, *Responsible Employer Policy*, reaffirm the principles of Human Rights.
- **Whistleblowing Compliance:** The Bank established secure channels for reporting concerns related to human rights violations without fear of retaliation through its *Whistleblowing Charter*.

BIL ensures compliance with these commitments through ongoing assessments of its recruitment, management, promotion, and compensation practices, along with actively engaging employees to collect feedback and evaluate the effectiveness of its policies.

The Human Rights Policy applies to all BIL employees and encompasses the entire workforce, both in Luxembourg and in international operations and is made available to all employees via the Bank's intranet. The Head of Sustainable Development is accountable for its implementation with support of the Human Resources Department.

BIL is committed to adhering to the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

BIL is firmly committed to upholding human rights and has established comprehensive policies to explicitly address critical issues such as human trafficking, forced or compulsory labour, and child labour.

POLICIES RELATED TO WORKPLACE ACCIDENT PREVENTION OR MANAGEMENT SYSTEM

BIL has implemented a comprehensive workplace accident prevention policy, known as the *Occupational Health & Safety Policy*. This policy is rooted in the fundamental values of caring for employee well-being and safety, and it reflects BIL's commitment to providing a work environment that is free from hazards. It is grounded in the belief that everyone is intrinsically accountable for their own safety.

The key contents of the Occupational Health & Safety Policy include principles focused on safety, health, and well-being. The policy emphasises the importance of advocating for risk-free working conditions, promoting physical health, and safeguarding psychosocial health. BIL is committed to adhering to third-party standards and initiatives, including the guidelines set forth by the Inspection du Travail des Mines (ITM) and the Association d'Assurance Accident (AAA), as well as the Grand-Ducal Regulations on occupational safety and health. The policy must be read in conjunction with the following pertinent documents:

- Policy – Third Party Security,
- Policy – Physical and Environmental Security,
- Policy against Psychological and Sexual Harassment,
- Policy – Car Park Management,
- Procedure – Emergency Evacuation,
- Procedure – Security in Agencies,
- Procedure – Physical Access and Protection,
- Procedure –Client and Visitor Movement,
- Health and Safety Procedures (summary for BIL LU employees),
- General Safety and Health Rules (GSSR) (summary for external service providers),
- Supplier Code of Conduct,

Monitoring is conducted through regular assessments, safety audits, and meticulous management of safety registers to ensure compliance with legal and regulatory provisions.

By drawing upon the Labor Code Book III (articles L.311-1 to L314.4 and L321-1 to L327-2), the Grand-Ducal Regulation of 04/11/1994 on safety and health at work, and the Grand-Ducal Regulation of June 9, 2006, BIL has designated the Designated Worker as a pivotal figure in this policy.

The Designated Worker is mandated by the employer to ensure the safety and health of all employees, which encompasses responsibilities for information and training, prevention of occupational risks, and establishing a robust organisational framework in the workplace. The general missions include:

- Conducting comprehensive analyses of safety and health risks and providing proactive advice to eliminate or mitigate these risks.
- Meticulously managing safety registers.
- Vigilantly monitoring regulatory obligations to ensure compliance with legal and regulatory frameworks.
- Actively participating in formulating the company's overall strategy for workforce safety and health.
- Thoroughly evaluating the Bank's safety and health situation, including scrutinising work methods, risk evaluations, and accident prevention measures.
- Developing, updating, and disseminating safety plans, emergency plans, and intervention protocols.
- Strategically managing relationships with the Labor and Mines Inspectorate, control bodies, and occupational health services, as well as emergency services in the event of accidents and fires.

The designated worker participates and engages actively with following entities to perform its duties:

- ITM: Inspection du Travail des Mines (Labour Inspectorate)
- CIN: Commission Nationale de l'Informatique et des Libertés (National Commission for Data Protection)
- CGDIS: Corps Grand-Ducal d'Incendie et de Secours (Grand Ducal Fire and Rescue Corps)
- ASTF: Association de Secours et de Traitement des Accidents du Travail (Association for Assistance and Treatment of Occupational Accidents)
- AAA: Association d'Assurance Accident (Accident Insurance Association)

The Designated Worker also participates in internal commissions related to Hygiene, Health, and Safety.

For an extended period, BIL has established a robust security framework based on the principles of management systems and continuous improvement. Over the past decade, the motivations for implementing a health and safety management system have increasingly aligned with those for quality and environmental management systems. This system is a crucial component of the Bank's overall management strategy, epitomising a holistic approach to occupational risk prevention.

BIL's health and safety management system is structured and proactive, serving as a comprehensive management tool that integrates people, policies, and resources. Its primary aim is to enhance the organisation's performance in health and safety at work. By improving control over organisational structures, the system fosters continuous progress and seamlessly incorporates health and safety into all operational functions. This voluntary approach is designed to anticipate changes, enhance responsiveness and performance in risk prevention, mitigate dysfunctions, and ensure coherence with other management strategies.

In adherence to legal requirements, Grand-Ducal and ministerial regulations, and standard prescriptions, BIL has effectively implemented this health and safety management system. Designated Workers play a pivotal role within this framework, focusing on establishing best practices and ensuring their dissemination and adoption throughout the organisation, while placing the human element at the heart of their initiatives.

POLICIES RELATED TO ELIMINATING DISCRIMINATION AND HARASSMENT

BIL has implemented comprehensive policies to eliminate discrimination and harassment, promote equal opportunities, and advance diversity and inclusion:

- *Policy Against Psychological and Sexual Harassment:* This policy ensures that all staff at BIL and its domestic subsidiaries, including external and temporary staff, are protected from discrimination, harassment, and any actions that undermine their dignity, promoting a safe and inclusive working environment.
- *Code of Ethics:* The Code of Ethics outlines the values and key principles within the BIL Group to protect and preserve its integrity and reputation, promoting honest and ethical conduct towards employees, clients, and partners.

These policies explicitly cover all grounds for discrimination and diversity, stating that "staff shall not be discriminated against on the basis of their race, colour, gender, language, religion, political or other opinions, nationality, social class, wealth, birth, or any other situation."

To ensure these policies are effectively implemented, BIL has established specific procedures to prevent, mitigate, and address discrimination, as well as to advance diversity and inclusion.

- **Mentorship programs** to promote an inclusive culture.
- **Mandatory Diversity Training:** This training enhances understanding of diversity, equity, and inclusion (DEI) by exploring socialisation processes, bias formation, and the impact of backgrounds on social integration, contributing to a more inclusive work environment.
- **Code of Ethics Training:** This mandatory module elaborates on the principles and standards guiding the Bank's professional conduct and decision-making, ensuring transparency and fairness. It embodies BIL's core values of integrity, transparency, and respect.
- **Diversity, Equity, and Inclusion Conference:** This conference allowed participants to delve into these concepts and address potential unconscious biases.

BIL is also a signatory of the Luxembourg Diversity Charter, which promotes:

- Raising awareness and training management and staff on diversity issues
- Defining a diversity charter and implementing best practices and action plans
- Applying principles of equality, opportunity, and promotion
- Evaluating the effects and results of these principles
- Sharing commitments and results with all stakeholders
- Encouraging work that combats discrimination and promotes diversity

Equal Career Opportunities

BIL is strongly committed to equal career opportunities for men and women, with ambitious targets for gender balance. The HR department is implementing various actions to address this, ensuring no discriminatory decisions are made across HR processes, including recruitment, onboarding, career progression, promotion, mobility, and bonus discussions.

The HR department also monitors diversity KPIs to assess performance against diversity targets and determine if remedial action is needed. While promoting diversity, the Bank is careful to avoid any collateral discrimination. The Responsible Employer Policy highlights the need to prevent discrimination across all HR processes and decisions.

3. Processes to engage with own workforce and worker's representatives about impacts

3.1. Engagement with employees

Engagement with employees occurs at various stages, including during the planning of major initiatives and decision-making processes. Engagement methods include bi-monthly meetings with the Staff Delegation and Trade Unions, along with mandatory annual Employee Satisfaction Surveys and Feedback Processes.

Under the sponsorship of the Head of Human Resources, the People Care, Benefits and Solutions team oversees engagement and feedback surveys, with the People Care, Benefits and Solutions Manager leading the organisational process. Survey results are thoroughly analysed, and an action plan is devised to make any improvements that are feasible.

Staff Delegation and Trade Unions:

The Staff Delegation at BIL advocates for the welfare and rights of employees, focusing on their working conditions, job security, and social standing. Empowered by Luxembourg's legal framework, staff representatives have access to vital information and are consulted by management before finalising significant decisions. This engagement ensures transparency and prioritises employee health and well-being.

Trade unions also play a crucial role in the banking sector by facilitating communication and negotiation between employees and management. They address employee concerns, improve workplace conditions, and promote fair labour practices, contributing to a harmonious work environment and enhancing productivity. Unions provide collective representation, ensuring employees' voices are heard and advocating for their rights, including fair wages and job security. They offer support and resources to empower employees in resolving workplace issues.

Staff representatives have their seat at the Board of Directors ensuring that the interests of various stakeholders, including employees, shareholders, and customers, are effectively represented and addressed.

Joint Commissions:

Ongoing dialogue is maintained between the various Joint Commissions and the People Care, Benefits & Solutions department and management. Regular meetings are organised throughout the year to ensure monitoring and to discuss labour relations topics. According to the observations made during the meetings between the Joint Committees and People Care, Benefits & Solutions or the management of the Bank, some issues are addressed through specific working groups, such as:

- Canteen and dining area
- Security, health and hygiene
- Work organisation and working conditions

Overall, engagement at BIL occurs directly with both the workforce and their representatives, fostering cooperation and mutual respect.

The Collective Bargaining Agreement (CBA) at BIL serves as a fundamental framework for ensuring fair labour practices and safeguarding the rights of its employees. Please refer to section 'Collective bargaining coverage and social dialogue' for details.

Employee feedback is integrated into decision-making processes. This feedback is communicated back to employees via internal channels, with key updates cascaded from top management to all organisational levels, ensuring effective and transparent sharing of important insights.

Engagement initiatives are implemented at both organisational and site levels, utilising BIL's centralised communication platform to aggregate insights from various locations. BIL invests both financial and human resources in these efforts, including funding for training programs and employing personnel from the CEO Office department to facilitate initiatives effectively.

3.2. Engagement as a result of reducing carbon emissions

As detailed in the section 'Actions and Resources in Relation to Climate Change Policies', a total of 103 Corporate Relationship Managers underwent training in 2024, accumulating 126 hours over four distinct sessions focused on climate change adaptation and mitigation:

1. ESG – Luxemburg Market and CIB – Ecological Transition Journey for Individual and Corporate Clients
2. ESG - Green Loan Financing Training
3. ESG and Client Engagement - Climate Transition Maturity Assessment
4. ESG Renewable Energies

These targeted training sessions aim to equip employees for new roles that will arise as the Bank transitions to greener operations while also providing a platform for exchange and feedback.

3.3. Engaging with vulnerable employees

BIL fosters an inclusive environment by utilising social dialogue and dedicated platforms that ensure all employee perspectives, including those of vulnerable and marginalised employees are heard. Specialised HR units, like People Care, address specific cases with the necessary sensitivity and support, ensuring that delicate situations are handled with the utmost care and attention.

4. Processes to remediate negative impacts and channels for own workforce to raise concerns

BIL has established a comprehensive grievance mechanism designed to enable employees to confidentially report employment-related issues, concerns, or complaints. This process encompasses a range of issues, including harassment, unfair working conditions, violations of Bank policies, and other matters of concern. The presence of this mechanism is vital for creating a safe environment where employees can express their concerns, ultimately fostering a healthy and respectful workplace.

Employees have multiple channels available to raise their concerns directly with the Bank. Initially, they may contact their manager or HR Business Partner, depending on the situation. Additionally, employees can reach out to the Staff Delegation or the People Care team for support. Should these avenues not resolve the issue, employees have the option to activate the Bank's whistleblowing procedure. This multi-channel approach is established by BIL to ensure employees can find the most appropriate means to voice their concerns.

The monitoring of grievances is overseen by a joint harassment committee, which includes representatives from HR, legal, and the Staff Delegation. This committee is dedicated to addressing complaints impartially and efficiently. BIL tracks and monitors grievances raised and resolved, using this data to evaluate the effectiveness of the channels. Stakeholder involvement, particularly from staff representatives, ensures that the mechanisms remain relevant and effective in meeting employee needs.

BIL is committed to ensuring that employees are not only aware of the grievance mechanisms in place but also trust these structures as effective channels for raising concerns. BIL notably implements ongoing training programs and communication campaigns to educate employees about the grievance mechanisms. In 2024, this was notably the case through its Code of ethics training.

To ensure that employees have confidence in this internal process, several policies, such as the Code of Ethics, Policy against Psychological and Sexual Harassment and the Whistleblowing policy clearly state that individuals who report or resist acts of psychological or sexual harassment will not face reprisals. To further support employees who utilise grievance mechanisms, BIL has established robust measures aimed at protecting individuals from retaliation:

1. **Anti-Retaliation:** BIL explicitly prohibits any form of retaliation against employees who raise concerns or complaints through established channels. This applies to all employees, including workers' representatives.
2. **Confidential Reporting:** The grievance mechanism ensures that reports can be made confidentially, protecting the identity of those who come forward. This confidentiality is a key component in fostering trust in the process.
3. **Monitoring and Enforcement:** The joint harassment committee is responsible for monitoring compliance with the anti-retaliation policy. Any reported incidents of retaliation are investigated promptly, and appropriate actions are taken to address violations.
4. **Communication of Protections:** BIL actively communicates the protections in place for individuals using grievance mechanisms. This includes information on employee rights, the procedures for reporting concerns, and reassurances regarding confidentiality and protection from retaliation.

The policy against Psychological and Sexual Harassment is a fundamental component of BIL's Internal Regulations and remains in effect until a new policy is published to replace it. This policy is filed with the Labour and Mines Inspection (ITM) and is communicated to representative trade unions at both national and sectoral levels. This transparency reinforces the Bank's commitment to upholding a safe workplace and protecting employees who utilise the grievance mechanism.

5. Taking actions on material impacts, managing material risks and pursuing material opportunities related to own workforce

ACTIONS ON EMPLOYEE ENGAGEMENT

BIL Group implements several key actions to address positive impacts and mitigate negative effects on its workforce while assessing the effectiveness of these initiatives.

BIL fosters a **Regular Feedback Culture** through its Feedback Model Policy, promoting open dialogue between employees and managers to identify and resolve concerns. In 2024, Human Resources developed a new Performance Management process to enhance qualitative feedback and dialogue between employees and hierarchy.

To engage employees, BIL conducts **Employee Engagement Surveys**, including the annual Employee Net Promoter Score (E-NPS) survey, which allows staff to share their opinions on internal operations. The survey results are analysed to gauge satisfaction and engagement levels, with transparent feedback and action plans developed accordingly.

Townhall Meetings and Webinars led by senior management promote transparency and keep employees informed. In October 2024, a special "BIL vision update" session shared the Bank's strategy and priorities for the coming years.

BIL uses **Internal Communication Channels**, such as "Blink", the Bank's internal social platform, facilitating open communication through a corporate newsfeed, a social section for comments, and a virtual collaborative space for information sharing.

Collaboration with employee unions and **Joint Commissions** ensures ongoing dialogue on labour relations topics. A new collective bargaining agreement was signed in July 2024 to better address the needs of employees and the Bank.

To support well-being, BIL has established a **Psycho-Social Support Network** that addresses personal and workplace challenges.

BIL also employs various methods to assess the impact of these actions. **Regular Monitoring of Joint Commissions** allows for continuous dialogue and adjustments based on discussions. The annual feedback process, which includes reviews between employees and managers, evaluates individual development and overall engagement.

BIL allocates substantial resources to manage employee engagement initiatives, including:

- **Dedicated HR Teams:** Human Resources teams are tasked with overseeing employee engagement strategies, conducting surveys, and facilitating communication between management and employees.
- **Training and Development:** Resources are invested in training programs that support managers in enhancing their feedback and communication skills, fostering a more engaging work environment.
- **Budget for Employee Events:** BIL organises community events (e.g., summer events, townhall meetings) to promote social interaction and strengthen workplace relationships.
- **Support for Union Activities:** BIL dedicates resources to assist employee unions and joint commissions, ensuring that employee representation is upheld. With employee representatives holding seats on the Board, there is a direct line of communication between employee interests and the Board's decision-making processes.

Through these actions, BIL aims to foster a culture of open communication, enhance employee satisfaction, and mitigate risks associated with insufficient engagement. By continuously assessing and adapting its strategies, BIL is committed to maintaining a productive and positive work environment for all employees.

ACTIONS ON DIVERSITY AND INCLUSION

To deliver the positive impacts of diversity and inclusion and to mitigate the negative impacts and associated risks, BIL has implemented several strategic actions:

1. **Diversity Charter:** BIL has adopted, published, and actively promoted a Diversity Charter to demonstrate its commitment to fostering a diverse and inclusive workplace. Details on the Charter have been addressed in the section 'Policies related to own workforce'.
2. **Clear Governance and Recruitment Processes:** A transparent governance structure has been established for the recruitment and assessment of Management Body members, ensuring that diversity considerations are integrated into hiring practices.
3. **Setting Quantitative Targets:** BIL has set specific quantitative targets for increasing the representation of underrepresented genders within the Management Body:
   - **Phase 1 (2020)**: Achieve a minimum of three individuals from the underrepresented gender among Management Body members (at least 5%).
   - **Phase 2 (2024)**: Increase to a minimum of five individuals (at least 10%), excluding Staff Representatives at Board of Directors level.
   - **Phase 3 (2028)**: Reach a minimum of 30% representation among the combined Executive Committee and Board of Directors.
4. **Mandatory Diversity Training:** This training enhances understanding of diversity, equity, and inclusion (DEI) by exploring socialisation processes, bias formation, and the impact of backgrounds on social integration, contributing to a more inclusive work environment.
5. **Succession Planning:** The Bank closely monitors succession planning processes, which are critical for ensuring diversity in leadership roles.
6. **Priority in Candidate Selection:** When selecting candidates for the Management Body, priority is given to candidates from the underrepresented gender, provided they possess comparable qualifications to other candidates.

The scope of the actions covers BIL Group's own workforce and is in line with the objectives listed in the Bank's Diversity Charter.

The monitoring of the diversity criteria and target set up are part of the on-going and annual suitability assessment. Processes such as succession planning are monitored closely, as they are particularly crucial for the Charter. The Bank's Risk and Nomination Committee (BRNC) makes annual recommendations to the Board regarding necessary amendments to the Diversity Charter, based on performance against targets. If diversity objectives are not met, the BRNC documents the reasons for the shortfall and defines corrective measures, including timelines for achieving the targets.

The management of these diversity and inclusion actions is supported by the Human Resources department, which is instrumental in developing and executing recruitment strategies, succession planning, and training programs that promote a diverse and inclusive workplace.

In 2024, BIL Switzerland obtained the "Fair-ON-Pay" certification for a period of two years. The certification enables BIL Switzerland to promote equal pay values throughout its employees. The Fair-ON-Pay association is a member of EPIC – the Equal Pay International Coalition founded by the ILO, UN Women, and the OECD. The certification is only awarded after a rigid audit process where all elements of compensation of employees has been assessed through an unbiased and scientific analysis proving that the gender pay gap does not statistically exceed a pre-defined threshold.

Additionally, BIL Switzerland became a member of the Advance Gender Equality in Business Diversity Charter that commits to achieve gender balance at all levels across the Bank. By embracing diversity, BIL Switzerland aims to drive innovation, enhance performance and contribute to a more equitable and prosperous future.

ACTIONS ON EMPLOYEE DEVELOPMENT AND TRAINING

BIL provides comprehensive training and development opportunities for all staff through initiatives and platforms such as the BIL Academy. These include an online training platform, ad-hoc conferences, and special events, in addition to mandatory and regulatory training. Employees are also encouraged to pursue specific training requests, which must be validated by their manager and HR representative. Through the *Employee Retention Policy*, programmes such as the Youth Program, talent management initiatives, and leadership development are implemented for specific staff members to ensure smooth career growth and the creation of job opportunities.

BIL also performs regular assessments of training programs to ensure they meet employees' needs and expectations, as well as the continuous development of tailored training solutions to address skill gaps. The Bank also promotes a culture of feedback where employees can voice their training needs, ensuring that programs evolve in line with workforce demands.

The HR department assesses the effectiveness of these initiatives by tracking various performance metrics, including employee satisfaction surveys, training completion rates, and career progression statistics, while also evaluating their impact on overall employee engagement and organizational performance. An annual training budget is allocated to support these actions, with resources managed by the Human Resources department.

ACTIONS ON HUMAN RIGHTS

BIL is deeply committed to upholding human rights within its workforce. The Bank recognises the importance of fostering a work environment that respects the dignity and rights of every employee, manager, and executive member. This commitment is operationalised through the Human Rights Policy, which aligns with the UN Global Compact (UNGC) Principles and incorporates compliance with the Board of Directors' Code of Ethics. Regular communication and training on the Code of Ethics ensure the workforce understands their rights and responsibilities, fostering awareness and cultivating a culture of respect and inclusion within the organisation.

The Bank also maintains effective communication channels that empower employees to report potential human rights impacts without fear of retaliation. Privacy protection remains a priority in these processes, ensuring that individuals can voice their concerns safely and confidentially. Communication channels have been established to prevent negative potential impacts related to Human Rights and are implemented Group-wide to ensure alignment with policy objectives.

Leadership plays a vital role in promoting human rights, and the Bank allocate resources for leadership training focused on ethical practices.

The Human Resources department acts as a key driver in these processes – developing and implementing policies, training programs, and supporting systems that foster a culture of respect and inclusion, ensuring all employees understand their rights and responsibilities while promoting open communication and collaboration with labour unions.

6. Targets related to own workforce

6.1. Targets on employee diversity

HUMAN CAPITAL TARGETS	Unit	Baseline value (2023)	2024	2028	Scope of target	Absolute / Relative target
Diversity*	percent	24.8%	26%	30%	Female senior management with Personal Job Class ≥ 18	Absolute

BIL has established clear targets to enhance diversity and inclusion, aiming to mitigate negative impacts and promote positive outcomes. These targets include gender representation goals, such as achieving 30% representation of female senior managers above PJC ≥ 18 by 2028 as outlined in the Women in Finance Charter and ensuring 30% of underrepresented genders in the Executive Committee and Board of Directors as per the BIL Diversity Charter.

The Bank tracks performance against these targets through various HR processes, including succession planning, recruitment, promotion and talent programs. Progress is monitored via a Diversity Dashboard, which is updated monthly by the HR Department, and through oversight by the Board Remuneration and Nominations Committee (BRN-C) and the Gender Equality Committee (in collaboration with the staff delegation).

The targets were defined based on a comprehensive analysis of the Luxembourg financial market, compliance with national and European laws, and insights from diversity initiatives and charters signed by the Bank. The methodologies used include stakeholder consultations and data analysis, ensuring alignment with national, EU, and international policy goals while considering the local context of sustainable development.

As a member of the Inspiring More Sustainability (IMS) and a signatory of the Women in Finance Charter, BIL actively participates in the Luxembourg diversity landscape to promote sustainable and social development within the country.

Stakeholders, including employees, management, and external partners, have been actively involved in the target-setting process. Input was gathered through consultations with the HR Department, Legal Department, and other control functions, as well as engagement with the Gender Equality Committee, ensuring that diverse perspectives inform the Bank's diversity and inclusion strategy.

6.2. Targets on employee development and training

HUMAN CAPITAL TARGETS	Unit	Baseline value (2023)	2024	2025	2028	Scope of target	Absolute / Relative target
Training*	days	3	4	4	5	Total employees at BIL Luxembourg	Absolute

Number of training days per employee

BIL has established specific training targets to mitigate negative impacts and capitalise on material opportunities related to employee development. The absolute target is to provide and maintain 4 training days per employee in 2024 and 2025, increasing to 5 days by 2028. These targets aim to ensure that employees have ample opportunities for skill development and career advancement, thereby promoting job satisfaction and retention.

The target has been set by analysing the current number of training days per BIL Group employee and setting a benchmark that aligns with industry standards and best practices. This approach not only addresses the immediate needs of the workforce but also anticipates future skill requirements, ensuring that BIL remains competitive and its employees are well-prepared for evolving industry demands. By investing in continuous learning and development, BIL aims to foster a culture of growth and innovation, ultimately contributing to the overall success and sustainability of the Bank.

The Bank tracks performance against these training targets on a bi-annual basis. This tracking involves collecting data on training participation rates, the number of training sessions completed, and employee feedback on the effectiveness of the programs. This allows BIL to assess progress and make necessary adjustments to training offerings.

The target-setting process was conducted globally by examining industry benchmarks to ensure alignment with best practices and standards in the sector.

6.3. Targets on human rights

BIL is committed to enhancing working conditions for employees and promoting human rights throughout its supply chain. However, the Bank's acknowledge that no set of specific targets have been set to reduce negative impacts related to human rights violations. BIL tracks performance against these topics through regular employee satisfaction surveys, stakeholder feedback sessions and specific HR related KPIs (such as turnover, illness, etc.).

6.4. Targets on employee turnover

HUMAN CAPITAL TARGETS	Unit	Baseline value (2023)	2024	2025	2026	Scope of target	Absolute / Relative target
Turnover*	percent	13.50%	<15%	<15%	<10%	Total employees of BIL Luxembourg	Absolute

All leaves per average yearly headcount

The turnover objective takes into account the dynamic job market in Luxembourg, but also the internal context at BIL. Thus, in 2024, the identified objective of <15% considers the particular situation of BIL following a large-scale IT project. It also takes into account the projections of retirements. BIL is supporting its employees in this transition, in line with internal ESG objectives. This objective is discussed with internal stakeholders like the WOT committee (Workforce Planning), members of the ExCo, and the Staff Delegation.

Employee retention is a key element of BIL's HR policies to ensure the right level of expertise internally. Therefore, the level of turnover is tracked by the HR Business Partners, together with the Heads of Business Lines. Corrective actions are implemented in case of a deviation in the turnover rate within a Bank perimeter. This can be materialised by a revision of the salary package or internal mobility proposals. Similarly, BIL implements preventive actions, such as salary surveys, engagement and satisfaction survey, training programmes, regular dialogue with the staff delegation and employees directly. Retention policies are also in place to retain and develop identified talents and key employees.

7. Characteristics of employees

7.1. Employee composition

Headcount of employees by gender:

NUMBER OF EMPLOYEES (HEADCOUNT)	2024
Male	1,022
Female	880
TOTAL	1,902

Scope: BIL Group

Headcount of employees is defined as the total number of employees active as of 31/12/2024. Active employees include permanent and temporary employees, employees on maternity leaves and sickness leaves, but does not include employees on parental leaves or career breaks.

Headcount by region of operation:

	2024		
HEADCOUNT BY COUNTRY	Female	Male	Total
Luxembourg	831	943	1,774
Switzerland	44	71	115
China and Hong Kong	5	8	13

Scope: BIL Group

Headcount of employees by employee type:

	2024		
NUMBER OF EMPLOYEES (HEADCOUNT) BY TYPE	Female	Male	Total
Total number of employees	880	1,022	1,902
Total permanent employees	877	1,020	1,897
Total temporary employees	3	2	5
Total non-guaranteed hours employees	0	0	0
Total full-time employees	544	879	1,423
Total part-time employees	336	143	479

Scope: BIL Group

As per BIL's internal definition, permanent employees are internal employees with an indefinite contract with BIL Group while temporary employees are internal employees with a fixed-term contract with BIL Group. Full-time employees are employees working full time (100%) under BIL Group. On the other hand, part-time employees are employees with working time less than 100%. Non-guaranteed employees are not applicable to BIL Group.

The number of employees, represented in full-time equivalent, can be found in Section 3.2 of Note 3 of the Annual Report and is validated by the financial auditor of the Group.

7.2. Outflow

Turnover of permanent employees by gender:

TURNOVER OF PERMANENT EMPLOYEES (HEADCOUNT)	2024
Male	145
Female	99
Total employee turnover	**244**
RATE OF TURNOVER	12.62%

Scope: BIL Group

The turnover of employees has been calculated as the aggregate of the number of permanent employees who left voluntarily or due to dismissal, retirement, or death in service. Turnover does not include temporary employees, employees on parental leaves, garden leaves or career breaks. The rate of turnover is calculated as the total permanent employee turnover in the reporting period divided by the average turnover of permanent employees between 31 December 2023 and 31 December 2024.

8. Collective bargaining coverage and social dialogue

8.1. Collective bargaining

BIL recognises the importance of the Collective Bargaining Agreement (CBA) in safeguarding the rights and interests of its employees. Most employees at Luxembourgish banks, including BIL, are protected under this agreement, which is negotiated every three years between the industry's unions and the directors of the Association of Luxembourg Banks and Bankers (ABBL). A new agreement replacing the previous agreement has been established for the period 2024-2026.

SCOPE OF EMPLOYEES COVERED

The CBA primarily covers general workers, but its provisions also extend to managers and executives in certain areas. This inclusive approach ensures that a broad range of employees at BIL benefit from the advancements outlined in the agreement.

REMUNERATION AND BENEFITS

The CBA defines various aspects of remuneration and employee benefits, including:

- **Pay Scales:** Specific pay scales for grades A to D, along with loyalty bonuses and the percentage of staff eligible for annual pay rises.
- **13th Month Salary:** Employees receive a 13th month of salary, enhancing overall compensation.
- **Training and Development:** To address the challenges of employability and equip employees with necessary skills amidst technological and regulatory changes, the new agreement includes:
  - A 10% increase in the budget allocated for training for the 2024-2026 fiscal years.
  - An extended presumption of skill acquisition to 10 years.
  - An individual training allowance of at least 16 hours per year for each employee, excluding mandatory and retraining courses.

GENERAL BENEFITS

In addition to remuneration, the CBA stipulates essential benefits that apply to all employees, including managers and executives:

- **Statutory Leave and Additional Holidays:** Employees are entitled to statutory leave, along with additional holiday benefits.
- **Flexible Work Arrangements:** Provisions for teleworking and flexible working hours are included to support work-life balance.
- **Notice Periods:** Clear terms regarding notice periods in the event of resignation, dismissal, or redundancy ensure transparency and fairness.

COVERAGE

All employees of BIL Luxembourg and BIL Lease are covered under this Collective Bargaining Agreement, accentuating the Bank's commitment to fair and equitable treatment. Employees of Belair House, BIL Manage Invest, BIL Switzerland, BIL China, and BIL Hong Kong are not governed by this agreement.

COLLECTIVE BARGAINING COVERAGE BY REGION	2024
Number of employees covered by the collective bargaining agreement in Luxembourg (based on remuneration)	1,738
Percent of employees covered by the collective bargaining agreement in Luxembourg (based on remuneration)	97.97%
Number of employees covered by the collective bargaining agreement in Luxembourg (based on other benefits)	1,774
Percent of employees covered by the collective bargaining agreement in Luxembourg (based on other benefits)	100%
Number of employees covered by the collective bargaining agreement in Switzerland	0
Percent of employees covered by the collective bargaining agreement in Switzerland	0%
Number of employees covered by the collective bargaining agreement in China	0
Percent of employees covered by the collective bargaining agreement in China	0%
Percent of total employees covered by the collective bargaining agreement (based on remuneration)	**91.38%**
Percent of total employees covered by the collective bargaining agreement (based on other benefits)	**93.27%**

Scope: BIL Group

The percentage of employees covered by collective bargaining agreements is calculated by:

$$\frac{\textit{Number of employees covered by collective bargaining agreements}}{\textit{Total number of employees}} \times 100$$

8.2. Social dialogue

BIL Group has no existing agreement with its employees for representation by the European Works Council (EWC), Societas Europaea (SE) Works Council, or the Societas Cooperativa Europaea (SCE) Works Council.

Below represents the global percentage of employees covered by workers' representatives, reported at Luxembourg level:

WORKPLACE REPRESENTATION FOR LUXEMBOURG	2024
Number of employees (headcount) covered by workers' representatives (union) in Luxembourg	1,750
% of employees covered by workers' representatives in Luxembourg	98.65%

Scope: BIL Luxembourg

Workplace representation for Luxembourg can be calculated as the number of employees covered by the union in Luxembourg divided by the headcount of employees working under BIL Luxembourg (as disclosed under section 'Employee composition').

Coverage rate on the collective bargaining and social dialogue can be represented as follows:

	2024		
	Collective Bargaining Coverage (based on remuneration)		Social dialogue
COVERAGE RATE	Employees – EEA (Luxembourg)	Employees – Non-EEA (Switzerland)	Workplace representation (EEA only)
0-19%	-	Europe*	–
20-39%	-	-	–
40-59%	-	-	–
60-79%	-	-	–
80-100%	Luxembourg	-	Luxembourg

** Europe includes only Switzerland (non-EEA country)*

9. Diversity metrics

Gender distribution of BIL's top management:

NUMBER OF EMPLOYEES IN TOP MANAGEMENT	2024
Male employees in the top management	41
Female employees in the top management	12
Total employees in the top management	53
Percent of male employees in the top management	77.36%
Percent of female employees in the top management	22.64%

Scope: BIL Group

At BIL Group, employees are categorised by their job class, represented by letters for non-executives and numbers for executives. Employees between personal job classes A-D are defined as "employee". Employees in personal job classes 15-17 are termed as "executive" while employees under 18-19 are considered "senior executive". Top management is defined as any employee in the personal job class between 20 and 24. Top management includes the Executive Committee (ExCo) of the Bank.

Headcount of employees by age:

NUMBER OF EMPLOYEES BY AGE	2024
Employees aged under 30	181
Employees aged between 30 and 50 years	1,128
Employees aged over 50	593
TOTAL	1,902

Scope: BIL Group

10. Training and skills development metrics

BIL Group conducts annual employee performance reviews as agreed by the Management and the Human Resources department.

Employee performance review:

	2024		
EMPLOYEE PERFORMANCE REVIEW	Female	Male	Total
Percentage of employees that participated in regular performance and career development reviews	97%	98%	98%

Scope: BIL Group

Metrics on training and skill development can be categorised by gender and employee category.

Employee training by gender:

	2024		
EMPLOYEE TRAINING	Female	Male	Total
Number of employees trained	880	1,022	1,902
Percentage of employees trained	100%	100%	100%
Average number of training hours per employee	27.28	29.26	28.35

Scope: BIL Group

Training by employee category:

EMPLOYEE TRAINING BY CATEGORY	2024
Number of top management employees trained	53
Number of senior executive employees trained	136
Number of executive employees trained	862
Number of junior employees trained	851
Average training hours per top management employee	29.97
Average training hours per senior executive employee	30.56
Average training hours per executive employee	31.37
Average training hours per junior employee	24.82

Scope: BIL Group

Details on employee training are stored and managed by the Human Resources department. Number of training hours per employee include the accumulated hours spent training on different topics. Average training hours per employee are calculated by dividing the total training hours per male/female employee by the total number of male/female employee in BIL Group. The calculation methodology remains the same for employees per category.

11. Incidents, complaints and severe human rights impacts

INCIDENTS, COMPLAINTS, AND SEVERE HUMAN RIGHTS	2024
Number of incidents of discrimination (including harassment)	1
Number of complaints filed through grievance channels	0
Total amount of material fines, penalties and compensation for damage due to discrimination and harassment incidents	0
Number of employee grievances investigated in the area of human rights and compliance	0
Total amount of material fines, penalties and compensation for damage due to human rights incidents	0

Scope: BIL Luxembourg and national entities

12. Material impacts, risks and opportunities relating to consumers and end-users and their interaction with strategy and business model

12.1. Key types of consumers and end-users

As a responsible financial institution, BIL serves a broad range of customers and end-users who may be subject to material impacts through the Bank's operations and value chain:

- Consumers and end-users of services that could potentially get negatively impacted on their rights to privacy, right to personal data protection, and non-discrimination:
  - Consumers who use digital banking services, including online and mobile banking platforms, may be exposed to privacy and data protection risks due to potential data breaches or cyber threats.
- Consumers and end-users who are dependent on accurate and accessible product or service-related information, such as terms, conditions and disclaimers:
  - Retail banking customers who rely on accurate information about the Bank's financial products and services, such as loans, savings accounts, and investment options, to make informed decisions.
  - Corporate and institutional clients who require clear guidance on complex financial products and services, such as corporate lending, trade finance, and asset management solutions.
- Consumers and/or end-users who are particularly vulnerable to health or privacy impacts, or impacts from marketing and sales strategies, such as children/teens or financially vulnerable individuals:
  - Young customers, including children and teenagers, who may be targeted by inappropriate marketing or sales strategies, or who may not fully understand the implications of financial decisions.
  - Financially vulnerable individuals who may be at risk of falling into debt traps, facing exploitative interest rates, or being targeted by predatory lending practices.

While all customers may be exposed to certain risks, some groups may be at greater risk of harm due to negative impacts. These may include:

- Individuals with limited digital literacy, who may be more vulnerable to online threats or struggle to navigate digital banking services.
- Senior citizens, who may be targeted by financial scams or face challenges in understanding complex financial products and services. Low-income households, who may be disproportionately affected by predatory lending practices or have limited access to affordable financial services.

The consumers and end-users have been included in the Double Materiality Assessment. Their views and opinions on BIL's products, services and their impacts were taken into consideration through a dedicated survey launched in 2023. Human Rights topics were also included in the survey. Additionally, representatives of retail, wealth and corporate clients gave valuable feedback during a focused discussion on the DMA in 2024. The results of the Luxembourg Banking Survey for Individuals (TNS ILRES 2023) were also included in the assessment.

12.2. Identified impacts, risks and opportunities related to consumers and end-users

BIL's values guide the approach to serving its consumers and end-users. The Bank strives to create positive impacts, mitigate risks, and seize opportunities to enhance their experience and contribute to a more sustainable future.

Material impacts and opportunities related to BIL's consumers and end-users arise from the Bank's business model and implemented strategies and processes. BIL provides financing to clients to support their transition toward more sustainable practices, which enhances access to financial services. This positive actual impact is evident in the Bank's efforts to promote social inclusion through a diverse range of product offerings, contributing to social equality. A key pillar of the Bank's strategy is client-centricity, which is reaffirmed through regular two-way engagements, surveys and grievance addressal. BIL acknowledges that absence of engagement with clients can result in difficulty to retain them and thus, takes several actions throughout the year. Refer to section 'Taking actions on material impacts, managing material risks and pursuing material opportunities related to consumers and end-users' for more details.

On the downside, extensive data collection can lead to privacy violations and the misuse of personal information, highlighting the importance of responsible data management. Additionally, increased reliance on digital platforms can expose both the Bank and its customers to cyber threats and data breaches, necessitating a strong focus on cybersecurity.

The identified opportunities for BIL include enhancing client communication and education efforts, which support the Bank's goal of fostering a strong commitment to sustainability and ensuring that it remains approachable for all customers. Supporting clients in their transition toward sustainable practices and adapting to digital platforms requires ongoing reskilling and upskilling of employees. Consequently, regular training and support are provided to Relationship Managers to equip them for these challenges.

Moreover, the Bank's ability to retain clients is directly linked to its reputation in the market. Strengthening client communication and education efforts further supports this objective, ensuring that the Bank creates a supportive environment for its customers.

The identified negative impacts are primarily linked to individual incidents rather than widespread or systemic issues. Key examples include:

Cyber Threats and Data Breaches: Clients face risks from phishing attacks via email and SMS. To mitigate this, BIL regularly issues phishing alerts across all digital channels to raise consumer awareness. Further information on the Bank's data protection, privacy, and cybersecurity practices can be found in section 'Data protection, privacy and cyber security'.

Lack of Two-Way Engagement: Clients sometimes feel their complaints and grievances are not adequately addressed due to insufficient engagement from the Bank. Details regarding BIL's grievance handling procedures are outlined in section 'Processes for engaging with consumers and end-users about impacts'.

Lack of Transparency: Insufficient information or unclear communication can lead clients to make misguided decisions. BIL is dedicated to enhancing transparency by providing clear and comprehensive information, along with regular updates. More information on the Bank's transparency initiatives can be found in section 'Transparency on products and services'.

These examples demonstrate that the Bank's negative impacts are primarily associated with individual incidents rather than systemic problems. BIL is committed to addressing these issues through targeted measures and ongoing improvements in its processes and communication strategies.

ACTIVITIES RESULTING IN POSITIVE IMPACT

BIL is committed to fostering an inclusive and supportive environment for all customers, ensuring that its products and services are accessible, safe, and tailored to their unique needs and circumstances.

Some activities that result in positive impact include:

- **Financial Inclusion through Visa Debit Cards:** The Bank offers Visa Debit cards, which provide clients with a practical alternative to credit cards. This helps mitigate the risk of debt for vulnerable individuals by ensuring that transactions are linked to available account balances.
- **Soft Collection Processes:** To support clients in financial difficulty, the Bank has implemented a "soft collection" approach. This includes proactive communication when account overdrafts are detected, allowing clients to address issues before fees are charged or accounts are blocked. This process reduces stress and promotes financial awareness.
- **GDPR Opt-In for Personalised Support:** Clients can choose to opt-in for personalised communication under GDPR guidelines, enabling the Bank to share relevant products, tips, or solutions tailored to their needs. This ensures that clients are informed about options without intrusive practices. More information can be found in section 'Data protection, privacy and cyber security'.
- **Acknowledging digital challenges:** BIL is aware that digitalisation can pose challenges, particularly for elderly clients or those less familiar with technology. Currently, the Bank lacks specific programs to address this gap comprehensively. However, the Bank continues to explore ways to make its digital tools more user-friendly and accessible, with a focus on simplifying interfaces and providing guidance for less tech-savvy individuals.
- **Financial Education Initiatives:** Through its platform myLIFE, BIL provides comprehensive financial education resources to empower individuals of all ages and backgrounds. These include budget management tips, advice for families caring for vulnerable members, and practical guides for teaching financial skills to children. By equipping clients with the knowledge to make informed decisions, the Bank strives to promote financial literacy as a foundation for inclusion and independence.

RISKS AND OPPORTUNITIES ARISING FROM DEPENDENCIES ON CONSUMERS AND END-USERS

BIL's Risk Cartography exercise identified few risks that arise from dependencies on consumers and end-users. These risks are not considered material from the perspective of Double Materiality but give rise to opportunities that the Bank can capitalize on.

- **Changing customer preferences:**

Risks identified related to shifts in consumer behaviours towards more sustainable and responsible banking practices. Behavioural changes can make low energy efficiency houses less attractive and impact asset value and reusability, thus leading to a Solvency Risk or a Residual/Recovery Risk. The opportunity for the Bank would be to understand these shifts and adapt offerings to align with consumer values.

If the Bank is unable to adjust its core products and/or services to retain its revenue due to abrupt change in client's demand (i.e. client demands more investments on green bonds), it can lead to a Strategic Risk, deemed low. An opportunity for the Bank is to develop and promote products (e.g. green loans) that align with consumer values, to meet the increasing demand.

- **Economic volatility:**

The risk is represented by economic downturns that can lead to losses in profitability, reduced consumer spending and increased defaults. An opportunity for the Bank could be to put in place mitigation measures through portfolio diversification and following of Investment guidelines on exposure limits.

13. Policies related to consumers and end-users

BIL is committed to fostering strong client engagement through its governance frameworks and policies.

The *Products and Services Governance Charter* outlines the principles, high-level roles, and governance processes related to product development and oversight. Its general objectives are to ensure that the interests, objectives, and characteristics of consumers are considered throughout the product lifecycle. The Charter aims to avoid potential consumer detriment and minimise conflicts of interest. Monitoring of the Charter is conducted through regular reviews and assessments to ensure compliance and effectiveness. The principles and requirements of the New Product approval process as set out in this Charter apply at BIL Group level including all subsidiaries and branches of BIL Group. The implementation of the Products and Services Governance Charter is accountable to the most senior level of the Bank's organisation, specifically the CEO and the Chief of Luxembourg Market & CIB. The Charter aligns with internationally recognised instruments relevant to consumers, including the United Nations (UN) Guiding Principles on Business and Human Rights, ensuring that consumer rights and interests are respected in product governance. In setting the Charter, consideration was given to the interests of key stakeholders, including clients and regulatory bodies.

The *Products and Services Governance Policy* outlines the measures and principles applicable to BIL Group concerning its New Product approval process. Its primary objective is to ensure transparency in products and services by establishing clear responsibilities for all stakeholders involved in the process. The policy mandates compliance with all relevant transparency requirements when launching new products or making significant changes to existing ones. The Executive Committee exercises effective control over BIL's New Product approval process, the aim of which is to determine the range of Products offered or recommended and the services supplied to the respective Target Markets. No new product shall be implemented unless the authorised management approved it in line with the process defined in this policy.

The Products and Services Governance Charter and Policy are made available to relevant stakeholders, including employees involved in product development and management, through internal communication channels.

BIL conducts due diligence procedures on its clients, as per the guiding principles listed in the Bank's *AML Risk Appetite Statement Charter*. The Charter governs BIL Group's business relationships by establishing clear principles that assist the Bank in fighting financial crime, combating threats to the integrity of national and international financial system and protecting the Group's from criminal abuse and misuse. The Bank uses a risk-based approach to assess a prospective client's profile that determines whether the Bank can enter into or maintain business relationships with them. Indicators include country risk, industry/activity risk and client risk. The Charter is approved annually by the administrative, management and supervisory bodies and applies to the entire entity. It is made available to all employees through the intranet and the Chief Compliance Officer is responsible for the implementation of the Charter.

The *Client Complaints Handling Policy* outlines the roles, responsibilities, and procedures for handling client claims effectively. It aims to ensure that all client claims are addressed promptly and fairly. Monitoring of the policy is conducted through yearly follow-ups by the Compliance department, as well as ad hoc reviews and reporting to assess the policy's effectiveness. The scope of the Client Complaints Handling Policy includes all client claims received by any entity of the Bank. The implementation of the policy is overseen by the CEO and the Chief Compliance Officer, who are responsible for ensuring adherence to the policy's procedures and standards. This policy also aligns with relevant international standards for consumer protection and complaint handling, including the UN Guiding Principles on Business and Human Rights. The policy is made available to potentially affected stakeholders, including clients and the Bank's employees involved in the claims process. It is accessible through internal platforms and on BIL's website.

The MiFID-related policies collectively enhance the effectiveness of the Products and Services Governance Policy (at BIL Luxembourg) by establishing a comprehensive framework for governance, compliance, and transparency in the management of financial products and services. These policies ensure that all stakeholders involved in product development and distribution are equipped with the necessary knowledge and skills, fostering a culture of ethical responsibility and client protection *(MiFID Knowledge & Competence Framework Policy)*. By regulating marketing communications, inducements, and the acceptance of gifts, these policies promote fairness and prevent conflicts of interest, ensuring that clients receive accurate and transparent information about the products they are offered *(MiFID - Financial Promotion and Marketing Communication Policy; MiFID Inducements Policy; Gifts, Favours, and Invitations Policy)*. Additionally, the commitment to safeguarding clients' assets and maintaining thorough record-keeping practices reinforces BIL's reliability and accountability *(Safeguarding of Clients' Assets Policy, Record Keeping Policy)*. The Head of Compliance is responsible for the implementation of these policies.

BIL's Human Rights commitments also govern consumers and end-users and are aligned with the United Nations (UN) Guiding Principles on Business and Human Rights. The Bank is committed to making every effort to:

- **Foster Meaningful Relationships:** The Bank aims to establish business relationships with clients with whom it can build strong personal connections based on openness and transparency. BIL's engagement decisions are made without regard to gender, race, language, sexual orientation, nationality, beliefs, political opinions, or religion.
- **Provide Transparent Information:** The Bank ensures that its clients receive accurate and reliable commercial information about its products and services. Compliance reviews all client communications to ensure transparency and clarity, safeguarding client interests and understanding.
- **Conduct Business Ethically:** BIL is dedicated to conducting its business fairly, honestly, and transparently, maintaining a zero-tolerance policy toward bribery and corruption *(Code of Ethics)*.
- **Respect Client Privacy:** The Bank prioritises the privacy of its clients, safeguarding their personal data in accordance with applicable legislation. The use of personal data is governed by the client's consent and preferences *(Personal Data Protection Charter)*.
- **Implement Grievance Mechanisms:** Through the Client Complaints Handling Policy, BIL provides a mechanism for clients to voice any grievances. This process ensures that their concerns are acknowledged, investigated, and resolved.
- **Encourage Whistleblowing:** BIL promotes a culture of transparency and accountability by encouraging whistleblowing. BIL provides secure channels for employees and clients to report any concerns related to unethical behaviour, human rights violations, or any misconduct without fear of retaliation. All reports are treated confidentially and investigated thoroughly to ensure appropriate action is taken *(Whistleblowing Charter)*.

To make informed decisions across all components of its value chains, BIL relies on a framework of internal policies, principles, committees and due diligence processes. In 2024, no cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve consumers and/or end-users have been reported in its downstream value chain.

14. Processes for engaging with consumers and end-users about impacts

14.1. Engagement with clients

BIL integrates the perspectives of consumers and end-users into its decisions and activities to manage real and potential material impacts on them.

BIL regularly conducts market studies of the financial sector in Luxembourg, covering all types of consumers (individuals, private banking, businesses).

These studies are carried out with official and recognised polling institutes or consumer panels, or directly with its clients.

Since October 2023, BIL has implemented a new Customer Relationship Management (CRM) tool that enables to collect relevant data about clients, enhancing the Bank's ability to understand and respond to their needs effectively.

Additionally, relationship managers in Wealth and Corporate Banking gather direct insights from clients during appointments.

The client studies encompass a wide range of methodologies, including quantitative surveys such as polls, user tests, and A/B testing, as well as qualitative approaches like focus groups.

- Annual Studies: Conducted once a year, focusing on individuals and digital banking.
- Biannual Studies: Conducted twice a year, targeting corporate clients and insurance.
- Monthly Satisfaction Surveys: Administered at key points in the client lifecycle, such as onboarding new clients or subscribing to Daily, Lending, and Investment products.
- Ad Hoc Studies: Conducted as needed, based on the Bank's strategic projects.

For example, in 2024, BIL conducted a study to assess consumers' future expectations. This study ranked the importance of new functionalities in the Bank's online banking solutions (web and app) concerning everyday banking services, loans, and investments.

The function responsible for ensuring this engagement occurs, and that the results inform the undertaking's approach, is overseen by the Head of Business Enablers at the N-1 Executive Committee level. This senior role is tasked with operational responsibility for coordinating and implementing engagement activities, ensuring that insights gathered from these engagements are effectively integrated into the organisation's strategic and operational planning.

To measure the effectiveness of these engagements, the Bank utilises clear Key Performance Indicators (KPIs) such as Net Promoter Score (NPS), accessibility scores and claims statistics on relevant customer journeys.

The NPS is calculated by subtracting the percentage of Detractors (those who score 0-6) from the percentage of Promoters (those who score 9-10) based on customer responses to the question, "How likely are you to recommend our company/product/service to a friend or colleague?". The NPS can range from -100 (if every customer is a Detractor) to +100 (if every customer is a Promoter). A positive score indicates more Promoters than Detractors, while a negative score suggests the opposite.

These KPIs are presented monthly at the Executive Committee level. The insights gained from these metrics help in making informed decisions and developing concrete action plans aimed at improving the overall customer experience.

14.2. Transparency on products and services

Transparency is a cornerstone principle that guides the operations and reporting of BIL in its commitment to sustainable and responsible banking practices. BIL recognises that transparency is not just a regulatory requirement but a fundamental element of building trust with its stakeholders and contributing to a resilient and ethical financial ecosystem. In the pursuit of transparency, the Bank aims to provide a comprehensive and clear account of its environmental, social, and governance practices such as:

- The specialised Go-To-Market (GTM) team, including User Experience (UX) professionals, which enhances the clarity and usability of the BILnet app, ensuring clients easily understand all offerings.
- Communications undergo systematic thorough compliance and legal reviews, upholding regulatory standards and reinforcing the commitment to responsible practices and commitment to reinforce reliability in client interactions (for example, MIFID transparency principles and ESMA naming conventions).
- Communications are provided in Luxembourg's official languages, promoting inclusivity and accessibility for all clients.
- BIL's website features comprehensive contents (videos, Infographics, FAQs and tutorials), giving clients clarity about the Bank's products and services.
- Soft collection approach for account overdrafts, enabling clients to resolve issues early, which enhances financial awareness and reduces stress.
- The Bank's commitment to transparency is reinforced by BIL's core *CLEAR* values (refer to the section 'Corporate Culture')

14.3. Engaging with vulnerable clients

In the current interbank project of ATM mutualisation in Luxembourg, LuxConstellation S.A. which will operate the ATM network on the Banks' behalf is modernising approximately 80% of ATMs installed by end of 2025. BIL is working together with the management of LuxConstellation to have a 100% ATM network that can be used by visually impaired and as well as deaf and hard hearing persons. The physical installations are also under scrutiny to adapt the major part for disabled persons.

As a systemic bank, BIL also provides access to a bank account with payment means according to the Payment Account Directive.

15. Processes to remediate negative impacts and channels for consumer to raise concerns

BIL is committed to effectively identifying and responding to actual and potential negative impacts on consumers and end-users. The Bank's structured approach varies depending on whether a product or service is new, undergoing changes, or existing.

For any new product or service, as well as for any material changes to existing offerings, a presentation for review and validation is submitted to the New Product Committee (NPC). The NPC is composed of representatives from various departments, including risk management, compliance and product development and is chaired by a senior executive from Product Management and co-chaired by the Head of Risk Management. This committee conducts a thorough roundtable assessment to proactively review any potential impacts on clients, ensuring that all aspects of consumer experience are carefully considered. For existing products and services, the Product Governance Committee (PCG) and/or the NPC conduct regular reviews to ensure that they continue to align with the strategic objectives, meet consumer needs, and comply with regulatory and risk frameworks. Through the review processes carried out by these committees, it is ensured that all potential risks and impacts on consumers are thoroughly evaluated prior to the launch of new products or the implementation of changes. This approach enables the Bank to make necessary improvements, ensuring that its products and services consistently align with client satisfaction standards.

Several processes provide or enable remedy for any material negative impacts:

- **Centralised complaint handling:** The Bank has established a centralised complaint management system that allows consumers to easily raise concerns. This system is designed for timely and effective resolution, with clear escalation procedures for complex issues.
- **Satisfaction surveys:** The Bank conducts regular products and services satisfaction surveys to gather valuable feedback from consumers. These surveys assess the overall customer experience, identify areas for improvement, and inform its decision-making processes.
- **Continuous improvement:** Throughout the lifecycle of each product or service, BIL maintains a centralised Service Request and Incident Management system. This system is designed to monitor and manage service quality while addressing any issues that may arise effectively. The Bank continuously monitors and evaluates the effectiveness of its remediation processes. By analysing complaint resolution outcomes and consumer feedback, the Bank can identify trends and areas for enhancement, ensuring that it remains responsive to consumer needs and effectively mitigate any negative impacts.

Importantly, every document intended for clients undergoes a compliance check prior to being shared. This process ensures that all communications are fair, transparent, and compliant with applicable regulations. By verifying that materials accurately represent all products and services, BIL prevents misunderstandings and foster trust among consumers.

COMPLAINT AND GRIEVANCE HANDLING MECHANISM

The Bank is committed to addressing consumer concerns effectively through a structured complaint management process outlined in the Client Complaints Handling Policy. The first points of contact for consumers are the dedicated customer service lines and their assigned relationship managers, who assist with raising concerns and navigating the complaint process. If clients are not satisfied with the response they receive, they are encouraged to file an official complaint through several channels:

- **Secure Messaging Service:** Clients can submit complaints directly via the secure messaging service available in BILnet.
- **Online Complaints Form:** Complaints can be filed using the form available on BIL's website.
- **Mail:** Clients can also send written complaints as described in the Bank's Complaints Handling Procedure available on its website.

Upon receiving a complaint, BIL acknowledges the issue within 24 to 48 hours, providing information on the next steps and an estimated timeline for resolution. The complaint is then forwarded to the relevant department for a thorough and objective investigation, involving necessary stakeholders to assess the situation comprehensively. After the investigation, BIL communicates the resolution to the consumer, detailing the findings, actions taken, and any remedies offered.

To ensure accountability, BIL employs a robust tracking system that monitors all complaints in a centralised database, allowing for real-time status updates and regular reporting on complaint trends and resolution effectiveness. After resolution, BIL actively seeks consumer feedback to identify areas for improvement and enhance the overall customer experience. If a consumer remains unsatisfied with the resolution, they have the option to escalate the complaint to higher management or resort to the CSSF for out-of-court resolutions.

In addition to addressing complaints, the Bank ensures stakeholder involvement, particularly from end-users, by regularly soliciting their feedback to improve the effectiveness of its products and services.

BIL uses various tools to assess whether consumers and end-users are aware of the structures or processes in place, and whether they trust them to express their concerns or needs. This includes satisfaction surveys, focus groups, and feedback analysis, which materialises in statistics and graphs.

Furthermore, the Bank is committed to communicating transparently about the available structures and processes through information campaigns and regular interactions with clients. To this end, clients have secure messaging to communicate transparently with the Bank. The Bank also has a hotline in place with the client care centre whose mission is to address clients' inquiries and dissatisfaction.

BIL ensures that its processes are not only accessible but also understandable, thereby reinforcing consumers' trust in their ability to express their concerns effectively. Customer feedback is taken very seriously by the Bank, which analyses their level of satisfaction and constantly seeks to improve the quality of its services.

16. Taking actions on material impacts, managing material risks and pursuing material opportunities related to consumers and end-users

16.1. Actions on addressing impacts, risks and opportunities

Several actions were taken during the year to address impacts and opportunities relating to Client Engagement.

CONTINUED PRODUCTS AND SERVICES OFFERING

BIL identified various positive impacts that arise from offering products and services that increase clients' access to financial services and promote overall social inclusion. In order to continue serving its clients, the Bank took the following initiatives:

- In 2024, BIL focused on enhancing the Invest customer journey to better serve its clients' needs. Since mid-August 2024, the Bank has introduced a new investor profile that incorporates clients' ESG preferences, enabling it to offer more personalised investment options.
- BIL continues to offer financing to its clients in the form of Green Loans and Motor vehicle financing in order to support their transition towards more sustainable practices, thereby leading to increased access to financial services.
- The Bank launched a new commercial approach for its Personal Banker team called "Finance Meetings." These meetings offer clients a unique opportunity to review their personal finances comprehensively. With the assistance of a BIL Relationship Manager, clients can discuss their savings and investment needs during a 2-hour session and discover solutions that best align with their financial perspectives. BIL's goal is to help clients plan and prepare for their future with confidence. This involves making thoughtful investments that align with their personal profiles and life projects. The new tool enables relationship managers to provide clients with a document summarising their entire portfolio, their savings capacity, and an individualised investment proposals for the short term (1-3 years), medium term (3-5 years), and long term (10 years).
- The Bank launched a dedicated BIL solicitation initiative designed to enhance customer loyalty through relationship building. The campaign management tool allows the Bank to deliver personalised and targeted marketing campaigns across multiple communication channels (both digital and human), tailored to specific client behaviours and segments. Additionally, specialised ad-hoc studies to address issues are conducted to evaluate consumers' future expectations regarding everyday banking services, loans, and investments.

The scope of the above actions are the individual clients, that is, retail and wealth management clients of BIL Luxembourg.

INITIATIVES TO MAINTAIN AND BOOST CLIENT SATISFACTION

The Bank identified a key opportunity that supports its overall objective of client centricity. BIL attaches great importance to client satisfaction, which it measures regularly. Regular surveys are conducted on the Bank's key processes (e.g., account opening, loan application, investment product subscription, appointment at branch, etc.) in order to gather client feedback following their interactions with the Bank. For each key process, the following indicators are measured and monitored on a monthly basis, at BIL Luxembourg level:

- Recommendation rate
- Overall satisfaction
- Effort score (or simplicity of the process) as well as some specific criteria related to the process analysed.

Results are analysed and shared with the process owners to ensure continuous review and improvement.

To manage these actions, a new department named Customer Journeys, Business Processes & Architecture was established at the beginning of 2024. This department supports the Bank's transformation towards customer-centric operations by developing efficient processes that prioritise the customer experience. The overall Bank organisation is structured into cross-functional units to ensure seamless and comprehensive delivery of key client journeys. Ten key client journeys were identified, each with strategic objectives and KPIs. By the end of 2024, two key client journeys were being actively managed with significant KPIs such as NPS (Net promoter Score), lead time (average time taken to open an account and/or take out a loan), and accessibility rate (rate of calls answered by BIL's Client Care Centre). This dedicated team consists of 10 employees with an additional employee fully in charge of conducting market studies and client satisfaction surveys for the Bank.

Initiatives linked to mitigating privacy violations and misuse of personal information can be found in section 'Data protection, privacy and cyber security'. Additionally, actions taken towards to increase the resilience of digital banking platforms can be found in section 'Innovation and digitalisation'.

16.2. Tracking effectiveness of actions

The Bank assesses and tracks the effectiveness of these actions in several ways. The Product Governance & Pricing team regularly monitors the implementation of transparency conditions set by the Product Committee, ensuring that decisions are executed as intended and that transparency standards are maintained. An effective claims management process is in place to address any issues or concerns raised by clients regarding product transparency. The Product Governance & Pricing team is responsible for following up on decisions made by the Bank's New Product Committee (NPC). This includes ensuring that all underlying conditions related to product and service transparency are implemented effectively. Actions and the tracking of their effectiveness cover clients of BIL Group.

16.3. Allocated resources

Resources allocated to the management of these actions include a structured value chain approach that BIL operates with, involving cross-functional teams working collaboratively to address product-related issues. These teams ensure that every aspect of the product lifecycle—from development to marketing and customer support—is aligned with the Bank's transparency objectives. A dedicated process team focuses on optimising customer journeys. This team analyses the end-to-end experience of clients, ensuring that all touchpoints are transparent and that clients receive clear information about products and services. Specialised claims management teams are in place to handle customer inquiries and complaints regarding product transparency and related issues. These teams are trained to address client concerns effectively and to gather insights that inform product enhancements and communication strategies. Additionally, one dedicated resource from the Product Governance team is assigned to ensure the follow-up of decisions made by the Bank's Product Committees.

16.4. Initiatives aimed at improving social outcomes

Several initiatives aim at fostering financial education and awareness, especially among young people.

Throughout the year, BIL welcomed high school students to its premises, where they received detailed presentations on banking principles with a recent emphasis on sustainable finance education:

- **Diplom+ Program (January 2024):** BIL hosted a workshop for approximately 20 post-secondary students as part of the Diplom+ program, focusing on "Responsible Finance Accessible to All." This initiative aims to equip young adults with essential financial knowledge and skills.
- **ABBL Foundation Workshop (May 2024):** A workshop on sustainable finance was conducted for a 4th-grade class at Lycée Bouneweger. This session aimed to introduce students to concepts of sustainability in finance, fostering early awareness and understanding.
- **Woch vun de Suen:** BIL participated in the Woch vun de Suen, a week dedicated to financial education. During this initiative, 7 BIL volunteers visited schools across Luxembourg to raise awareness and educate young children on essential financial topics, including budget management.
- **Fit for Life Workshops (Various Dates):** BIL facilitated three workshops for a 5th-grade class at Lycée Bel-Val as part of the Fit for Life program by Jonk Entrepreneuren Luxembourg. Topics covered included money management, budgeting, insurance, responsible consumer behaviour, and job interview skills.

As part of the Bank's commitment to engaging with the youth, BIL sponsors the **Mini-Enterprises project** of the non-profit organisation JEL (Jonk Entrepreneuren Luxembourg). This initiative allows each participating mini enterprise to open an account with BIL, connecting students with the business world. Through this hands-on educational experience, students explore entrepreneurship in a fun and professional environment.

In order to capitalise on the opportunity to provide educational support to promote awareness and financial inclusion, BIL publishes various articles on its blog, myLIFE. In 2024, the blog published roughly 77 new pieces of content, with 15 articles specifically focused on sustainability and ESG services/products, and 8 on broader ESG themes. Furthermore, existing ESG contents have been promoted via Search Engine Advertising (SEA) campaigns and new special features have focused on "Leadership", "Making the right financial decisions", "Well-being at work" addressing topics including life balance, responsible financing and budget pitfalls.

16.5. Initiatives aimed at enhancing climate impact transparency

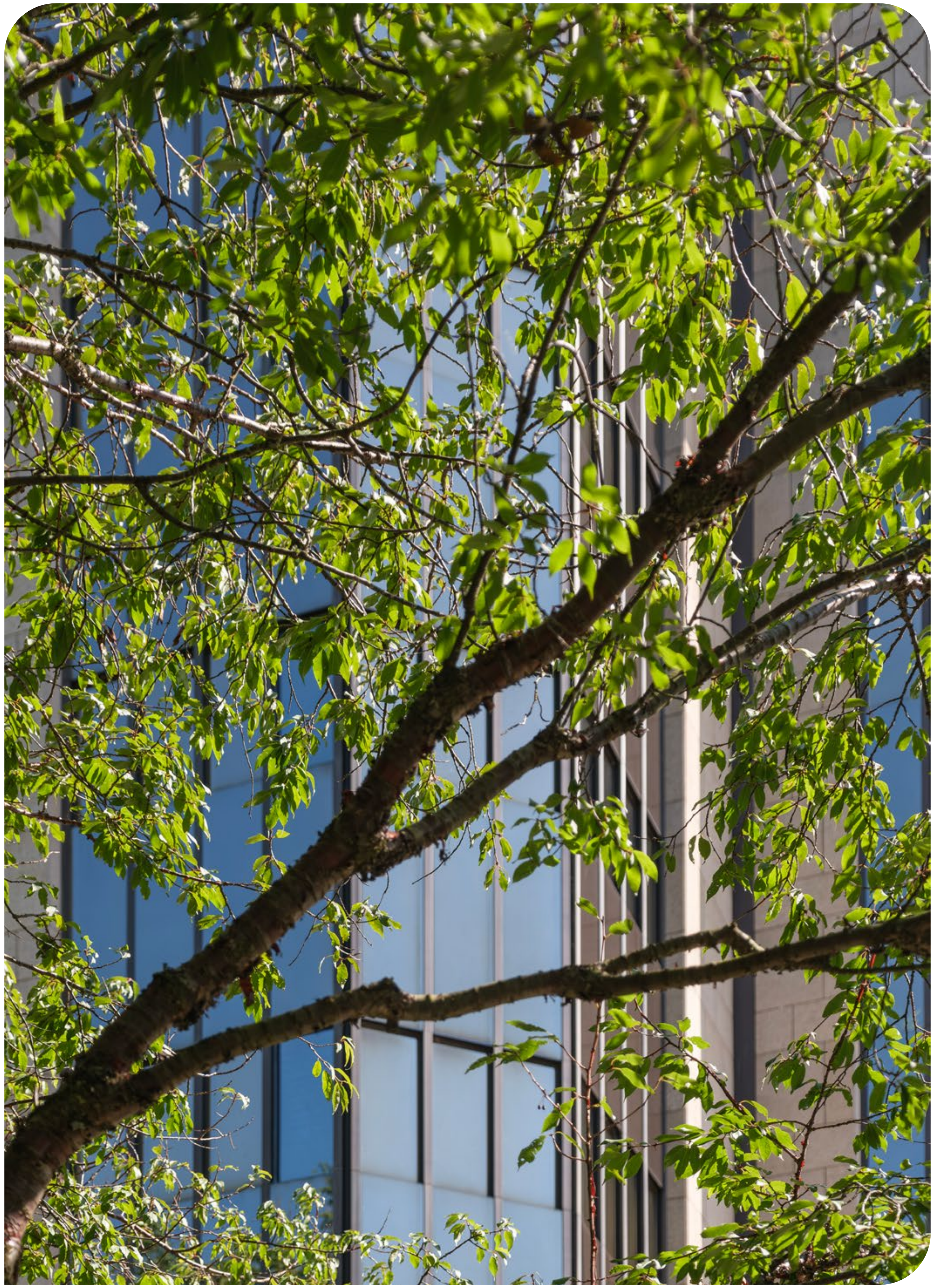
BIL recognises a significant opportunity to enhance climate impact transparency, implement robust controls against greenwashing, improve the availability of ESG data, and provide comprehensive information on sustainable finance.

To uphold this commitment, the Bank is dedicated to establishing stringent internal policies to prevent greenwashing. This includes training staff on responsible marketing practices and setting clear guidelines for communicating sustainable finance products. Furthermore, BIL will continue to refine its Sustainability Investment Framework to better qualify sustainable investments, ensuring that the Bank offers clients reliable and credible options that align with their values.

In alignment with these efforts, compliance team reviews all product information to ensure accuracy and adherence to sustainability standards, reinforcing the Bank's commitment to ethical practices. To further safeguard against greenwashing, the Bank implements rigorous controls through its Product and Services Governance Policy when validating new products or significantly modified offerings.

BIL also plans to enhance client awareness of sustainable finance options through ongoing educational campaigns and resources, particularly via the MyLife blog.

Additionally, BIL's Principal Adverse Impact (PAI) report provides clients and stakeholders with valuable insights into the potential negative impacts of its investment decisions on sustainability factors, further strengthening the various transparency initiatives.



04. Governance

1. Role of the administrative, management and supervisory bodies on business conduct

The Bank has implemented a *Code of Ethics*, under the responsibility of the Board of Directors and the Executive Committee, that lays down the guiding conduct and ethical principles along with BIL Group's corporate values for professional and ethical conduct. The Board of Directors is assisted in this task by the Compliance and Risk Management departments, in collaboration with the Human Resources department for:

- the drafting of the guiding conduct, ethical principles and corporate values;
- the development of the Code of Ethics;
- conduct a thorough review of the Code of Ethics, including a comprehensive analysis of the impacts associated with any proposed changes.

All Staff Members are individually responsible for adhering to and complying with the values and the principles set out in this Code. Staff Members commit to abide by all rules applicable to them. Observance of the Code and all provisions set up by BIL Group charters, policies or procedures constitutes a professional obligation. The non-compliance to these applicable provisions may result in disciplinary actions that could ultimately lead to dismissal.

In case of internal fraud and/or any misconduct, a disciplinary committee assisted by a disciplinary investigation team has been set up with the following roles and responsibilities:

- Analyses of the files submitted
- Decides upon the adequate sanctions for the concerned employee(s), ranging from no sanction to dismissal
- If appropriate or if requested, hears the concerned employee(s)
- Ensures the involved employee(s) has been informed of the decision taken by the disciplinary committee against said employee
- If appropriate, proposes measures to limit risks for future fraud or misconduct
- For any misconduct of an employee, informs the variable remuneration committee

Employee representatives are informed of all interviews with Staff Members concerning disciplinary actions taken in relation to breaches of BIL Group Code of Ethics.

The Compliance department has a dedicated session regarding fraud on its annual compliance activity report that is presented to the Board of Directors and submitted to the regulator.

The administrative, management and supervisory bodies participate in annual continuous development sessions on business conduct matters such as Anti-Money Laundering (AML), Know Your Customer (KYC) and, Counter-Terrorism Financing (CTF), conflict of interest and BIL's internal governance including internal duties and responsibilities. This ensures that they are informed and have relevant expertise on business conduct matters.

2. Material impacts, risks and opportunities relating to business conduct and their interaction with strategy and business model

Material impacts, risks and opportunities were identified through a thorough screening of business activities and operations.

The identification process included reviewing existing policies, procedures, and controls related to business conduct, engaging with stakeholders—such as employees, clients, regulators, and business experts—to understand their concerns and expectations, monitoring industry trends, regulatory developments, and best practices, and establishing a robust whistleblowing process to promote reporting and feedback.

The assessment criteria included considerations of location, encompassing both global and regional contexts, specific business activities, such as lending and investment practices, and sector-specific risks that target high-emission sectors.

The Bank's strict anti-corruption and anti-bribery policies create a positive work environment, while neglecting these issues and ineffective risk management can lead to legal troubles and low employee morale; however, a strong anti-discrimination policy enhances employee well-being and fosters new business opportunities.

3. Business conduct policies and corporate culture

3.1. Corporate culture

BIL has articulated its new "Why" as "Building Tomorrow Together," which serves as a guiding principle for its operations and corporate culture. This statement encapsulates the organisation's commitment to creating a better future through collaborative efforts, innovation, and proactive engagement with clients and communities.

The establishment of this "Why" involved a comprehensive and collaborative process that began in March 2024. A series of workshops and discussions were conducted, including sessions with executive committee members, to deeply explore what truly matters to BIL and what sets it apart in the banking sector. This reflective approach was instrumental in identifying the core values that align with this forward-looking vision.

The values of BIL – *Caring, Leading, Engaging, Accessible, and Reliable (CLEAR)* – are essential for effectively living out the "Building Tomorrow Together" ethos. Each value plays a vital role in ensuring that the organisation operates in a way that resonates at every level.

- **Caring:** This value emphasises empathy and open-mindedness. By fostering a culture of caring, BIL encourages employees to consider the needs and perspectives of clients and colleagues, which is critical for building strong relationships and community trust.
- **Leading:** Leading by example and inspiring others is key to this value. BIL promotes a culture where employees are empowered to take initiative and act as role models, which aligns with the collective effort required to achieve the shared goal of building a better future.
- **Engaging:** Personal commitment, dedication, and passion are at the heart of this value. BIL believes that engaged employees are more likely to contribute effectively to the organisation's mission, driving the collective effort to shape tomorrow together.
- **Accessible:** Approachability and credibility are fundamental to this value. BIL fosters an environment where open communication is encouraged, allowing for collaboration and teamwork that supports the overarching mission of building a better tomorrow.
- **Reliable:** This value underscores the importance of integrity and accountability. By committing to follow through on promises and responsibilities, BIL builds trust with clients and colleagues, which is crucial for collaborative efforts.

The introduction of these values was formally presented to all employees during a dedicated townhall meeting, where the Executive Committee, led by the CEO, articulated the significance of each value in the context of BIL's "Why." This event created a platform for employees to understand and engage with the values, fostering a sense of ownership and alignment with the organisation's mission.

To ensure that managers fully embrace and effectively cascade these values throughout their teams, a dedicated session was held exclusively for management. This session emphasised the practical applications of the values in daily operations and decision-making, equipping managers with the necessary tools and insights to model these behaviours and inspire their teams to adopt them. Additionally, the values will be integrated into the 2025 Leadership Program, ensuring they become a fundamental part of leadership practices within the Bank.

In addition, 2024 feedback forms integrated these values, allowing employees to provide input on how well they are being lived and demonstrated within the organisation.

To reinforce the importance of these values further, they are prominently displayed throughout the Bank's premises. Visual representations, such as posters and digital screens, feature the values in a clear and engaging manner. This visibility serves as a constant reminder for employees and visitors alike, ensuring that the values are not only known but actively lived in the workplace.

The BIL Code of Ethics complements this "Why" and its values by providing a framework for ethical decision-making and behaviour that aligns with the principles of Caring, Leading, Engaging, Accessible, and Reliable. It serves as a guide for employees to navigate challenges and dilemmas in a manner that upholds the organisation's commitment to integrity and accountability, ensuring that actions taken are consistent with the mission of building a better future for clients and communities alike.

Through this integrated approach, BIL not only articulates its commitment to a shared vision of the future but also cultivates a corporate culture that fosters innovation, sustainability, and collaboration. Ultimately, the values of BIL are not just statements, they are promises that guide the organisation's actions and decisions, reflecting a deep commitment to making a positive impact within the organisation and the communities it serves.

3.2. Business conduct policies

BIL's key policy with regard to business conduct matters is its Code of Ethics (The Code).

The Code outlines the ethical standards and expected behaviours for all staff members, promoting responsible business conduct while ensuring compliance with legal obligations. The general objectives of the Code are to preserve the integrity and reputation of BIL and to establish a culture of accountability. It applies universally to all staff across BIL Group entities. The Board of Directors is ultimately accountable for its implementation, which aligns with international standards such as the UN Global Compact and OECD Guidelines. The Code is made accessible via the company intranet.

Under the principle of fairness and transparency, all staff must perform their duties loyally and with mutual respect, adhering to established ethical standards relevant to their roles. When interacting with clients, staff are required to communicate in a balanced, fair, clear, and accurate manner, ensuring transparency in all dealings.

In regard to the use of social media, all staff members must maintain a positive image of BIL Group. This includes refraining from sharing sensitive information or engaging in any behaviour online that could harm the Bank's reputation. Staff are encouraged to think critically about their online presence and the potential implications of their communications.

Regarding personal accounts and transactions, staff must avoid any personal transactions that could create a conflict of interest. This includes refraining from trading financial instruments that they may encounter through their work, thereby maintaining the integrity and trust placed in them by clients and the organisation. BIL's *Anti-Bribery and Corruption Charter* aims to prevent corruption and bribery within the Bank's operations by outlining procedures for reporting unethical behaviour and defining staff responsibilities.

When it comes to their financial situation, staff are expected to manage their personal finances responsibly and in compliance with legal and contractual obligations. This principle reflects BIL's commitment to promoting ethical behaviour and integrity both within and outside the workplace.

The 'Improper Transactions' section underscores the need for loyalty and professionalism. Staff are prohibited from engaging in excessive or inappropriate trading activities, such as intraday trading or excessive buying and selling relative to their financial portfolio. Such activities can compromise the staff member's integrity and the trust of clients.

Secondary activities are also addressed, as staff members are prohibited from engaging in any professional activities or occupations that may compete with or conflict with their responsibilities at BIL.

To ensure avoiding conflicts of interest, BIL has established a *Charter on Conflicts of Interest* dedicated to the identification, prevention, and monitoring of such conflicts. Additionally, the *Gifts, Favours and Invitations Policy* governs interactions involving gifts and hospitality. Staff must be vigilant to avoid situations that could lead to conflicts of interest or perceptions of undue influence. Accepting gifts or invitations should always be done judiciously, ensuring they do not compromise the integrity of the staff member or the organisation.

The Code as well as related Charters are approved by the Board of Directors and implemented by the Chief Compliance Officer. They govern all staff of BIL Group and are made available on the intranet, with public versions available on BIL's website.

In terms of competition, staff are expected to engage in fair competitive practices. This means that they must not employ dishonest tactics to attract clients from competitors, thus fostering a culture of integrity and respect within the industry.

Mutual respect is a cornerstone of BIL's values, and discrimination on any basis—such as race, gender, religion, or political beliefs—is strictly prohibited. This principle ensures a diverse and inclusive workplace where every employee feels valued and respected. The *Psychological and Sexual Harassment Policy* aims to foster a safe and respectful workplace by outlining unacceptable behaviours and the reporting process for employees. Employees of BIL Luxembourg and national subsidiaries are governed by this policy. The policy is implemented by the Head of Human Resources and is made available to all employees via the Bank's intranet.

Lastly, the principle of confidentiality and data protection mandates that staff maintain the utmost discretion regarding sensitive information obtained in the course of their work. Professional secrecy is paramount; employees must not disclose confidential information to third parties, safeguarding the trust of clients and the integrity of BIL Group.

The 'Behavioural Rules (Do's and Don'ts)' provide specific guidelines for employee conduct in various scenarios, promoting loyalty, professionalism, and mutual respect in interactions with clients and external stakeholders.

3.3. Identifying, reporting and investigating unlawful behaviour

The Code of Ethics works in conjunction with several compliance charters and policies within the BIL Group, including BIL's *Whistleblowing Charter, BIL Group Compliance Charter, Financial Crime Prevention Charter, Market Abuse Prevention Charter, BIL Group Remuneration Charter, BIL Group Corporate Governance Charter,* and *Personal Data Protection Charter*. These Charters establish a robust governance framework that ensures accountability and adherence to ethical standards throughout the organisation.

All Charters are approved by the Board of Directors and managed by the Compliance Department, with continuous evaluation and updates as necessary to reflect evolving regulations and best practices. This process reinforces BIL's commitment to fostering a culture of compliance and ethical conduct.

The Internal Audit Department plays a crucial role in maintaining governance standards and monitoring compliance with policies. It conducts audits across all Bank activities on a three-year cycle, guided by an Internal Audit plan based on a thorough risk assessment. This plan includes evaluations of business ethics and anti-corruption performance, addressing identified theoretical risks.

Recommendations from Internal Audit assignments undergo continuous follow-up to ensure prompt implementation of necessary actions, thereby preserving the integrity of BIL's operations.

Certain functions within an organisation are considered more vulnerable to corruption and bribery due to their roles, responsibilities, and influence. The following functions at BIL are identified as being at higher risk:

- **Procurement:** This transversal function is susceptible to risks associated with awarding contracts and purchasing goods and services, which can be influenced by bribes and kickbacks.
- **Finance and Accounting:** Employees in these areas may be tempted to manipulate financial records or engage in fraudulent activities to conceal corrupt practices.
- **Client-Facing Roles:** Staff in client-facing positions may experience pressure to meet targets, potentially leading to unethical practices, including bribery of clients or decision-makers.
- **Project Management:** Managers may be tempted to engage in corrupt practices to secure project approvals or funding.
- **IT and Data Management:** Individuals in these roles could manipulate or obscure data for corrupt purposes, particularly concerning financial transactions.
- **Management:** Due to their influence and decision-making power, management personnel may be exposed to corruption and bribery risks.

To mitigate these risks, BIL has implemented dedicated processes and frameworks. The internal control framework encompasses compliance, risk management, and internal audit functions. Additionally, the Bank has established a dedicated investigation team tasked with identifying, monitoring, and investigating any activities or behaviours linked to fraud or misconduct among BIL Group employees.

Furthermore, a Disciplinary Investigation Unit, mandated by the Management Board, has been set up to ensure that disciplinary measures taken against employees for fraud, significant non-compliance with internal policies and procedures, and serious behavioural misconduct are fair and balanced. The Unit has the duty to protect the legal, financial and reputational interests of the BIL Group and to implement effective measures against internal fraud and any other illegal activities affecting the Bank's interests. In order to do so, the Bank relies on a detailed policy framework *BIL Group Disciplinary Investigation Unit Policy*. This policy outlines the procedures and processes in the event of a disciplinary incident. The objective is to ensure a consistent and thorough approach to investigating any allegation or indicator of fraudulent activities or serious misconducts in BIL Group. The policy covers BIL Group employees and is made available to all via the Bank's intranet.

Protecting whistleblowers

BIL has established robust internal whistleblower reporting channels to ensure that employees can report concerns safely and confidentially. The *Whistleblowing Charter* outlines the main regulatory obligations for the BIL Group entities and provides principles for managing and monitoring whistleblowing obligations. Its key contents include provisions for the establishment of internal reporting channels, procedures for processing alerts, and safeguards for whistleblower confidentiality. The Charter is revised annually and approved by the Board. It applies to all employees across BIL Group and covers a wide range of activities related to compliance and ethical conduct.

More specifically, the Charter provides information related to the internal reporting channel. When an employee of the BIL Group knows or reasonably suspects that wrongdoing or a reprehensible act has occurred or is about to occur, they can raise an internal alert to the "Designated Person." The Chief Compliance Officer of BIL Group is responsible for processing the alert, which includes receiving and following up on reports and communicating with both the reporting individual and the competent authority. In the absence of the Chief Compliance Officer, the deputy will assume these responsibilities. If the alert concerns the Compliance Department, the Chief Internal Auditor handles the processing of the alert, following the same procedures for report reception, follow-up, and communication.

Communication of information regarding breaches and violations within BIL Group can be made in writing or orally (or both), or through an in-person meeting within a reasonable timeframe with the "Designated Person". Reports should be submitted in one of the three administrative languages. In addition to Luxembourgish, French, and German, English is also commonly used for communication with many Luxembourg authorities.

In the case of a private interview or an unrecorded call, a complete and accurate transcription of the conversation will be created, allowing the whistleblower the opportunity to verify, correct, and approve the meeting or call transcription by signature. They may also be requested to provide a written account detailing the facts or discussions that led them to utilise the internal whistleblowing alert system. The confidentiality of the whistleblower's identity and the concerns raised will be ensured.

BIL is committed to providing information and training to its employees regarding the whistleblowing process. A dedicated whistleblowing refresher e-learning course, which covers the full scope of Luxembourg law as of May 2023, was launched in Q4 2023. The training ensures that employees understand how to report concerns, the protections available to them, and the importance of maintaining confidentiality.

BIL Group guarantees that whistleblowers who present their concerns in good faith will not suffer any negative consequences. The confidentiality of the whistleblower's identity and the issues raised will be protected, which is essential to prevent retaliation. Confidentiality also extends to any information that could directly or indirectly reveal the identity of the reporting individual. The identity of the Whistleblower will only be disclosed to those conducting the investigation, led by the Designated Person, in strict accordance with the "need to know" rule.

Investigations are conducted under strict ethical guidelines, particularly with regard to privacy and the duty of self-restraint. They must remain confidential and protect the identity of the reporting individuals. Investigations will be anonymised outside of the Whistleblowing Investigation Team.

The Whistleblowing Charter is publicly available and provides details for the public and external parties on how to handle an alert.

3.4. Training on business conduct matters

Entities of BIL Group are committed to providing all staff members with the resources necessary to uphold the values and principles outlined in the Code of Ethics. To ensure comprehensive understanding, all new joiners at BIL Luxembourg and its national and international entities are required to complete a mandatory e-learning module on the Code of Ethics during their onboarding. Furthermore, all existing employees, with the exception of those who joined in the current year, are required to participate in annual refresher trainings to reinforce the principles covered in their initial training.

The training addresses essential topics related to business conduct, including but not limited to:

- Ethical decision-making and integrity in the workplace
- Compliance with legal and regulatory requirements
- Respect and inclusivity in interactions with colleagues, clients, and partners
- Reporting mechanisms for unethical behaviour or misconduct

4. Management of relationship with suppliers

4.1. Managing the procurement process

BIL Group contracts with approximately 1,400 local and international suppliers—predominantly (83%) from Luxembourg and the Greater Region—across a wide range of goods and services, including consultancy, IT, market data services, printing, cleaning, marketing, corporate real estate, and facilities services. The Bank recognises that the selection of contractors and suppliers significantly influences the Bank's performance, costs, and overall results.

BIL's procurement process is guided by the principle of double materiality, acknowledging that its operations impact the environment and society while being influenced by these external factors. The Procurement Department is responsible for converting business requirements into formal commitments, resulting in contracts or purchase orders with suppliers.

SUPPLIER ASSESSMENT CRITERIA:

In addition to evaluating bids from a financial perspective, BIL conducts objective assessments based on predefined criteria tailored to the nature of each purchase. These criteria include, but are not limited to:

- Technical, operational, and security capabilities
- Service quality and management capacity
- Risk prevention and business continuity
- Financial health and reputation
- Compliance with regulatory obligations (e.g., data protection, professional secrecy)
- ESG (Environmental, Social, and Governance) criteria

Environmental criteria:

BIL prioritises suppliers who demonstrate a strong commitment to sustainable practices, including waste reduction, the use of recyclable materials, and CO_2 emission reduction.

Social criteria:

The Bank's evaluation includes a review of suppliers' practices concerning employee rights, diversity, equity, and inclusion.

Governance criteria:

BIL requires suppliers to adhere to ethical business practices, maintaining a code of conduct that addresses issues such as corruption and conflicts of interest. Suppliers must have mechanisms for reporting unethical behaviour, ensuring transparency and accountability.

BIL employs an ESG Supplier Assessment Tool to assess suppliers. This tool helps ensure that BIL's partners share its commitment to responsible business practices concerning environmental impact, social responsibility, and good governance.

SUPPLIER MONITORING:

The Bank maintains strong supplier relationships through internal policies that delineate principles to be followed throughout the contract lifecycle.

PROCUREMENT TEAM EXPERTISE:

BIL's procurement professionals possess extensive experience and expertise in their respective fields.

PERFORMANCE EVALUATION:

While there are no financial incentives tied to onboarding service providers who meet ESG criteria, the Procurement team's performance is assessed annually against objectives set at the year's start, influencing their bonus structure.

Through these practices, BIL effectively manages supplier relationships, mitigates supply chain risks, and prioritises sustainability in its procurement process.

POLICIES RELATED TO PROCUREMENT

BIL's *Managing BIL Group Purchases Policy* (also called the "Procurement Policy") establishes a framework for the selection and management of service providers and suppliers. Its primary objectives include ensuring that procurement practices contribute to the Bank's performance and cost-effectiveness while minimising environmental and social impacts. The policy emphasises on responsible procurement practices, integrating sustainability criteria to create long-term value and uphold ethical and governance standards.

The policy applies to all BIL Group entities, both national and international. It covers the procurement of goods and services for routine business activities and approved projects. Local decision-making bodies are tasked with implementing effective systems and controls in alignment with this policy.

The scope of the policy is as follows:

- The purchase of goods and services as part of routine business activities and approved business line projects within the Bank and at national and international BIL Group entities.
  - The purchase of local goods and services may be delegated to national and international entities for purchases worth EUR 100,000 or less;
  - Purchases of goods or services related to IT, Market Data and group-wide Consultancy are excluded from this delegation and remain the responsibility of the BIL Luxembourg Procurement Department.
- All purchasing categories within the Bank's business lines (i.e. IT, Corporate Real Estate, Market Data, Marketing, CEO Office, Training, Subcontracting, Consulting, Telecommunications, Supplies) apart from the Rent, Insurance, Brokers' Fees, Market Counterparties and Legal Services categories.

The Chief Financial Officer (CFO) is responsible for overseeing the drafting, implementation, and compliance of this procurement policy across all business lines, operating under the mandate of the CEO. The Procurement Policy aligns with recognised third-party standards – such as the United Nations Global Compact (UNGC) and the United Nations Sustainable Development Goals (UN SDGs), and initiatives related to responsible procurement and sustainability practices, ensuring that BIL commits to ethical business conduct throughout its supply chain.

The Procurement Policy is made accessible to employees through the intranet while a public version of the policy (the *Sustainable Procurement Policy*) is available on BIL's website. This ensures transparency and promotes a shared understanding of the expectations and responsibilities outlined in the policy. Providers have online access to other related policies relevant to their business relationships with BIL. Additionally, all Requests for Proposal (RFP) packages include the Code of Conduct for Providers, the Guide to Implementation of Corporate Social Responsibility Policy by Suppliers and the ESG Assessment questionnaire.

BIL's outsourcing providers are governed by the *Outsourcing and Third-Party Charter*. The purpose of this Charter is to set out the general principles that apply to outsourcing and the roles and responsibilities of the various stakeholders. These general principles, roles and responsibilities are further detailed in *BIL Group Cloud Computing Policy*, the *Third Party Policy* and all Risk and BIL Group purchases policies. The Charters and Policies apply to all entities and are approved by the administrative, management and supervisory bodies. They are made available to all internal stakeholders through the Bank's intranet.

4.2. Preventing late payments

BIL focuses on timely payments of invoices. After the Contracts and Invoicing team enters an invoice, it is sent for validation to the Content Approver and Official Signature. To prevent late payments, the Bank has established clear timelines for processing. If an invoice is not validated within the specified timeframe, the Asset Manager (invoicing software) will send up to two reminders to the responsible parties, to ensure accountability. More details can be found in section 'Payment practices'.

5. Prevention and detection of corruption and bribery

5.1. Preventing, detecting and addressing incidents on corruption and bribery

BIL established a comprehensive framework of Charters, Policies, and Procedures designed to prevent, detect, and address allegations or incidents of corruption and bribery. The cornerstone of this framework is the *BIL Group Anti-Bribery and Corruption Charter* (ABC Charter), which is applicable to all entities within the group. In addition to this charter, several other documents support the Bank's commitment to integrity and ethical conduct, including:

- BIL Group Code of Ethics
- Financial Crime Prevention Charter and Policy
- Whistleblowing Charter
- Specific policies such as:
  - Gifts, Favours and Invitations Policy
  - Managing BIL Group Purchases Policy
  - Policy on Politically Exposed Persons (PEP)

To identify potential incidents related to customers involved in bribery or corruption, the Bank relies on its existing Financial Crime Prevention policies and framework. This includes measures such as name screening, transaction monitoring, and reviewing adverse media information.

When potential suspicious cases are identified, they are escalated to the Compliance Incident Committee. This committee operates independently from the management chain involved in the matter, ensuring that the investigation remains objective and unbiased. The committee is responsible for determining whether a report should be made to the Financial Intelligence Unit (FIU).

There are several Charters, Policies and Procedures to prevent, detect and address allegations or incidents of corruption and bribery.

Statistical data regarding incidents and investigations are presented annually to the Audit Risk and Compliance Committee (ARCC), with a report escalated to the Board of Directors. Additionally, the Bank conducts ad-hoc reporting or escalation whenever necessary to ensure that the administrative, management and supervisory bodies along with other relevant stakeholders are informed promptly about significant developments.

The ABC Charter applies to all BIL entities and encompasses a wide range of activities across the Bank's operations, addressing both upstream and downstream value chains.

The Chief Compliance Officer is accountable for the implementation of the ABC Charter, ensuring that the principles outlined are effectively integrated into BIL's operations and that compliance is maintained across all levels of the organisation.

The ABC Charter is aligned with several important international standards and initiatives, including the recommendations of the Organisation for Economic Cooperation and Development (OECD), the Council of Europe's Group of States against Corruption (GRECO), the OECD Anti-Bribery Convention (1997), the United Nations Convention against Transnational Organised Crime (2000), the United Nations Convention Against Corruption (2003), and the Wolfsburg Anti-Bribery and Corruption Compliance Program Guidance (2017).

The ABC Charter, along with other relevant policies and procedures, are available on the Bank's intranet, ensuring that all employees and stakeholders who need to implement it have access to the necessary information.

5.2. Training on anti-corruption and anti-bribery

The Bank is providing different kinds of trainings to limit and avoid corruption and anti-bribery to all staff. Details on the trainings given to administrative, management and supervisory bodies are mentioned in section 'Role of the administrative, management and supervisory bodies on business conduct'.

Anti-money laundering and counter-terrorist financing:

The anti-money laundering (AML) and counter-terrorist financing (CTF) training program is defined every year with the Financial Crime Prevention team in the Compliance department. The aim of this program is to ensure the Bank's employees have the required training they need to refresh their skills or acquire new ones for their role.

All new joiners under BIL Group must complete the mandatory AML and CTF e-learning. This training raises awareness on the set of laws, regulations and procedures designed to counter efforts to disguise illicit funds as legitimate income.

All employees of BIL Luxembourg and national entities except current year's new joiners complete a mandatory AML refresher training. This training is a yearly refresher on the key AML concepts, including the latest AML Directive, the main professional obligations, prohibited situations and applicable sanctions.

Wealth Management, Compliance and Operational Services functions at BIL Switzerland undergo a Sanctions and Embargoes (level 1 and 2) training on an annual basis.

Market Abuse:

This program includes two e-learning modules, an introduction module for new joiners and a refresher module for all employees, except current year's new joiners.

All new joiners under BIL Group undergo a mandatory Market Abuse e-learning, which is automatically assigned when they start. The objective of this training is to raise awareness on preventative measures implemented in the fight against market abuse, and the right reflexes to identify possible market abuse.

All employees of BIL Luxembourg and national entities complete a mandatory Market Abuse refresher training every 3 years, except current year's new joiners. Employees of BIL Switzerland participate in a refresher training on Market Manipulation every 2 years. The objective of this training is to maintain awareness on what constitutes market abuse, prohibited practices and the consequences of committing market abuse. Wealth management, Compliance and Operational services functions at BIL Switzerland undergo a Sanctions and Embargoes (level 1 and 2) training on an annual basis.

Fraud awareness:

All new joiners of BIL Luxembourg and national entities complete the mandatory Internal and External Fraud e-learning module, which is automatically assigned when they start.

Also, a mandatory annual refresher is assigned to all employees of the same entities. Fraud awareness is covered through multiple training courses such as the Information Security Physical and Logical / Data Protection (to address phishing), Code of Ethics and Business Conduct (to address fraud on financial statements or employee thefts) and AML/CFT training (to address customer financial fraud scenarios and detection) for employees of BIL Switzerland. The objective of these trainings is to raise awareness on fraudulent behaviours that may be committed by employees or people external to the Bank and how the Bank fights against fraud. Fraud awareness is covered under different training programs in the form of external phishing, financial fraud on financial statements and customer financial fraud scenarios.

Training on anti-corruption and anti-bribery:

	2024					
Training coverage (headcounts)	At-risk functions	Junior staff	Executive employees	Senior executive employees	Top management	Board of Directors
Total number of employees that received training	1,129	851	862	136	53	14
Delivery method and duration						
Classroom training (in hours)	94.48	112.57	79.48	13.08	0	21.00
Computer-based training (in hours)	2,527.52	2,013.63	1,994.02	311.61	93.61	0
Voluntary computer-based training (in hours)	0	0	0	0	0	0
Frequency						
How often training is required	Annually	Annually	Annually	Annually	Annually	Annually
Topics covered						
Definition of corruption	Yes	Yes	Yes	Yes	Yes	Yes
Policy	Yes	Yes	Yes	Yes	Yes	Yes
Procedures on suspicion / detection	Yes	Yes	Yes	Yes	Yes	Yes

Scope: BIL Group

6. Incidents on corruption and bribery

There were no breaches to the anti-bribery and anti-corruption procedures and standards in 2024.

INCIDENTS OF ANTI-CORRUPTION AND ANTI-BRIBERY	2024
Number of convictions for violation of anti-corruption and anti-bribery laws	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0
Total number of confirmed incidents in which own workers were dismissed or disciplined	0
Total number of confirmed incidents relating with business partners that were terminated or not renewed due to violation related to corruption or bribery	0

Scope: BIL Group

The Bank is continuously enhancing its compliance framework by ensuring that policies are still in line with the latest standards and reinforcing internal controls. During 2024, the Bank notably enhanced its 3 Line of Defence model with the implementation of a new overarching Audit, Risk and Compliance Committee whose objective is to provide an aggregated view of the risk profile of the Bank while maintaining robust risk practices and enhance the Bank's risk culture.

7. Payment practices

BIL Luxembourg's standard payment term for processing supplier invoices is up to 30 days. This timeframe encompasses the entire process, including the receipt of the invoice, dispatch to external service provider for scanning, approval by the official signatory, and the final payment.

PAYMENT PRACTICES	2024
Average number of days taken to pay an invoice	8 to 11

Scope: BIL Luxembourg

The average number of days taken to pay an invoice has been determined through representative sampling to ensure that all invoices received are treated consistently, regardless of the supplier or supplier category in order to maintain fairness and transparency in the Bank's payment practices.

Currently, 99.7% of payments are made within this 30-day period, demonstrating BIL's commitment to timely payments and fostering strong relationships with its suppliers.

BIL had no legal proceedings on outstanding late payments in 2024 and does not currently have any legal proceedings ongoing.

8. Data protection, privacy and cyber security

Due to the nature of their activities, financial institutions process a significant amount of data. With the adoption of digital technologies and artificial intelligence in the financial sector, as well as remote working structures accelerated by the pandemic, data privacy and cyber security has become an increasingly central topic for financial institutions.

BIL's commitment to providing financing for sustainable practices and promoting social inclusion leads to positive impacts such as enhanced access to financial services and informed investment decisions, while challenges related to data privacy and the need for effective client engagement highlight potential risks to reliability and trust.

8.1. Data protection and privacy

BIL is subject to Regulation (EU) 2016/679 on the protection of personal data, referred to as the GDPR. As a responsible Bank, BIL is committed to fully protecting the data privacy of its clients, providers, employees and candidates.

The respect for privacy, fundamental rights and freedoms is paramount for BIL. This is ensured by the Data Protection team, which works full-time on the application of the GDPR at BIL. Due to its size and the number of personal data processed, BIL has officially appointed a Data Protection Officer (DPO) who is also in charge of the GDPR compliance for BIL local entities. The DPO is independent and reports to the Chief Compliance Officer. The DPO monitors BIL's compliance with the GDPR and regularly reports to Senior Management on data protection activities and KPIs.

The Data Protection team performs the following activities at BIL, in line with the missions laid down in the GDPR:

- Ensuring the daily compliance of BIL with the GDPR (record of processing activities, management of data breaches and exercises of data subjects' rights, transfer of personal data, privacy by design, management of contracts with third parties, etc.);
- Assisting BIL's teams with the implementation of new projects or products to make sure that they comply with all the requirements set out in the GDPR. All documents covering the implementation of new projects and products incorporate a dedicated GDPR compliance section;
- Advising and helping BIL's teams with any technical or operational issues relating to the protection of personal data;
- Raising awareness about data protection requirements by providing training sessions and following-up the completion of the sessions by all staff members;
- Cooperating with the Commission Nationale pour la Protection des Données (CNPD), to which the Bank remains accountable.

Additionally, BIL undertakes not to sell personal data and continuously works on transparency surrounding the processing of personal data with third parties. All contracts with third parties are analysed and a data protection agreement is required when personal data is processed by the third party. International transfers are only allowed once all safeguards have been put in place.

BIL has set up a register of processing activities where all data controllers have to key in their personal data processing activities. A Privacy by Design document has been set up in order to collect all relevant information in the event of new activities and outsourcing. A dedicated Third-Party Committee attended by the DPO, the Chief Information Security Officer (CISO) and the IT Security Officer (ITSO) has been set-up to discuss and analyse all new initiatives proposed by the different stakeholders.

BIL has set-up procedures in order to handle any data breaches and data subjects' requests to exercise their GDPR rights on a timely basis.

In the event of a data breach, the incident is duly analysed by the DPO team and depending on the severity, a decision is taken on whether to notify the Luxembourg data protection authority, the Commission Nationale pour la Protection des Données (CNPD). If there is a high risk for the data subject, the latter will be duly informed of the data breach. All data breaches are keyed into BIL's GDPR tool and followed-up by the DPO team until closure of the incident.

BIL undertakes to respect the timeline of 30 days to respond to data subjects exercising their GDPR rights:

- Right to be forgotten
- Right to be informed
- Right to rectification
- Right of access
- Right to restriction of processing
- Right to data portability
- Right to object
- Right to object to automated decision making and profiling

A dedicated form is available on BIL.com to facilitate access to such requests for all clients, prospects, candidates and third parties.

The training and awareness of all staff members are important features in ensuring that personal data is processed in compliance with GDPR.

The DPO team regularly publishes articles and information on the intranet in order to raise awareness on data protection topics and ensure that employees are up to date with best practices when handling personal data.

All staff members must follow an annual refresher on GDPR. The training is mandatory and must be completed within 3 months. Not completing the training may lead to disciplinary sanctions.

In order to increase transparency, many policies have been drafted and implemented to make sure that personal data are securely processed by BIL, and that data subjects' rights are respected. All documents are regularly reviewed and updated when necessary:

- Personal Data Protection Charter and Policy
- Privacy Notice for employees of BIL and its Luxembourg-based entities published internally and sent to new joiners
- Privacy Notice for Third-Party staff communicated to external staff being on a mission at BIL
- Privacy Notice for applicants published on BIL recruitment website: https://stayforacareer.com/privacy-notice/
- Privacy Notice for clients and prospects to inform them on any processing activities carried out by BIL. This Privacy Notice is joined to the Bank's General Terms and Conditions but also separately available on BIL's website: https://www.bil.com/Documents/documentation-legale/conditions-generales-en.pdf.

8.1.1. Policies on data protection and privacy

BIL considers the interests of its stakeholders when gathering personal data. The Bank has identified that extensive collection of data can have a negative impact on its stakeholders and thus, has set-up a *Personal Data Protection Charter* and *Policy* to determine the objectives and the responsibilities of all stakeholders of BIL Group related to the processing and the protection of personal data of employees, clients, prospects and all natural persons being in contact with BIL Group. Both documents are under permanent review and updated when needed. The Charter, Policy and Procedures are available on BIL's internal platform.

The Personal Data Protection Charter is formally approved by the Board of Directors and provides the necessary foundations for an effective culture to protect the personal data of all natural persons.

With oversight by BIL Board of Directors, the BIL Management Boards are responsible for the implementation of the Charter.

The Charter describes the main principles of GDPR and the way BIL Group shall govern the processing of personal data. The document also introduces the notions of:

- Data Controller and Data Processor
- Data Protection Officer (DPO)
- Legitimate ground of processing
- Register of processing activities
- Privacy by Design/Default and Data Protection Impact Assessment (DPIA)
- Rights of Data Subjects
- Outsourcing and transfer of personal data to third countries
- Cooperation with the Data Protection Authority

Managers of BIL's various departments, defined as the Data Controllers, are responsible to ensure the compliance with all requirements set by the Regulation (EU) 2016/679 on the protection of data subjects with regard to the processing of personal data and on the free movement of such data ("General Data Protection Regulation" or "GDPR").

The Personal Data Protection Policy complements the Charter and provides guidelines ensuring that all staff members process personal data in accordance with the requirements of GDPR.

The Managers are responsible for ensuring and demonstrating that personal data from BIL's clients, prospects, employees and third parties are processed according to the rules of GDPR. To ensure this, they supervise that staff members are adequately trained, informed and that they consult the DPO in case of questions or doubts.

The policy explains in detail the different principles relating to the processing of personal data, and thus allows the Data Controller and all staff members to process personal data in full compliance with GDPR.

A special attention is drawn on new projects requiring the processing of personal data. All project managers are required to complete a privacy by design document to formalise the new processing and to evaluate if a data protection impact assessment might be necessary. The document also collects information on potential outsourcing situations and contracts to be signed with processors. Such contracts must contain a data protection clause and if applicable specific safeguards in case of personal data transfers to third countries. The DPO team closely monitors the respect of this process.

8.1.2. Key actions taken on data protection and privacy

In order to implement objectives stated in the above-mentioned policies, BIL Luxembourg took several actions.

DATA PRIVACY TOOL

BIL decided in 2023 to acquire a new tool to handle different requirements set by GDPR. The DPO team worked during 2024 on its implementation as well as on the migration of the register of processing activities, which had been managed by a tool that was no longer supported by its editor. At the beginning of September 2024, all processing activities were migrated to the new tool, which provides a higher flexibility and allows the Bank to link the Privacy by Design document as well as the Data Protection Impact assessment (DPIA) when necessary.

Since beginning of the year, the DPO team has been using the new tool to register all personal data breaches and clients' requests to exercise a GDPR right. The incorporated dashboards allow BIL to have a real-time view on the status of the different topics.

Following the implementation of the new data privacy tool and the migration of the register of processing activities into the new tool, the DPO team will start in 2025 the review of the processing activities with the Data Controllers. Priority will be given to the most important activities impacting an important number of data subjects.

REGULATORY PROJECTS

Artificial Intelligence Act:

The AI Act (Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act)) was published on 12 July 2024 in the EU Official Journal.

When processing AI under GDPR, several key topics need to be respected to ensure compliance:

- **Data Minimisation:** Collect and process only the data necessary for the specific purpose of the AI application.
- **Transparency and Explainability:** Ensure that AI systems are transparent about how they process data and make decisions. Users should be able to understand how their data is being used.
- **Consent and Legitimate Interests:** Obtain explicit consent from users for data processing or ensure that the processing is necessary for legitimate interests.
- **Data Anonymisation and Pseudonymisation:** Use techniques to anonymise or pseudonymise data to protect user privacy.
- **Privacy by Design:** Integrate data protection principles into the design of AI systems from the outset.
- **Data Protection Impact Assessments (DPIA):** Conduct DPIAs to identify and mitigate risks associated with data processing activities.
- **Fairness and Non-Discrimination:** Ensure that AI systems do not perpetuate biases or discriminate against individuals.
- **Data Governance:** Establish robust data governance frameworks to manage data responsibly and ensure ongoing compliance.

The DPO team was involved from the very beginning in the discussions and workshops to set-up an AI Governance within BIL.

On 19 September 2024, an awareness session was organised by BIL Academy for all employees. The DPO team intervened to raise employees' awareness of data protection risks when using ChatGPT and any other AI tool. With the launch of BIL's GPT and Polaris tools, the DPO drafted a data protection notice available to all employees and a reminder of the rules to all users.

Digital Operational Resilience Act (DORA):

- Directive (EU) 2022/2556 of the European Parliament and of the Council of 14 December 2022 amending Directives 2009/65/EC, 2009/138/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU, 2014/65/EU, (EU) 2015/2366 and (EU) 2016/2341 as regards digital operational resilience for the financial sector.
- Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011

While the Digital Operational Resilience Act (DORA) primarily aims to enhance the cybersecurity and operational resilience of financial entities in the EU, it also touches on data protection topics that necessitate compliance with GDPR.

Both DORA and GDPR stress the importance of managing third-party risks. DORA requires financial institutions to monitor and control third-party service providers, especially those providing critical IT services. Similarly, GDPR requires organisations to ensure that third-party processors comply with data protection standards. Article 30 of DORA provides a list of mandatory requirements to be added in the contracts with BIL's third-party providers.

In collaboration with Procurement and Legal departments, the DPO team reviewed the list of BIL providers and their classification as CIF (Critical or Important Function) and non-CIF. Priority was given to CIFs and a dedicated annex to the contracts has been prepared by Legal to add DORA requirements. The DPO team also reviewed the contracts in the light of GDPR and contacted the different providers when necessary.

TARGET ON CONSENT MANAGEMENT VIA BILNET

The consent management system supports BIL's compliance with GDPR, specifically Article 6, by ensuring valid consent is obtained and managed effectively, thus fostering client trust. BIL's target is to enhance compliance with GDPR consent management requirements, measured by the percentage of clients who can amend their consent preferences in real-time. To streamline consent collection and improve client experience, the consent management feature was integrated into the BILnet platform, allowing clients to modify their consent preferences at any time. This change is immediately reflected in BIL's core banking system. The feature was successfully deployed Q3 2024.

8.1.3. Metrics on data protection and privacy

BIL Luxembourg did not receive any substantiated complaints concerning breach of client privacy.

DATA PROTECTION AND PRIVACY	2024
Number of substantiated complaints received concerning breaches of client privacy	0
Number of identified personal data breaches	212

Scope: BIL Luxembourg

The personal data breaches were a result of errors in email addresses and documents sent. Remediation action constituted deleting the emails and documents from the erroneous recipients.

The severity and risk of the breach is determined by an internal matrix developed along with the data protection authorities.

In 2024, BIL received a total of 46 requests on various GDPR rights.

GDPR REQUESTS	2024
GDPR - Deletion	25
GDPR - Opposition	0
GDPR - Access	19
GDPR - To be informed	2

Scope: BIL Luxembourg

Data breaches and GDPR requests are monitored internally by the DPO and informed to the Commission Nationale pour la Protection des Données (CNPD) in the event of major breaches.

8.2. Cyber security

The digitalisation of banking and reliance on information technologies have made cybersecurity a strategic priority for BIL. To address evolving threats, the Bank has implemented a proactive approach to safeguard operations and protect sensitive data while aligning with its risk appetite and regulatory requirements.

BIL's **ICT & Security Risk Management Framework** outlines governance, roles, and responsibilities across the three lines of defence model. The Board of Directors, Executive Committee, and the ICT & Security Risk Committee (ISRC) oversee the implementation and monitoring of cybersecurity measures. Regular compliance assessments, technical tests, and audits ensure the effectiveness of security controls.

The Bank's efforts are supported by a comprehensive cybersecurity program, annual updates, and ongoing improvements to strengthen BIL's resilience against emerging threats.

8.2.1. Policies on cyber security

BIL has defined an *ICT & Security Risk Management Procedure* aimed at identifying, evaluating, and controlling the risks associated with the use of information technologies, including those related to cybersecurity. The cybersecurity policies of the Bank are designed to protect the confidentiality, integrity, availability, and authenticity of all information assets.

This framework relies on an *ICT & Security Risk Management Charter* in which governance and responsibilities are described:

- Board of Directors: Responsible for validating this Charter and supervising its implementation. The Board Risk Committee and Board of Directors are regularly notified of the status of implementation (at least annually).
- Executive Committee and BIL Entities: BIL's Executive Committee and each entity of BIL are responsible for ensuring the proper implementation of the ICT & Security Risk Management Framework. The authorised management of each BIL entity must define policies to ensure the effective implementation of this charter and ensure that adequate resources are available to meet the defined targets.
- ICT & Security Risk Committee (ISRC): This management committee is mandated by BIL's Executive Committee to oversee the ICT and security risks linked to BIL's use of information technologies.

The Cybersecurity policies apply to all activities of BIL Group, including its upstream and downstream value chains. This means they cover all operations, processes, and systems that directly or indirectly impact the Bank's cybersecurity. The policies are applicable in all geographies where the Bank operates and affect all stakeholder groups, including employees, customers, and third-party vendors. This ensures a comprehensive and consistent approach to cybersecurity across the organisation.

The Chief Information Security Officer (CISO) is the highest-level executive accountable for the implementation of the cybersecurity policy. The CISO reports directly to the Chief Risk Officer (CRO) and is responsible for ensuring that all cybersecurity measures are effectively enforced. This clear line of accountability facilitates efficient management of cybersecurity risks.

BIL adheres to several third-party standards to ensure its cybersecurity practices align with industry best practices. These include ISO/IEC 27001 for information security management and the NIST Cybersecurity Framework These standards provide guidelines for implementing and continuously improving the Bank's cybersecurity practices.

The Bank considers the interests of key stakeholders, including customers, employees, and regulatory bodies, when setting cyber security policies as it identifies the need to protect. The Bank has a formal process for circulating policies and procedures across all lines of defence (first, second, and third lines) to collect feedback and comments from employees. Regular training sessions and awareness programs also encourage employees to provide input and suggest improvements. Additionally, the Bank maintains continuous dialogue with regulatory authorities, ensuring that cybersecurity policies align with the latest regulatory requirements. Customers and third-party vendors receive surveys and feedback forms, and direct communication (such as meetings or service reviews) are used to gather input. Feedback from these groups is regularly sought and incorporated into policy updates. This ensures that the policy meets the needs and expectations of all stakeholders and aligns with regulatory requirements.

The cybersecurity policies are made available to all potentially affected stakeholders through the Bank's internal and external communication channels. Employees receive training on the policy, and it is accessible on the Bank's intranet. Customers and third-party vendors can access the polices on the Bank's website or upon request. This ensures transparency and awareness of the Bank's cybersecurity practices.

8.2.2. Key actions taken on cyber security

BIL undertook several actions during the reporting year:

- Employee and Management Awareness Campaigns: Conducted regular awareness sessions targeting employees and top management, emphasising the critical role of human factors in cybersecurity which help for reduction in human error-related incidents, fostering a culture of security awareness and compliance.
- Cyber Resilience Project: Finalised the implementation of offline backups to ensure rapid recovery in case of cyber threats particularly ransomware attacks and malicious insider by ensuring the immutability and isolation of these backups. The objective is to enhance disaster recovery capabilities and operational continuity.
- Enhanced Threat Detection: Upgraded alerting systems and improved capabilities of the Security Operations Centre (SOC) for faster and more accurate detection of threats, reducing response times.
- Secure Remote Access Solution: Deployed a robust remote connection solution to enable secure work-from-home arrangements supporting flexible work arrangements without compromising security.
- Privileged Access Management (PAM): Rolled out PAM solutions for database and server administrators, generalized access controls, and optimized permissions to reduce risk of unauthorized access and improved privileged account management.
- Access Management Improvements: Reviewed and minimised unnecessary access while reinforcing leaver and mover controls to ensure timely deactivation of accounts.
- Alignment with DORA (Digital Operational Resilience Act): Revised internal processes to align with DORA requirements, ensuring compliance with regulatory standards.
- Regular Security Testing: Conducted regular penetration testing and security assessments of exposed solutions.
- Data Leakage Prevention (DLP): Enhanced DLP capabilities through document labelling and implementation of new rules.
- Critical Systems Isolation: Isolated unsupported critical systems and encrypted data at rest and in transit.
- Azure O365 Security Enhancements: Strengthened security configurations for Azure O365.

The scope of these actions covers employee awareness, system upgrades, regulatory compliance, and incident prevention under BIL Luxembourg. The actions have been deployed on BIL's upstream and downstream activities, including internal systems and external service providers.

These initiatives have collectively strengthened the Bank's cybersecurity posture, ensuring compliance with regulatory requirements and addressing evolving cyber threats.

8.2.3. Metrics on cyber security

BIL Luxembourg received a total of 41 cyber security and phishing incidents in 2024, which were prevented.

CYBER SECURITY	2024
Number of cyber security attacks / phishing attempts	41
Number of cyber security attacks prevented or mitigated	41

Scope: BIL Luxembourg

BIL's incident management process allows it to track the number of cyber security attacks and phishing attempts faced in the reporting year. The attacks, their origin and severity and impact are monitored through a service management tool.

The number of incidents are not validated by an external body.

9. Innovation and digitalisation

Digitalisation and innovation are of paramount significance to the Bank, as they directly enhance BIL's purpose, which is to simplify everyday life for clients while addressing three fundamental needs:

- **Accessibility**

  The digital solutions (BILnet, Open Banking API, and Multiline) endeavour to provide round-the-clock access to the Bank's services for all clients and expedite the processing of their requests. These solutions are complemented by human support at crucial junctures in the client's life (e.g., purchasing a home), thereby harmonizing autonomy with personalised assistance. BIL is also investing in person-to-person support to help clients master the use of new technologies (e.g., digital coaching to assist clients with the activation process of the LuxTrust Mobile app). This year, BIL implemented a virtual assistant as a preliminary phase focusing on card-related topics. The seamless integration of a virtual assistant aligns with BIL's strategic goals by delivering an innovative solution, fostering digital autonomy and accessibility, and enhancing overall efficiency within BIL's client call centre.

- **Ecology**

  Through the digitalisation of customer journeys, BIL strives to elevate the customer experience while mitigating environmental impact. It offers the option to electronically sign several types of loan and credit card documents remotely from clients' BILnet accounts, thereby saving time and eliminating non-essential trips to the branches. In addition, to curtail paper consumption, all new clients are automatically subscribed to the "paper-free" service, ensuring they receive Bank documents exclusively through BILnet online banking.

- **Security**

  To ensure the highest standards of digital service practices, BIL concentrates all efforts on safeguarding client data. During 2024, a substantial number of phishing prevention campaigns have been deployed through various channels (BILnet, BIL.com, ATMs, and branches) to educate and heighten customer awareness about the dangers of phishing attacks and how to recognise and avoid them. To minimise the risk of fraud, BIL is strongly encouraging its clients to replace their physical tokens with the LuxTrust Mobile solution. In fact, this technology offers a superior level of security as it displays all the details of the pending transaction, allowing the customer to verify the transaction before confirming it. Moreover, BIL has also reinforced security features during enrolment and authentication to prevent the misuse of the digital identities of its customers and prospects.

BIL identified a key opportunity of strengthening and evolving its business operations and client experiences by including artificial intelligence, automation and innovation in order to reduce its negative impact through cyber threats and data breaches.

9.1. Policies on innovation and digitalisation

From a customer perspective, BIL does not have an overarching policy concerning digitalisation. However, certain policies significantly impact the Bank's general digital capabilities.

- Product and Services Governance Policy: Details of the policy can be found in section 'Policies related to consumers and end-users'.
- ICT & Security Risk Management Charter: Details on the charter can be found in section 'Policies on cyber security'.
- Electronic Signatures and Electronic Seals Management Policy: The policy defines the overall requirements for the usage of electronic signatures and electronic seals by the Bank. Its primary objective is to ensure compliance with the Regulation (EU) N°910/2014 on electronic identification and trust services for electronic transactions in the internal market (eIDAS Regulation), which establishes the legal concepts and effects of electronic signatures and seals. The policy outlines a general framework that includes principles of acceptance, adoption, validation, and preservation of electronic signatures and seals. The policy is implemented by the Chief Risk Officer and applies to electronic signatures and electronic seals of BIL Group.

9.2. Key actions taken on innovation and digitalisation

In 2024, BIL's primary focus was on enhancing customer centricity. Digitally, the objective was to increase self-service capabilities for its customers, thereby reducing their need to visit a branch for day-to-day operations.

To achieve this objective, the following actions were implemented at BIL Luxembourg level:

- Customers can now update their personal information, such as phone numbers, through BIL's mobile and web banking applications.
- Customers have the ability to digitally sign documents remotely via BIL's mobile and web banking applications. This is being executed through a phased approach, migrating product groups to a unified e-signature and e-archiving platform, eliminating the need for printing, signing, and archiving paper documents.
- Customers can fully open a term deposit digitally, avoiding any paper-based documentation.
- Customers can request a credit card limit entirely online, also bypassing paper-based processes.
- BIL's applications have a Virtual Assistant with limited scope to further enhance self-service capabilities for its customers.

To support the Bank's digitalisation efforts, BIL Luxembourg will launch a dedicated DIGITAL PROGRAM in 2025. The program is designed to empower customers by enhancing self-service capabilities across various banking functions and encompasses several key initiatives:

- **Investment in generic capabilities:** This includes improvements in content management systems, website enhancements, and marketing tools to provide a more integrated and efficient digital experience.
- **Artificial Intelligence integration:** The Bank will leverage advanced technologies to streamline processes, enhance decision-making, and personalise customer interactions, ensuring a more tailored banking experience.
- **Onboarding enhancements:** The focus will be on creating a more efficient and user-friendly onboarding process for new customers, with tailored procedures to accommodate different age groups.
- **Customer journeys:** BIL Luxembourg will enhance key customer journeys to facilitate quick and seamless self-service options, particularly for loans and account openings.

By investing in technology and innovative solutions, BIL aims to create a banking experience that is efficient, user-friendly, and aligned with the needs and expectations of its customers. This strategic approach reinforces BIL's commitment to being a trusted partner in their financial journeys, reflecting its core values of caring, leading, engaging, accessible, and reliable.

The Bank has not established specific digital customer targets; however, it monitors operational KPIs to ensure a user-friendly experience across all digital channels. These KPIs help to assess the availability and effectiveness of BIL's digital capabilities, ensuring that customers can easily access and utilise all services.

05. Appendices

1. Data points derived from other EU legislation

EU Disclosure Requirement and related datapoint	Benchmark Regulation reference	SFDR reference	Pillar 3 reference	Climate Law reference	Location in the report
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 (5), Annex II			2.1 Role of the administrative, management and supervisory bodies
Percentage of board members who are independent paragraph 21 (e)					2.1 Role of the administrative, management and supervisory bodies
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				2.4 Sustainability due diligence
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Regulation (EU) No 575/2013; Article 449a	Delegated Regulation (EU) 2020/1816, Annex II	Commission Implementing Regulation (EU) 2022/2453 (6) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Not material
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		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1	Delegated Regulation (EU) 2020/1818 (7), Article 12(1)	Delegated Regulation (EU) 2020/1816, Annex II		Not material
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	Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14		Regulation (EU) 2021/1119, Article 2(1)			2. Transition Plan
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2	Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	2. Transition Plan
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Regulation (EU) No 575/2013; Article 449a	Delegated Regulation (EU) 2020/1818, Article 6	Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	6. Targets related to climate change mitigation and adaptation
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				7. Energy consumption and mix
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				7. Energy consumption and mix

EU Disclosure Requirement and related datapoint	Benchmark Regulation reference	SFDR reference	Pillar 3 reference	Climate Law reference	Location in the report
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 4	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	8. GHG emissions
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a	Delegated Regulation (EU) 2020/1818, Article 8(1)	Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	8. GHG emissions
ESRS E1-7 GHG removals and carbon credits paragraph 56		Regulation (EU) 2021/1119, Article 2(1)			8. GHG emissions
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		Phased-in approach used
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a	Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453		Phased-in approach used
ESRS E1-9 Location of significant 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.		Phased-in approach used
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		Phased-in approach used
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69		Delegated Regulation (EU) 2020/1818, Annex II			Phased-in approach used
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		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

EU Disclosure Requirement and related datapoint	Benchmark Regulation reference	SFDR reference	Pillar 3 reference	Climate Law reference	Location in the report
ESRS E3-4 Total water consumption in m^3 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 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material
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				2. Policies related to own workforce
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				2. Policies related to own workforce
ESRS S1-1 Human rights policy and commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				2. Policies related to own workforce
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		2. Policies related to own workforce
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				2. Policies related to own workforce
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				2. Policies related to own workforce
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				4. Processes to remediate negative impacts and channels for own workforce to raise concerns
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
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 material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Not material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				11. Incidents, complaints and severe human rights impacts
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)	2. Policies related to own workforce

EU Disclosure Requirement and related datapoint	Benchmark Regulation reference	SFDR reference	Pillar 3 reference	Climate Law reference	Location in the report
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators 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 Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material
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				13. Policies related to consumers and end-users
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)	13. Policies related to consumers and end-users
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not applicable
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Not applicable
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				3.3. Identifying, reporting and investigating unlawful behaviour
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		6. Incidents on corruption and bribery
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				5. Prevention and detection of corruption and bribery

2. EU Taxonomy disclosures

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

Disclosure reference date : 31 December 2024		Total environmentally sustainable assets (in EUR million)	KPI [1]	KPI [2]	% coverage (over total assets) (3)	% of assets excluded from the GAR's numerator (article 7, sections 2 and 3, and Annex V, section 1.1.2)	% of assets excluded from the GAR's denominator (article 7, section 1, and Annex V, section 1.2.4)
Main KPI	**Green asset ratio (GAR) stock**	**145**	**0.62%**	**0.69%**	**76%**	**22%**	**24%**

		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the GAR's numerator (article 7, sections 2 and 3, and Annex V, section 1.1.2)	% of assets excluded from the GAR's denominator (article 7, section 1, and Annex V, section 1.2.4)
Additional KPIs	*GAR (flow)*	62	1.59%	1.68%	77%	13%	23%
	Trading book [4]		N/A	N/A			
	Financial guarantees	-	-	-			
	Assets under management [5]	20.31	2.91%	7.31%			
	Fees and commissions income [6]		N/A	N/A			

1 - based on the Turnover KPI of the counterparty

2 - based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

3 - % of assets covered by the KPI over banks´ total assets

4 - For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

5 - As far as AuMs are concerned, BIL addressed the following scope: BIL Luxembourg (Discretionary Portfolio Mandates).

6 - Fees and commissions income from services other than lending and AuM

1. Assets for the calculation of GAR on turnover

2024

Disclosure reference date : 31 December 2024

	EUR Million	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	16,719	6,728	133	-	-	-	90	9	-	-	-	0.02	0.02	-	-	29	0.1	-	-	2	2	-	-	-	-	-	-	6,849	145	-	-	-
2	**Financial corporations**	**8,141**	**34**	**3**	**-**	**-**	**-**	**31**	**4**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**19**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**84**	**7**	**-**	**-**	**-**
3	Credit institutions	4,421	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	2,232	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	2,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	139	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	3,719	34	3	-	-	-	31	4	-	-	-	-	-	-	-	19	-	-	-	-	-	-	-	-	-	-	-	84	7	-	-	-
8	of which investment firms	257	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	229	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	8	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	1,628	19	19	-	-	-	11	1	-	-	-	-	-	-	-	15	-	-	-	-	-	-	-	-	-	-	-	44	19	-	-	-
13	Loans and advances	1,377	19	19	-	-	-	11	1	-	-	-	-	-	-	-	15	-	-	-	-	-	-	-	-	-	-	-	44	19	-	-	-
14	Debt securities, including UoP	249	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	2	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	144	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	144	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial corporations**	**959**	**69**	**13**	**-**	**-**	**-**	**59**	**5**	**-**	**-**	**-**	**0.02**	**0.02**	**-**	**-**	**9**	**0.1**	**-**	**-**	**2**	**2**	**-**	**-**	**-**	**-**	**-**	**-**	**140**	**21**	**-**	**-**	**-**
21	Loans and advances	744	69	13	-	-	-	59	5	-	-	-	0.02	0.02	-	-	9	0.1	-	-	2	2	-	-	-	-	-	-	140	21	-	-	-
22	Debt securities, including UoP	215	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
24	**Households**	**7,498**	**6,613**	**116**	**-**	**-**	**-**																						**6,613**	**116**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	6,522	6,522	116		-	-																						6,522	116	-	-	-
26	of which building renovation loans	25	25	-		-	-																						25	-	-	-	-
27	of which motor vehicle loans	66	66	-		-	-																						66	-	-	-	-
28	**Local governments financing**	**100**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing Financing	0.087	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	21	12	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	-	-	-	-
32	**Other assets excluded from the numerator for GAR calculation (covered in the denominator)**	**6,568**																															

1. Assets for the calculation of GAR on turnover – continued

2024

			Disclosure reference date : 31 December 2024																														
	EUR Million	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																																
33	**Non-financial corporations**	**5,093**																															
34	SMEs and NFCs (other than SMEs not subject to NFRD disclosure obligations	4,845																															
35	Loans and advances	4,627																															
36	of which loans collateralised by commercial immovable property	1,594																															
37	of which building renovation loans	22																															
38	Debt securities	-																															
39	Equity instruments	219																															
40	Non-EU country counterparties not subject to NFRD disclosure obligations	248																															
41	Loans and advances	248																															
42	Debt securities	-																															
43	Equity instruments	0.18																															
44	**Derivatives**	**514**																															
45	**On demand interbank loans**	**152**																															
46	**Cash and cash-related assets**	**133**																															
47	**Other assets (e.g. Goodwill, commodities etc.)**	**676**																															
48	Total GAR assets	23,287	6,728	133	–	–	–	90	9	–	–	–	0.02	0.02	–	–	29	0.08	–	–	2.47	2.42	–	–	–	–	–	–	6,849	145	–	–	–
49	**Other assets not covered for GAR calculation**	**7,202**																															
50	**Sovereigns**	**6,036**																															
51	**Central banks exposure**	**1,136**																															
52	**Trading book**	**30**																															
53	**Total assets**	**30,489**	**6,728**	**133**	**–**	**–**	**–**	**90**	**9**	**–**	**–**	**–**	**0.02**	**0.02**	**–**	**–**	**29**	**0.08**	**–**	**–**	**2**	**2.42**	**–**	**–**	**–**	**–**	**–**	**–**	**6,849**	**145**	**–**	**–**	**–**
	Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations																																
54	Financial guarantees	624	23.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23.25	-	-	-	-
55	Assets under management	698	47	12	-	-	-	44	8	-	-	-	0.15	0.1	-	-	13	0.1	-	-	6	0.2	-	-	0.1	-	-	-	110.07	20.31	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. Assets for the calculation of GAR on turnover

2023

	EUR Million	Disclosure reference date : 31 December 2023																
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	15,793	6,975	12	-	-	-	-	-	-	-	-	6,975	12	-	-	-
2	**Financial corporations**	**6,692**	**51**	**6**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**51**	**6**	**-**	**-**	**-**
3	Credit institutions	3,152	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	996	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	2,015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	142	-	-		-	-	-	-		-	-	-	-		-	-
7	Other financial corporations	3,540	51	6	-	-	-	-	-	-	-	-	51	6	-	-	-
8	of which investment firms	395	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	356	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	19	-	-		-	-	-	-		-	-	-	-		-	-
12	of which management companies	728	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	430	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	299	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	0	-	-		-	-	-	-		-	-	-	-		-	-
16	of which insurance undertakings	134	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	134	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
20	**Non-financial corporations**	**1,290**	**71**	**6**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**71**	**6**	**-**	**-**	**-**
21	Loans and advances	753	71	6	-	-	-	-	-	-	-	-	71	6	-	-	-
22	Debt securities, including UoP	537	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
24	**Households**	**7,764**	**6,849**	**-**	**-**	**-**	**-**						**6,849**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	6,739	6,739	-	-	-	-						6,739	-	-	-	-
26	of which building renovation loans	26	26	-	-	-	-						26	-	-	-	-
27	of which motor vehicle loans	83	83	-	-	-	-						83	-	-	-	-
28	**Local governments financing**	**37**	**0.3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.3**	**-**	**-**	**-**	**-**
29	Housing Financing	0.3	0.3	-	-	-	-	-	-	-	-	-	0.3	-	-	-	-
30	Other local government financing	37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	9	5	-	-	-	-	-	-	-	-	-	5	-	-	-	-
32	**Other assets excluded from the numerator for GAR calculation (covered in the denominator)**	**6,515**															

1. Assets for the calculation of GAR on turnover – continued

2023

	EUR Million	Disclosure reference date : 31 December 2023															
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
33	**Non-financial corporations**	**4,997**															
34	SMEs and NFCs (other than SMEs not subject to NFRD disclosure obligations	4,697															
35	Loans and advances	4,432															
36	of which loans collateralised by commercial immovable property	1,400															
37	of which building renovation loans	23															
38	Debt securities	-															
39	Equity instruments	266															
40	Non-EU country counterparties not subject to NFRD disclosure obligations	299															
41	Loans and advances	275															
42	Debt securities	23															
43	Equity instruments	1															
44	**Derivatives**	**547**															
45	**On demand interbank loans**	**215**															
46	**Cash and cash-related assets**	**68**															
47	**Other assets (e.g. Goodwill, commodities etc.)**	**689**															
48	Total GAR assets	22,307	6,975	12	-	-	-	-	-	-	-	-	6,975	12	-	-	-
49	**Other assets not covered for GAR calculation**	**7,972**															
50	**Sovereigns**	**5,334**															
51	**Central banks exposure**	**2,618**															
52	**Trading book**	**19**															
53	**Total assets**	**30,279**	**6,975**	**12**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,975**	**12**	**-**	**-**	**-**
	Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations																
54	Financial guarantees	812	25	-	-	-	-	-	-	-	-	-	25	-	-	-	-
55	Assets under management	696	34	6	-	-	-	-	-	-	-	-	34	6	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. Assets for the calculation of GAR on CAPEX

2024

Disclosure reference date : 31 December 2024

	EUR Million	Total gross carrying amount	Climate Change Mitigation (CCM) – Of which towards taxonomy relevant sectors (Taxonomy-eligible)	CCM – Of which environmentally sustainable (Taxonomy-aligned)	CCM – Of which Use of Proceeds	CCM – Of which transitional	CCM – Of which enabling	Climate Change Adaptation (CCA) – Of which towards taxonomy relevant sectors (Taxonomy-eligible)	CCA – Of which environmentally sustainable (Taxonomy-aligned)	CCA – Of which Use of Proceeds	CCA – Of which adaptation	CCA – Of which enabling	Water and marine resources (WTR) – Of which towards taxonomy relevant sectors (Taxonomy-eligible)	WTR – Of which environmentally sustainable (Taxonomy-aligned)	WTR – Of which Use of Proceeds	WTR – Of which enabling	Circular Economy (CE) – Of which towards taxonomy relevant sectors (Taxonomy-eligible)	CE – Of which environmentally sustainable (Taxonomy-aligned)	CE – Of which Use of Proceeds	CE – Of which enabling	Pollution (PPC) – Of which towards taxonomy relevant sectors (Taxonomy-eligible)	PPC – Of which environmentally sustainable (Taxonomy-aligned)	PPC – Of which Use of Proceeds	PPC – Of which enabling	Biodiversity and Ecosystems (BIO) – Of which towards taxonomy relevant sectors (Taxonomy-eligible)	BIO – Of which environmentally sustainable (Taxonomy-aligned)	BIO – Of which Use of Proceeds	BIO – Of which enabling	TOTAL (CCM + CCA + WTR + CE + PPC + BIO) – Of which towards taxonomy relevant sectors (Taxonomy-eligible)	TOTAL – Of which environmentally sustainable (Taxonomy-aligned)	TOTAL – Of which Use of Proceeds	TOTAL – Of which transitional/adaptation	TOTAL – Of which enabling
	GAR - Covered assets in both numerator and denominator																																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	16,719	6,748	141	-	-	-	128	16	-	-	-	0.2	0.2	-	-	28	0.12	-	-	2	2	-	-	-	-	-	-	6,906	160	-	-	-
2	**Financial corporations**	**8,141**	**42**	**8**	**-**	**-**	**-**	**56**	**9**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**23**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**121**	**17**	**-**	**-**	**-**
3	Credit institutions	4,421	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	2,232	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	2,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	139	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	3,719	42	8	-	-	-	56	9	-	-	-	-	-	-	-	23	-	-	-	-	-	-	-	-	-	-	-	121	17	-	-	-
8	of which investment firms	257	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	229	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	8	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	1,628	22	22	-	-	-	32	2	-	-	-	-	-	-	-	23	-	-	-	-	-	-	-	-	-	-	-	77	24	-	-	-
13	Loans and advances	1,377	22	22	-	-	-	31.56	2	-	-	-	-	-	-	-	23	-	-	-	-	-	-	-	-	-	-	-	77	24	-	-	-
14	Debt securities, including UoP	249	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	2	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	144	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	144	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial corporations**	**959**	**81**	**17**	**-**	**-**	**-**	**72**	**7**	**-**	**-**	**-**	**0.02**	**0.02**	**-**	**-**	**5**	**0.12**	**-**	**-**	**2**	**2**	**-**	**-**	**-**	**-**	**-**	**-**	**160**	**27**	**-**	**-**	**-**
21	Loans and advances	744	81	17	-	-	-	72	7	-	-	-	0.02	0.02	-	-	5	0.12	-	-	2	2	-	-	-	-	-	-	160	27	-	-	-
22	Debt securities, including UoP	215	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
24	**Households**	**7,498**	**6,613**	**116**	**-**	**-**	**-**																						**6,613**	**116**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	6,522	6,522	116		-	-																						6,522	116	-	-	-
26	of which building renovation loans	25	25	-		-	-																						25	-	-	-	-
27	of which motor vehicle loans	66	66	-		-	-																						66	-	-	-	-
28	**Local governments financing**	**100**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing Financing	0.087	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	21	12	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	-	-	-	-
32	**Other assets excluded from the numerator for GAR calculation (covered in the denominator)**	**6,568**																															

1. Assets for the calculation of GAR on CAPEX - continued 2024

	EUR Million	Total gross carrying amount	Disclosure reference date : 31 December 2024																														
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																																
33	**Non-financial corporations**	**5,093**																															
34	SMEs and NFCs (other than SMEs not subject to NFRD disclosure obligations	4,845																															
35	Loans and advances	4,627																															
36	of which loans collateralised by commercial immovable property	1,594																															
37	of which building renovation loans	22																															
38	Debt securities	-																															
39	Equity instruments	219																															
40	Non-EU country counterparties not subject to NFRD disclosure obligations	248																															
41	Loans and advances	248																															
42	Debt securities	-																															
43	Equity instruments	0.18																															
44	**Derivatives**	**514**																															
45	**On demand interbank loans**	**152**																															
46	**Cash and cash-related assets**	**133**																															
47	**Other assets (e.g. Goodwill, commodities etc.)**	**676**																															
48	Total GAR assets	23,287	6,748	141	-	-	-	128	16	-	-	-	0.2	0.2	-	-	28	0.12	-	-	2.09	2.05	-	-	-	-	-	-	6,906	160	-	-	-
49	**Other assets not covered for GAR calculation**	**7,202**																															
50	**Sovereigns**	**6,036**																															
51	**Central banks exposure**	**1,136**																															
52	**Trading book**	**30**																															
53	**Total assets**	**30,489**	**6,748**	**141**	**-**	**-**	**-**	**128**	**16**	**-**	**-**	**-**	**0.2**	**0.2**	**-**	**-**	**28**	**0.12**	**-**	**-**	**2.09**	**2.05**	**-**	**-**	**-**	**-**	**-**	**-**	**6,906**	**160**	**-**	**-**	**-**
	Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations																																
54	Financial guarantees	624	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23	-	-	-	-
55	Assets under management	698	67	26	-	-	-	56	25	-	-	-	0.2	0.1	-	-	5	0.08	-	-	4	0.2	-	-	0.1	-	-	-	132	51	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. Assets for the calculation of GAR on CAPEX 2023

	EUR Million	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Disclosure reference date : 31 December 2023														
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	15,793	7,016	37	-	-	-	-	-	-	-	-	7,016	37	-	-	-
2	**Financial corporations**	**6,692**	**60**	**16**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**60**	**16**	**-**	**-**	**-**
3	Credit institutions	3,152	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	996	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	2,015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	142	-	-		-	-	-	-		-	-	-	-		-	-
7	Other financial corporations	3,540	60	16	-	-	-	-	-	-	-	-	60	16	-	-	-
8	of which investment firms	395	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	356	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	19	-	-		-	-	-	-		-	-	-	-		-	-
12	of which management companies	728	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	430	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	299	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	0.02	-	-		-	-	-	-		-	-	-	-		-	-
16	of which insurance undertakings	134	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	134	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
20	**Non-financial corporations**	**1,290**	**102**	**21**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**102**	**21**	**-**	**-**	**-**
21	Loans and advances	753	93	21	-	-	-	-	-	-	-	-	93	21	-	-	-
22	Debt securities, including UoP	537	10	0.1	-	-	-	-	-	-	-	-	10	0.1	-	-	-
23	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
24	**Households**	**7,764**	**6,849**	**-**	**-**	**-**	**-**						**6,849**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	6,739	6,739	-	-	-	-						6,739	-	-	-	-
26	of which building renovation loans	26	26	-	-	-	-						26	-	-	-	-
27	of which motor vehicle loans	83	83	-	-	-	-						83	-	-	-	-
28	**Local governments financing**	**37**	**0.3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.3**	**-**	**-**	**-**	**-**
29	Housing Financing	0.3	0.3	-	-	-	-	-	-	-	-	-	0.3	-	-	-	-
30	Other local government financing	37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	9	5	-	-	-	-	-	-	-	-	-	5	-	-	-	-
32	**Other assets excluded from the numerator for GAR calculation (covered in the denominator)**	**6,515**															

1. Assets for the calculation of GAR on CAPEX - continued

2023

	EUR Million	Disclosure reference date : 31 December 2023															
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional/ adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
33	**Non-financial corporations**	**4,997**															
34	SMEs and NFCs (other than SMEs not subject to NFRD disclosure obligations	4,697															
35	Loans and advances	4,432															
36	of which loans collateralised by commercial immovable property	1,400															
37	of which building renovation loans	23															
38	Debt securities	-															
39	Equity instruments	266															
40	Non-EU country counterparties not subject to NFRD disclosure obligations	299															
41	Loans and advances	275															
42	Debt securities	23															
43	Equity instruments	1															
44	**Derivatives**	**547**															
45	**On demand interbank loans**	**215**															
46	**Cash and cash-related assets**	**68**															
47	**Other assets (e.g. Goodwill, commodities etc.)**	**689**															
48	Total GAR assets	22,307	7,016	37	-	-	-	-	-	-	-	-	7,016	37	-	-	-
49	**Other assets not covered for GAR calculation**	**7,972**															
50	**Sovereigns**	**5,334**															
51	**Central banks exposure**	**2,618**															
52	**Trading book**	**19**															
53	**Total assets**	**30,279**	**7,016**	**37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,016**	**37**	**-**	**-**	**-**
	Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations																
54	Financial guarantees	812	25	-	-	-	-	-	-	-	-	-	25	-	-	-	-
55	Assets under management	696	48	17	-	-	-	-	-	-	-	-	48	17	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

2. GAR sector information based on turnover

2024

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	C10.4.2 MANUFACTURE OF MARGARINE AND SIMILAR EDIBLE FATS	18.90	-			18.90	-			18.90	-			18.90	-			18.90	-			18.90	-			18.90	-		
2	C20.5.0 MANUFACTURE OF OTHER CHEMICAL PRODUCTS	14.62	-			14.62	-			14.62	-			14.62	-			14.62	-			14.62	-			14.62	-		
3	C22.1.1 MANUF. OF RUBBER TYRES, TUBES-RETREAD./REBUILD. RUBBER TYRES	0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-		
4	C23.4.2 MANUFACTURE OF CERAMIC SANITARY FIXTURES	25.66	-			25.66	-			25.66	-			25.66	-			25.66	-			25.66	-			25.66	-		
5	C25.3.0 MANUF. STEAM GENER. EXCEPT CENTRAL HEATING HOT WATER BOILERS	0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-		
6	C25.5.0 FORGING/PRESSING/STAMPING/ROLL-FORMING METAL-POWDER METALL	15.18	-			15.18	-			15.18	-			15.18	-			15.18	-			15.18	-			15.18	-		
7	C26.5.1 MANUF. INSTRUM., APPLIANCES FOR MEASURING/TESTING/NAVIGATION	18.38	-			18.38	-			18.38	-			18.38	-			18.38	-			18.38	-			18.38	-		
8	C27.4.0 MANUFACTURE OF ELECTRIC LIGHTING EQUIPMENT	15.01	1.28			15.01	1.65			15.01	-			15.01	-			15.01	-			15.01	-			15.01	2.93		
9	C28.1.5 MANUFACTURE OF BEARINGS, GEARS, GEARING AND DRIVING ELEMENTS	15.39	-			15.39	-			15.39	-			15.39	-			15.39	-			15.39	-			15.39	-		
10	C29.3.0 MANUFACTURE OF PARTS AND ACCESSORIES FOR MOTOR VEHICLES	20.59	5.11			20.59	0.76			20.59	-			20.59	-			20.59	-			20.59	-			20.59	5.87		
11	C29.3.2 MANUFACTURE OF OTHER PARTS/ACCESSORIES FOR MOTOR VEHICLES	25.75	1.59			25.75	-			25.75	-			25.75	-			25.75	-			25.75	-			25.75	1.59		
12	C32.5.0 MANUFACTURE OF MEDICAL AND DENTAL INSTRUMENTS AND SUPPLIES	8.15	-			8.15	-			8.15	-			8.15	-			8.15	-			8.15	-			8.15	-		
13	D35.1.0 ELECTRIC POWER GENERATION, TRANSMISSION AND DISTRIBUTION	3.22	0.41			3.22	0.58			3.22	0.02			3.22	0.08			3.22	0.02			3.22	-			3.22	1.11		
14	D35.1.3 DISTRIBUTION OF ELECTRICITY	27.95	-			27.95	-			27.95	-			27.95	-			27.95	-			27.95	-			27.95	-		
15	F41.1.0 DEVELOPMENT OF BUILDING PROJECTS	0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-		
16	F41.2.0 CONSTRUCTION OF RESIDENTIAL AND NON-RESIDENTIAL BUILDINGS	25.55	2.80			25.55	0.21			25.55	-			25.55	-			25.55	-			25.55	-			25.55	3.01		
17	G46.7.2 WHOLESALE OF METALS AND METAL ORES	15.00	-			15.00	-			15.00	-			15.00	-			15.00	-			15.00	-			15.00	-		
18	G46.7.3 WHOLESALE TRADE OF WOOD	0.06	-			0.06	-			0.06	-			0.06	-			0.06	-			0.06	-			0.06	-		
19	G47.1.1 RETAIL SALE NON-SPECIAL. STORES-FOOD/BEVER./TOBACCO PREDOM.	44.65	-			44.65	-			44.65	-			44.65	-			44.65	-			44.65	-			44.65	-		
20	H49.1.0 PASSENGER RAIL TRANSPORT, INTERURBAN	15.39	-			15.39	-			15.39	-			15.39	-			15.39	-			15.39	-			15.39	-		
21	H51.2.1 FREIGHT AIR TRANSPORT	0.05	-			0.05	-			0.05	-			0.05	-			0.05	-			0.05	-			0.05	-		
22	J58.0.0 PUBLISHING ACTIVITIES	10.17	-			10.17	-			10.17	-			10.17	-			10.17	-			10.17	-			10.17	-		
23	J58.2.0 SOFTWARE PUBLISHING	14.65	-			14.65	-			14.65	-			14.65	-			14.65	-			14.65	-			14.65	-		
24	J58.2.1 PUBLISHING OF COMPUTER GAMES	15.02	-			15.02	-			15.02	-			15.02	-			15.02	-			15.02	-			15.02	-		
25	J62.0.1 COMPUTER PROGRAMMING ACTIVITIES	10.78	0.84			10.78	0.79			10.78	-			10.78	-			10.78	-			10.78	-			10.78	1.63		
26	J62.0.2 COMPUTER CONSULTANCY ACTIVITIES	15.02	-			15.02	-			15.02	-			15.02	-			15.02	-			15.02	-			15.02	-		
27	J63.1.1 DATA PROCESSING, HOSTING AND RELATED ACTIVITIES	25.25	-			25.25	-			25.25	-			25.25	-			25.25	-			25.25	-			25.25	-		
28	L68.1.0 BUYING AND SELLING OF OWN REAL ESTATE	29.49	1.37			29.49	1.48			29.49	-			29.49	-			29.49	-			29.49	-			29.49	2.85		
29	L68.2.0 RENTING AND OPERATING OF OWN OR LEASED REAL ESTATE	55.74	-			55.74	-			55.74	-			55.74	-			55.74	-			55.74	-			55.74	-		
30	L68.3.1 REAL ESTATE AGENCIES	8.84	-			8.84	-			8.84	-			8.84	-			8.84	-			8.84	-			8.84	-		
31	L68.3.2 MANAGEMENT OF REAL ESTATE ON A FEE OR CONTRACT BASIS	5.13	-			5.13	-			5.13	-			5.13	-			5.13	-			5.13	-			5.13	-		
32	M70.1.0 ACTIVITIES OF HEAD OFFICES	192.69	-			192.69	-			192.69	-			192.69	-			192.69	-			192.69	-			192.69	-		
33	M70.2.2 BUSINESS AND OTHER MANAGEMENT CONSULTANCY ACTIVITIES	2.95	-			2.95	-			2.95	-			2.95	-			2.95	-			2.95	-			2.95	-		
34	M71.2.0 TECHNICAL TESTING AND ANALYSIS	17.24	-			17.24	-			17.24	-			17.24	-			17.24	2.40			17.24	-			17.24	2.40		
35	N77.0.0 RENTAL AND LEASING ACTIVITIES	13.00	-			13.00	-			13.00	-			13.00	-			13.00	-			13.00	-			13.00	-		
36	N77.1.1 RENTING AND LEASING OF CARS AND LIGHT MOTOR VEHICLES	7.70	-			7.70	-			7.70	-			7.70	-			7.70	-			7.70	-			7.70	-		
37	N82.9.9 OTHER BUSINESS SUPPORT SERVICE ACTIVITIES NEC	10.69	-			10.69	-			10.69	-			10.69	-			10.69	-			10.69	-			10.69	-		
38	R92.0.0 GAMBLING AND BETTING ACTIVITIES	0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-		

2. GAR sector information based on CAPEX

2024

	Breakdown by sector – NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	C10.4.2 MANUFACTURE OF MARGARINE AND SIMILAR EDIBLE FATS	18.90	-			18.90	-			18.90	-			18.90	-			18.90	-			18.90	-			18.90	-		
2	C20.5.0 MANUFACTURE OF OTHER CHEMICAL PRODUCTS	14.62	-			14.62	-			14.62	-			14.62	-			14.62	-			14.62	-			14.62	-		
3	C22.1.1 MANUF. OF RUBBER TYRES, TUBES-RETREAD./REBUILD. RUBBER TYRES	0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-		
4	C23.4.2 MANUFACTURE OF CERAMIC SANITARY FIXTURES	25.66	0.13			25.66	0.13			25.66	-			25.66	-			25.66	-			25.66	-			25.66	0.26		
5	C25.3.0 MANUF. STEAM GENER. EXCEPT CENTRAL HEATING HOT WATER BOILERS	0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-		
6	C25.5.0 FORGING/PRESSING/STAMPING/ROLL-FORMING METAL-POWDER METALL.	15.18	-			15.18	-			15.18	-			15.18	-			15.18	-			15.18	-			15.18	-		
7	C26.5.1 MANUF. INSTRUM., APPLIANCES FOR MEASURING/TESTING/NAVIGATION	18.38	-			18.38	-			18.38	-			18.38	-			18.38	-			18.38	-			18.38	-		
8	C27.4.0 MANUFACTURE OF ELECTRIC LIGHTING EQUIPMENT	15.01	1.28			15.01	1.85			15.01	-			15.01	-			15.01	-			15.01	-			15.01	3.12		
9	C28.1.5 MANUFACTURE OF BEARINGS, GEARS, GEARING AND DRIVING ELEMENTS	15.39	-			15.39	-			15.39	-			15.39	-			15.39	-			15.39	-			15.39	-		
10	C29.3.0 MANUFACTURE OF PARTS AND ACCESSORIES FOR MOTOR VEHICLES	20.59	4.88			20.59	0.70			20.59	-			20.59	-			20.59	-			20.59	-			20.59	5.58		
11	C29.3.2 MANUFACTURE OF OTHER PARTS/ACCESSORIES FOR MOTOR VEHICLES	25.75	1.88			25.75	0.02			25.75	-			25.75	-			25.75	-			25.75	-			25.75	1.89		
12	C32.5.0 MANUFACTURE OF MEDICAL AND DENTAL INSTRUMENTS AND SUPPLIES	8.15	-			8.15	-			8.15	-			8.15	-			8.15	-			8.15	-			8.15	-		
13	D35.1.0 ELECTRIC POWER GENERATION, TRANSMISSION AND DISTRIBUTION	3.22	2.11			3.22	2.42			3.22	0.22			3.22	0.12			3.22	0.05			3.22	-			3.22	4.92		
14	D35.1.3 DISTRIBUTION OF ELECTRICITY	27.95	-			27.95	-			27.95	-			27.95	-			27.95	-			27.95	-			27.95	-		
15	F41.1.0 DEVELOPMENT OF BUILDING PROJECTS	0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-		
16	F41.2.0 CONSTRUCTION OF RESIDENTIAL AND NON-RESIDENTIAL BUILDINGS	25.55	4.10			25.55	0.14			25.55	-			25.55	-			25.55	-			25.55	-			25.55	4.24		
17	G46.7.2 WHOLESALE OF METALS AND METAL ORES	15.00	-			15.00	-			15.00	-			15.00	-			15.00	-			15.00	-			15.00	-		
18	G46.7.3 WHOLESALE TRADE OF WOOD	0.06	-			0.06	-			0.06	-			0.06	-			0.06	-			0.06	-			0.06	-		
19	G47.1.1 RETAIL SALE NON-SPECIAL. STORES-FOOD/BEVER./TOBACCO PREDOM.	44.65	-			44.65	-			44.65	-			44.65	-			44.65	-			44.65	-			44.65	-		
20	H49.1.0 PASSENGER RAIL TRANSPORT, INTERURBAN	15.39	-			15.39	-			15.39	-			15.39	-			15.39	-			15.39	-			15.39	-		
21	H51.2.1 FREIGHT AIR TRANSPORT	0.05	-			0.05	-			0.05	-			0.05	-			0.05	-			0.05	-			0.05	-		
22	J58.0.0 PUBLISHING ACTIVITIES	10.17	-			10.17	-			10.17	-			10.17	-			10.17	-			10.17	-			10.17	-		
23	J58.2.0 SOFTWARE PUBLISHING	14.65	-			14.65	-			14.65	-			14.65	-			14.65	-			14.65	-			14.65	-		
24	J58.2.1 PUBLISHING OF COMPUTER GAMES	15.02	-			15.02	-			15.02	-			15.02	-			15.02	-			15.02	-			15.02	-		
25	J62.0.1 COMPUTER PROGRAMMING ACTIVITIES	10.78	0.81			10.78	0.17			10.78	-			10.78	-			10.78	-			10.78	-			10.78	0.99		
26	J62.0.2 COMPUTER CONSULTANCY ACTIVITIES	15.02	-			15.02	-			15.02	-			15.02	-			15.02	-			15.02	-			15.02	-		
27	J63.1.1 DATA PROCESSING, HOSTING AND RELATED ACTIVITIES	25.25	0.66			25.25	0.78			25.25	-			25.25	-			25.25	-			25.25	-			25.25	1.44		
28	L68.1.0 BUYING AND SELLING OF OWN REAL ESTATE	29.49	1.47			29.49	0.83			29.49	-			29.49	-			29.49	-			29.49	-			29.49	2.30		
29	L68.2.0 RENTING AND OPERATING OF OWN OR LEASED REAL ESTATE	55.74	-			55.74	-			55.74	-			55.74	-			55.74	-			55.74	-			55.74	-		
30	L68.3.1 REAL ESTATE AGENCIES	8.84	-			8.84	-			8.84	-			8.84	-			8.84	-			8.84	-			8.84	-		
31	L68.3.2 MANAGEMENT OF REAL ESTATE ON A FEE OR CONTRACT BASIS	5.13	-			5.13	-			5.13	-			5.13	-			5.13	-			5.13	-			5.13	-		
32	M70.1.0 ACTIVITIES OF HEAD OFFICES	192.69	-			192.69	-			192.69	-			192.69	-			192.69	-			192.69	-			192.69	-		
33	M70.2.2 BUSINESS AND OTHER MANAGEMENT CONSULTANCY ACTIVITIES	2.95	-			2.95	-			2.95	-			2.95	-			2.95	-			2.95	-			2.95	-		
34	M71.2.0 TECHNICAL TESTING AND ANALYSIS	17.24	-			17.24	-			17.24	-			17.24	-			17.24	2.00			17.24	-			17.24	2.00		
35	N77.0.0 RENTAL AND LEASING ACTIVITIES	13.00	-			13.00	-			13.00	-			13.00	-			13.00	-			13.00	-			13.00	-		
36	N77.1.1 RENTING AND LEASING OF CARS AND LIGHT MOTOR VEHICLES	7.70	-			7.70	-			7.70	-			7.70	-			7.70	-			7.70	-			7.70	-		
37	N82.9.9 OTHER BUSINESS SUPPORT SERVICE ACTIVITIES NEC	10.69	0.00			10.69	-			10.69	-			10.69	-			10.69	-			10.69	-			10.69	0.00		
38	R92.0.0 GAMBLING AND BETTING ACTIVITIES	0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-			0.00	-		

3. GAR KPI stock based on turnover

2024

	% (compared to total covered assets in the denominator)	Disclosure reference date : 31 December 2024																															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	28.89	0.57	-	-	-	0.39	0.04	-	-	-	0.00	0.00	-	-	0.12	0.00	-	-	0.01	0.01	-	-	-	-	-	-	29.41	0.62	-	-	-	54.84
2	**Financial corporations**	**0.15**	**0.01**	-	-	-	**0.13**	**0.02**	-	-	-	-	-	-	-	**0.08**	-	-	-	-	-	-	-	-	-	-	-	**0.36**	**0.03**	-	-	-	**26.70**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.50
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.32
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.72
6	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	0.46
7	Other financial corporations	0.15	0.01	-	-	-	0.13	0.02	-	-	-	-	-	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	0.36	0.03	-	-	-	12.20
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.84
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.75
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07
11	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	0.03
12	of which management companies	0.08	0.08	-	-	-	0.05	0.00	-	-	-	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-	0.19	0.08	-	-	-	5.34
13	Loans and advances	0.08	0.08	-	-	-	0.05	0.00	-	-	-	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-	0.19	0.08	-	-	-	4.52
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.82
15	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	0.01
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.47
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.47
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial corporations**	**0.30**	**0.06**	-	-	-	**0.25**	**0.02**	-	-	-	**0.00**	**0.00**	-	-	**0.04**	**0.00**	-	-	**0.01**	**0.01**	-	-	-	-	-	-	**0.60**	**0.09**	-	-	-	**3.15**
21	Loans and advances	0.30	0.06	-	-	-	0.25	0.02	-	-	-	0.00	0.00	-	-	0.04	0.00	-	-	0.01	0.01	-	-	-	-	-	-	0.60	0.09	-	-	-	2.44
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.71
23	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
24	**Households**	**28.40**	**0.50**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**28.40**	**0.50**	-	-	-	**24.59**
25	of which loans collateralised by residential immovable property	28.01	0.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.01	0.50	-	-	-	21.39
26	of which building renovation loans	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11	-	-	-	-	0.08
27	of which motor vehicle loans	0.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.28	-	-	-	-	0.22
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.33**
29	Housing Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.33
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05	-	-	-	-	0.07
48	Total GAR assets	28.89	0.57	-	-	-	0.39	0.04	-	-	-	0.00	0.00	-	0.12	0.12	0.00	-	-	0.01	0.01	-	-	-	-	-	-	29.41	0.62	-	-	-	76.38

3. GAR KPI stock based on turnover

2023

% (compared to total covered assets in the denominator)	Disclosure reference date : 31 December 2023															
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
GAR - Covered assets in both numerator and denominator																
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	31.27	0.06	-	-	-	-	-	-	-	-	31.27	0.06	-	-	-	52.16
2 Financial corporations	**0.23**	**0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.23**	**0.03**	**-**	**-**	**-**	**22.10**
3 Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.41
4 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.29
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.65
6 Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	0.47
7 Other financial corporations	0.23	0.03	-	-	-	-	-	-	-	-	0.23	0.03	-	-	-	11.69
8 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.31
9 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.18
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07
11 Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	0.06
12 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.41
13 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.42
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.99
15 Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	0.00
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.44
17 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.44
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-
20 Non-financial corporations	**0.32**	**0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.32**	**0.03**	**-**	**-**	**-**	**4.26**
21 Loans and advances	0.32	0.03	-	-	-	-	-	-	-	-	0.32	0.03	-	-	-	2.49
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.77
23 Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-
24 Households	**30.70**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**30.70**	**-**	**-**	**-**	**-**	**25.64**
25 of which loans collateralised by residential immovable property	30.21	-	-	-	-	-	-	-	-	-	30.21	-	-	-	-	22.26
26 of which building renovation loans	0.12	-	-	-	-	-	-	-	-	-	0.12	-	-	-	-	0.09
27 of which motor vehicle loans	0.37	-	-	-	-	-	-	-	-	-	0.37	-	-	-	-	0.27
28 Local governments financing	**0.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.00**	**-**	**-**	**-**	**-**	**0.12**
29 Housing Financing	0.00	-	-	-	-	-	-	-	-	-	0.00	-	-	-	-	0.00
30 Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.12
31 Collateral obtained by taking possession: residential and commercial immovable properties	0.02	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-	0.03
48 Total GAR assets	31.27	0.06	-	-	-	-	-	-	-	-	31.27	0.06	-	-	-	73.67

3. GAR KPI stock based on CAPEX

2024

	% (compared to total covered assets in the denominator)	Disclosure reference date : 31 December 2024																															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	28.98	0.61	-	-	-	0.55	0.07	-	-	-	0.00	0.00	-	-	0.12	0.00	-	-	0.01	0.01	-	-	-	-	-	-	29.66	0.69	-	-	-	54.84
2	**Financial corporations**	**0.18**	**0.03**	**-**	**-**	**-**	**0.24**	**0.04**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.52**	**0.07**	**-**	**-**	**-**	**26.70**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.50
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.32
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.72
6	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	0.46
7	Other financial corporations	0.18	0.03	-	-	-	0.24	0.04	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	-	-	-	-	0.52	0.07	-	-	-	12.20
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.84
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.75
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07
11	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	0.03
12	of which management companies	0.10	0.10	-	-	-	0.14	0.01	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	-	-	-	-	0.33	0.11	-	-	-	5.34
13	Loans and advances	0.10	0.10	-	-	-	0.14	0.01	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	-	-	-	-	0.33	0.11	-	-	-	4.52
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.82
15	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	0.01
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.47
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.47
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial corporations**	**0.35**	**0.07**	**-**	**-**	**-**	**0.31**	**0.03**	**-**	**-**	**-**	**0.00**	**0.00**	**-**	**-**	**0.02**	**0.00**	**-**	**-**	**0.01**	**0.01**	**-**	**-**	**-**	**-**	**-**	**-**	**0.69**	**0.11**	**-**	**-**	**-**	**3.15**
21	Loans and advances	0.35	0.07	-	-	-	0.31	0.03	-	-	-	0.00	0.00	-	-	0.02	0.00	-	-	0.01	0.01	-	-	-	-	-	-	0.69	0.11	-	-	-	2.44
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.71
23	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
24	**Households**	**28.40**	**0.50**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**28.40**	**0.50**	**-**	**-**	**-**	**24.59**
25	of which loans collateralised by residential immovable property	28.01	0.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.01	0.50	-	-	-	21.39
26	of which building renovation loans	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11	-	-	-	-	0.08
27	of which motor vehicle loans	0.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.28	-	-	-	-	0.22
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.33**
29	Housing Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.33
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05	-	-	-	-	0.07
48	Total GAR assets	28.98	0.61	-	-	-	0.55	0.07	-	-	-	0.00	0.00	-	-	0.12	0.00	-	-	0.01	0.01	-	-	-	-	-	-	29.66	0.69	-	-	-	76.38

3. GAR KPI stock based on CAPEX

2023

	% (compared to total covered assets in the denominator)	Disclosure reference date : 31 December 2023															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	31.45	0.17	-	-	-	-	-	-	-	-	31.45	0.17	-	-	-	52.16
2	**Financial corporations**	**0.27**	**0.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.27**	**0.07**	**-**	**-**	**-**	**22.10**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.41
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.29
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.65
6	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	0.47
7	Other financial corporations	0.27	0.07	-	-	-	-	-	-	-	-	0.27	0.07	-	-	-	11.69
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.31
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.18
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07
11	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	0.06
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.41
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.42
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.99
15	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	0.00
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.44
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.44
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-
20	**Non-financial corporations**	**0.46**	**0.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.46**	**0.10**	**-**	**-**	**-**	**4.26**
21	Loans and advances	0.41	0.09	-	-	-	-	-	-	-	-	0.41	0.09	-	-	-	2.49
22	Debt securities, including UoP	0.04	0.00	-	-	-	-	-	-	-	-	0.04	0.00	-	-	-	1.77
23	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-
24	**Households**	**30.70**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**30.70**	**-**	**-**	**-**	**-**	**25.64**
25	of which loans collateralised by residential immovable property	30.21	-	-	-	-	-	-	-	-	-	30.21	-	-	-	-	22.26
26	of which building renovation loans	0.12	-	-	-	-	-	-	-	-	-	0.12	-	-	-	-	0.09
27	of which motor vehicle loans	0.37	-	-	-	-	-	-	-	-	-	0.37	-	-	-	-	0.27
28	**Local governments financing**	**0.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.00**	**-**	**-**	**-**	**-**	**0.12**
29	Housing Financing	0.00	-	-	-	-	-	-	-	-	-	0.00	-	-	-	-	0.00
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.12
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.02	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-	0.03
48	Total GAR assets	31.45	0.17	-	-	-	-	-	-	-	-	31.45	0.17	-	-	-	73.67

4. GAR KPI flow on turnover

2024

	% (compared to flow of total eligible assets)	Disclosure reference date : 31 December 2024																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total new assets covered
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	18.20	1.49	-	-	-	0.73	0.10	-	-	-	-	-	-	-	0.31	-	-	-	-	-	-	-	-	-	-	-	19.24	1.59	-	-	-	64.59
2	**Financial corporations**	**-**	**-**	**-**	**-**	**-**	**0.13**	**0.01**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.14**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.27**	**0.01**	**-**	**-**	**-**	**38.00**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.20
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.19
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.01
6	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
7	Other financial corporations	-	-	-	-	-	0.13	0.01	-	-	-	-	-	-	-	0.14	-	-	-	-	-	-	-	-	-	-	-	0.27	0.01	-	-	-	27.80
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.69
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.69
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.14	-	-	-	-	-	-	-	-	-	-	-	0.14	-	-	-	-	8.36
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.14	-	-	-	-	-	-	-	-	-	-	-	0.14	-	-	-	-	7.90
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.46
15	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial corporations**	**0.91**	**0.30**	**-**	**-**	**-**	**0.61**	**0.09**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.17**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.68**	**0.39**	**-**	**-**	**-**	**10.18**
21	Loans and advances	0.91	0.30	-	-	-	0.61	0.09	-	-	-	-	-	-	-	0.17	-	-	-	-	-	-	-	-	-	-	-	1.68	0.39	-	-	-	7.91
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.27
23	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
24	**Households**	**17.29**	**1.19**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17.29**	**1.19**	**-**	**-**	**-**	**15.16**
25	of which loans collateralised by residential immovable property	16.69	1.19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.69	1.19	-	-	-	12.92
26	of which building renovation loans	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13	-	-	-	-	0.10
27	of which motor vehicle loans	0.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.47	-	-	-	-	0.36
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.26**
29	Housing Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.26
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Total GAR assets	18.20	1.49	-	-	-	0.73	0.10	-	-	-	-	-	-	-	0.31	-	-	-	-	-	-	-	-	-	-	-	19.24	1.59	-	-	-	77.39

4. GAR KPI flow on CAPEX

2024

	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Disclosure reference date : 31 December 2024																																
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total new assets covered
	GAR - Covered assets in both numerator and denominator																																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	18.50	1.54	-	-	-	1.05	0.14	-	-	-	-	-	-	-	0.17	-	-	-	-	-	-	-	-	-	-	-	19.73	1.68	-	-	-	64.59
2	**Financial corporations**	**0.18**	**0.02**	**-**	**-**	**-**	**0.38**	**0.06**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.66**	**0.08**	**-**	**-**	**-**	**38.00**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.20
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.19
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.01
6	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
7	Other financial corporations	0.18	0.02	-	-	-	0.38	0.06	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	-	-	-	-	0.66	0.08	-	-	-	27.80
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.69
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.69
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
12	of which management companies	0.18	0.02	-	-	-	0.25	0.00	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	-	-	-	-	0.53	0.02	-	-	-	8.36
13	Loans and advances	0.18	0.02	-	-	-	0.25	0.00	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	-	-	-	-	0.53	0.02	-	-	-	7.90
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.46
15	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial corporations**	**1.04**	**0.34**	**-**	**-**	**-**	**0.67**	**0.08**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.08**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.78**	**0.41**	**-**	**-**	**-**	**10.18**
21	Loans and advances	1.04	0.34	-	-	-	0.67	0.08	-	-	-	-	-	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	1.78	0.41	-	-	-	7.91
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.27
23	Equity instruments	-	-		-	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
24	**Households**	**17.29**	**1.19**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17.29**	**1.19**	**-**	**-**	**-**	**15.16**
25	of which loans collateralised by residential immovable property	16.69	1.19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.69	1.19	-	-	-	12.92
26	of which building renovation loans	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13	-	-	-	-	0.10
27	of which motor vehicle loans	0.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.47	-	-	-	-	0.36
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.26**
29	Housing Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.26
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Total GAR assets	18.50	1.54	-	-	-	1.05	0.14	-	-	-	-	-	-	-	0.17	-	-	-	-	-	-	-	-	-	-	-	19.73	1.68	-	-	-	77.39

5. KPI off-balance sheet exposures on turnover

2024

	% (compared to total eligible off-balance sheet assets)	Disclosure reference date : 31 December 2024																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	3.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.73	-	-	-	-
2	Assets under management (AuM KPI)	6.69	1.69	-	-	-	6.33	1.15	-	-	-	0.02	0.01	-	-	1.84	0.02	-	-	0.87	0.03	-	-	0.01	-	-	-	15.76	2.91	-	-	-

5. KPI off-balance sheet exposures on CAPEX

2024

	% (compared to total eligible off-balance sheet assets)	Disclosure reference date : 31 December 2024																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	3.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.73	-	-	-	-
2	Assets under management (AuM KPI)	9.55	3.73	-	-	-	8.00	3.53	-	-	-	0.03	0.01	-	-	0.76	0.01	-	-	0.51	0.03	-	-	0.01	-	-	-	18.85	7.31	-	-	-

Template 1 Nuclear and fossil gas related activities

2024

NUCLEAR ENERGY RELATED ACTIVITIES	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
FOSSIL GAS RELATED ACTIVITIES	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) on turnover

2024

	ECONOMIC ACTIVITIES	Amount and proportion (the information is to be presented in monetary amounts and as percentages)													
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Water and marine resources (WTR)		Circular Economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%		0%		0%		0%		0%		0%		0%
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%		0%		0%		0%		0%		0%		0%
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%		0%		0%		0%		0%		0%		0%
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%		0%		0%		0%		0%		0%		0%
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%		0%		0%		0%		0%		0%		0%
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%		0%		0%		0%		0%		0%		0%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	145	0.62%	133	0.57%	9.47	0.04%	0.02	0%	0.08	0%	2.4	0.01%	–	0%
8.	Total applicable KPI	23,287	100%	23,287	100%	23,287	0%	23,287	0%	23,287	0%	23,287	0%	23,287	0%

Template 2 Taxonomy-aligned economic activities (denominator) on CAPEX

2024

	ECONOMIC ACTIVITIES	Amount and proportion (the information is to be presented in monetary amounts and as percentages)													
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Water and marine resources (WTR)		Circular Economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	160	0.69%	141	0.61%	16.46	0.07%	0.22	0.00%	0.12	0.00%	2.05	0.009%	–	0%
8.	Total applicable KPI	23,287	100%	23,287	100%	23,287	100%	23,287	100%	23,287	100%	23,287	100%	23,287	0%

Template 3 Taxonomy-aligned economic activities (numerator) on turnover 2024

	ECONOMIC ACTIVITIES	Amount and proportion (the information is to be presented in monetary amounts and as percentages)													
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Water and marine resources (WTR)		Circular Economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	145.05	100%	133.06	100%	9.47	100%	0.02	100%	0.08	100%	2.42	100%	–	0%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	145.05	100%	133.06	100%	9.47	100%	0.02	100%	0.08	100%	2.42	100%	–	0%

Template 3 Taxonomy-aligned economic activities (numerator) on CAPEX 2024

	ECONOMIC ACTIVITIES	Amount and proportion (the information is to be presented in monetary amounts and as percentages)													
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Water and marine resources (WTR)		Circular Economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	160	100%	141	100%	16	100%	0.2	100%	0.12	100%	2.05	100%	–	0%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	160	100%	141	100%	16	100%	0.22	100%	0.12	100%	2	100%	–	0%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities on turnover 2024

Proportion (the information is to be presented in monetary amounts and as percentages)

	ECONOMIC ACTIVITIES	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Water and marine resources (WTR)		Circular Economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
2.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
3.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
6.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%		0%		0%		0%		0%		0%		0%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	6,704	100%	6,595	100%	80	100%	–	0%	28	100%	0.05	100%	–	0%
8.	Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the applicable KPI	6,704	100%	6,595	100%	80	100%	–	100%	28	100%	0.05	100%	–	0%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities on CAPEX 2024

Proportion (the information is to be presented in monetary amounts and as percentages)

	ECONOMIC ACTIVITIES	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		Climate change mitigation (CCM)		Climate change adaptation (CCA)		Water and marine resources (WTR)		Circular Economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%				0%		0%		0%		0%		0%
2.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%				0%		0%		0%		0%		0%
3.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%				0%		0%		0%		0%		0%
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%				0%		0%		0%		0%		0%
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%				0%		0%		0%		0%		0%
6.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%				0%		0%		0%		0%		0%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	6,746	100%	6,607	100%	112	100%	–	0%	28	100%	0.03	100%	–	0%
8.	Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the applicable KPI	6,746	100%	6,607	100%	112	100%	–	100%	28	100%	0.03	100%	–	0%

Template 5 Taxonomy non-eligible economic activities on turnover 2024

	ECONOMIC ACTIVITIES	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	16,438	100%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	16,438	100%

Template 5 Taxonomy non-eligible economic activities on CAPEX 2024

	ECONOMIC ACTIVITIES	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	16,381	100%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	16,381	100%

3. Glossary

Acronym	Full form
AAA	Luxembourg's Association d'Assurance Accident
ABBL	Luxembourg Bank Association
ABC	Anti-Bribery and Anti-Corruption
ACPR	Autorité de Contrôle et de Résolution
ACT	Assessing Carbon Transition
AEV	Administration de l'Environnement
AI	Artificial Intelligence
ALM	Asset-Liability Management
API	Application programming interface
AR	Application Requirements
ARCC	Audit, Risk and Compliance Committee
ASTF	Association for Occupational Health in the Tertiary and Financial Sectors
ATM	Automated teller machine
AuM	Assets under management
BACC	Board Audit and Compliance Committee
BAU	Business as usual
BIL	Banque Internationale à Luxembourg
BMS	Building management system
BP	Basis of preparation
BRC	Board Risk Committee
BRNC-N	Board Remuneration and Nomination Committee – Nomination matters
BSC	Board Strategy Committee
CBA	Collective Bargaining Agreement
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CET	Common Equity Tier
CFO	Chief Financial Officer
CGDIS	Grand Ducal Fire and Rescue Corps
CIB	Corporate and Institutional Banking
CIF	Critical or Important Function
CIN	National Commission for Data Protection
CISO	Chief Information Security Officer
CLEAR	BIL's values: Caring, Leading, Engaging, Accessible, Reliable
CNPD	Commission Nationale pour la Protection des Données
CRD	Capital Requirements Directive
CRM	Customer relationship management
CRO	Chief Risk Officer
CRR	Capital Requirements Regulation

Acronym	Full form
CRREM	Carbon Risk Real Estate Monitor
CSRD	Corporate Sustainability Reporting Directive
CSSF	Commission de Surveillance du Secteur Financier
CTF	Counter-terrorist financing
DEI	Diversity, equity and inclusion
DLP	Data Leakage Prevention
DMA	Double Materiality Assessment
DORA	Digital Operational Resilience Act
DPIA	Data Protection Impact Assessment
DPO	Data Protection Officer
DQS	Data Quality Score
EBA	European Banking Authority
ECAP	Economic Capital Assessment
ECB	European Central Bank
ECL	Expected Credit Loss
ECP	Euro Commercial Paper
ECT2025	Energise Create Together 2025
EEA	European Environment Agency
EEA	European Economic Area
EFRAG	European Financial Reporting Advisory Group
EMTN	Euro Medium Term Notes
EPC	Energy Performance Certificates
EPIC	Equal Pay International Coalition
ERM	Enterprise Risk Management
ESG	Environmental Social Governance
ESMA	European Securities and Markets Authority
ESRS	European Sustainability Reporting Standards
EU	European Union
EUR	Euro
EWC	European Works Council
ExCo	BIL Group's Executive Committee
FIU	Financial Intelligence Unit
FTE	Full time equivalent
GAR	Green Asset Ratio
GDP	Gross Domestic Product
GDPR	General Data Protection Regulation
GHG	Green House Gases
GM	General Meeting of Shareholders
GOV	Governance

Acronym	Full form
GPT	Generative pre-trained transformer
GRECO	Council of Europe's Group of States against Corruption
GSSR	General Safety and Health Rules
GTM	Go-To-Market
HR	Human Resources
ICLAAP	Internal Capital and Liquidity Adequacy Assessment Process
ICMA	The International Capital Market Association
ICT	Information Communications Technology
IEA	International Energy Agency
IEC	International Electrotechnical Commission
ILAAP	Internal liquidity adequacy assessment process
ILO	International Labour Organisation
ILRES	Institut luxembourgeois de recherches sociales et d'études
IMS	Inspiring More Sustainability
IRO	Impacts, risks and opportunities
ISO	International Organization for Standardization
ISRC	ICT & Security Risk Committee
IT	Information Technology
ITM	Inspection du Travail des Mines
ITSO	IT Security Officer
JEL	Jonk Entrepreneuren Luxembourg
KYC	Know Your Customer
LED	Light-emitting diode
LMA	Loan Market Association
LTF	Long Term Funding
MB	Management Board
MiFID	Markets in Financial Instruments Directive
NACE	Nomenclature of Economic Activities
NFR	BIL's Non-Financial Reporting
NFR	Non-Financial Risks
NFRD	Non-Financial Reporting Directive
NGFS	Network for Greening the Financial System
NIST	National Institute of Standards and Technology
NPC	New Products Committee
NPS	Net Promotor Score
NSFR	Net Stable Funding Ratio
NZE	Net Zero Emissions
OECD	Organisation for Economic Co-operation and Development
PAI	Principal Adverse Impact
PAM	Privileged Access Management
PCAF	Partnership for Carbon Accounting for Financials
PCG	Product Governance Committee
PNEC	Luxembourg's Integrated National Energy and Climate Plan

Acronym	Full form
PVC	Polyvinyl chloride
RAF	Risk Appetite Framework
RAS	Risk Appetite Statement
RCP	Representative Concentration Pathway
RFP	Request for proposals
RGTR	Régime Général des Transports Routiers
RRE	Residential and Commercial Real Estate
RWA	Risk-Weighted Assets
SA	Société Anonyme
SASB	Sustainability Accounting Standards Board
SBM	Strategy and business model
SBTi	Science Based Targets initiative
SCE	Societas Cooperativa Europaea
SDG	Sustainable Development Goals
SE	Societas Europaea
SEA	Search Engine Advertising
SER	Service d'Economie rurale
SFDR	Sustainable Finance Disclosure Regulation
SGO	Secrétaire Général Office
SIF	Sustainability Investment Framework
SMS	Short message service
SOC	Security Operations Centre
SPO	Second Party Opinion
STATEC	National Institute for Statistics and Economic Studies
SWIFT	Society for Worldwide Interbank Financial Telecommunications
UDD	Unified Degree Day
UN	United Nations
UN GC	United Nations Global Compact
UN PRB	United Nations for Responsible Banking
UN SDG	United Nations Sustainable Development Goals
UNEP FI	United Nations Environment Programme Finance Initiative
UNFCCC	United Nations Framework Convention on Climate Change
UX	User experience
WAM	With Additional Measures
WEM	With Existing Measures
WOT	Workforce Planning Committee

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