

Luminor  
Sustainability Factbook  
31 December 2023



# MAIN TARGETS

No	Target	Measure	2022	2023
1	Committed to Paris Agreement alignment, tCO <sub>2</sub> e (own operating emissions)	Net "0" by 2050	2,948	2,765
2	tCO <sub>2</sub> e operational emissions per FTE vs. 2021	-50% by 2025 vs 2021 (1.44)	1.25	1.11
3	Set and submit Science Based Targets for validation	End 2023	n/a	targets submitted
4	New lending volume in high climate risk sectors to clients that have transition plans in place, % (a)	90% by 2025	n/a	47
5	Mortgage portfolio with EPC rating A or better, % of total mortgage exposure	30% by 2027	23	24
6	Volume of lending to sustainable real estate and renewable energy related projects (accumulated),€m (b)	120 mEUR by 2027 700 mEUR by 2030	85	108
7	Volume of green or sustainability-linked Covered bonds and Corporate Senior bonds in our bond portfolio, % (c)	50% by 2030	4.7	4.4
8	Renewable energy consumption and/or production target, %	100% of electricity by end 2025	41	42
9	Improve customer satisfaction and increase retail transactional NPS score	+40 in 2024	+38	+47
10	Improve employee satisfaction and increase employee eNPS	50-55 in 2024	+49	+51
11	Female Council members, %	40% by 2026	30	22
12	Maintain low ESG Risk Rating by Sustainalytics	Low risk, bi-annual as of 2023	10.9/ Low risk	12.4/ Low risk

- a. In scope only customer groups with exposures above 5 MEUR and excluding off balance items and loan prolongations. In 2023, we did not yet have clear standards for transition plan and therefore, we considered that customers fulfilled their requirement for transition plan submission if they had prepared sustainability reports disclosing the existence of plans, appropriate activities and KPIs. In case customers have not prepared sustainability reports, but have submitted information indicating activities helping to transition to more sustainable practices we treated them as compliant to the requirement to have transition plan. Going forward we plan to provide customers with transition plan template which would meet our general requirements for transition planning documentation.
- b. For current reporting cycle, the reported loans cover renewable energy projects where environment impact was assessed when required by the law, and social and governance safeguards considered and real estate construction projects complying with technical screening criteria related to primary energy demand for new constructions under Climate Delegated Act.
- c. 2022 number has been restated due to improvements in data availability.

This Factbook is to be read as an annex to our Sustainability Report 2023.

## ABOUT US

We are the leading independent bank in the Baltics and the third-largest provider of financial services in our region. We serve the financial needs of individuals, families, and companies. We are here to improve the financial health of our customers and our home countries, and to support their growth. Further information about us can be found at [www.luminor.ee](http://www.luminor.ee)

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# ENVIRONMENTAL INFORMATION

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

Template 0. Summary of KPIs to be disclosed by credit institutions under Article 8 of the EU Taxonomy Regulation.

Main KPI	Total environment-ally sustainable assets, €m (1)	KPI (2)	KPI (3)	% coverage (over total assets) (4)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V) (5)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V) (5)
Green asset ratio (GAR) stock	304.9	2.7	2.7	72.2	31.4	27.8
Additional KPIs	Total environment-ally sustainable activities €m (6)	KPI (2)	KPI (3)	% coverage (over total assets) (7)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V) (8)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V) (8)
GAR (flow)	98.0	5.7	5.7	37.2	20.6	62.8
Trading book (9)	N/A	-	-			
Financial guarantees	0.0	-	-			
Assets under management (10)	N/A	-	-			
Fee and commission income (11)	N/A	-	-			

a. Based on Turnover KPI of the counterparties. The amount of total environmentally sustainable assets based on CapEx KPI of the counterparties is 307,0.

b. Based on the Turnover KPI of the counterparties.

c. Based on the CapEx KPI of the counterparties.

d. % of assets covered by the KPI over banks' total assets based on Turnover KPI of the counterparties. The amount resulting from CapEx KPI of the counterparties is the same.

e. The percentage is calculated with respect to total assets.

f. The amount is the same if calculated based on Turnover KPI of the counterparties and CapEx KPI of the counterparties.

g. % of assets covered by the KPI over banks' total flow of new assets based on Turnover KPI of the counterparties. The amount resulting from CapEx KPI of the counterparties is the same.

h. The percentage is calculated with respect to total flow of new assets.

i. 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. To be reported from 2026 for the reporting period 2025.

j. Reporting on the assets under management is omitted for this reporting period due to data limitations.

k. Fees and commissions income from services other than lending and AuM. To be reported from 2026 for the reporting period 2025.

### Template 1. Assets for the calculation of GAR based on Turnover.

The table provides information on the assets covered for GAR calculation based on turnover KPI of the counterparties.

31 December 2023, €m		Climate Change Mitigation (CCM)					Climate change adaption (CCA)					TOTAL (CCM+CCA+WTR+CE+PPC+BIO)				
	Total [gross] carrying amount	o/w towards taxonomy relevant sectors (Taxonomy-eligible)					o/w towards taxonomy relevant sectors (Taxonomy-eligible)					o/w towards taxonomy relevant sectors (Taxonomy-eligible)				
		o/w environmentally sustainable (Taxonomy-aligned)					o/w environmentally sustainable (Taxonomy-aligned)					o/w environmentally sustainable (Taxonomy-aligned)				
		Use of proceeds	o/w transitional	o/w enabling	o/w enabling	o/w enabling	Use of proceeds	o/w transitional	o/w enabling	o/w enabling	Use of proceeds	o/w transitional	o/w enabling	o/w enabling		
<b>GAR - Covered assets in both numerator and denominator</b>																
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	6,381.0	5,603.9	304.9	304.9	0.0	0.0	0.0	-	-	5,603.9	304.9	304.9	0.0	0.0	
2	Financial undertakings (only NFRD)	134.7	58.4	0.0	-	-	0.0	-	-	58.4	0.0	-	-	-		
3	Credit institutions	132.3	57.6	0.0	-	-	0.0	-	-	57.6	0.0	-	-	-		
4	Loans and advances															
5	Debt securities, including UoP	132.3	57.6	0.0	-	-	0.0	-	-	57.6	0.0	-	-	-		
6	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
7	Other financial corporations	2.3	0.7	0.0	-	-	0.0	-	-	0.7	0.0	-	-	-		
8	of which investment firms	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
9	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
10	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
11	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
12	of which management companies	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
13	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
14	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
15	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
16	of which insurance undertakings	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
17	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
18	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
19	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
20	Non-financial undertakings (only NFRD)	75.4	0.1	0.0	-	-	0.0	-	-	0.1	0.0	-	-	-		
21	Loans and advances	16.2	0.0	-	-	-	0.0	-	-	0.0	-	-	-	-		
22	Debt securities, including UoP	59.2	0.1	0.0	-	-	0.0	-	-	0.1	0.0	-	-	-		
23	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
24	Households	5,993.5	5,483.6	304.9	304.9	-	0.0	-	-	5,483.6	304.9	304.9	-	-		
25	of which loans collateralised by residential immovable property	5,302.0	5,302.0	304.9	304.9	-	0.0	-	-	5,302.0	304.9	304.9	-	-		
26	of which building renovation loans	26.2	26.2	0.0	-	-	0.0	-	-	26.2	0.0	-	-	-		
27	of which motor vehicle loans	272.3	155.4	0.0	-	-	0.0	-	-	155.4	0.0	-	-	-		
28	Local governments financing	177.4	61.8	0.0	-	-	0.0	-	-	61.8	0.0	-	-	-		
29	Housing financing	18.6	18.6	0.0	-	-	0.0	-	-	18.6	0.0	-	-	-		
30	Other local government financing	158.8	43.2	0.0	-	-	0.0	-	-	43.2	0.0	-	-	-		
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	<b>4,899.3</b>														
33	Financial and Non-financial undertakings	4,498.3														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations (a)	4,493.6														
35	Loans and advances	4,434.4														
36	of which loans collateralised by commercial immovable property	2566.1														
37	of which building renovation loans	0.0														
38	Debt securities	50.3														
39	Equity instruments	9.0														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	4.6														
41	Loans and advances	0.2														
42	Debt securities	4.5														
43	Equity instruments	0.0														
44	Derivatives	92.2														
45	On demand interbank loans	47.4														
46	Cash and cash-related assets	105.5														
47	Other categories of assets (e.g., Goodwill, commodities etc.)	155.9														
48	<b>Total GAR assets</b>	<b>11,280.3</b>	<b>5,603.9</b>	<b>304.9</b>	<b>304.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5,603.9</b>	<b>304.9</b>	<b>304.9</b>	<b>0.0</b>	<b>0.0</b>		
49	<b>Assets not covered for GAR calculation</b>	<b>4,335.3</b>														
50	Central governments and Supranational issuers	1,241.9														
51	Central banks exposure	3,079.5														
52	Trading book	14.0														
53	<b>Total assets</b>	<b>15,615.6</b>	<b>5,603.9</b>	<b>304.9</b>	<b>304.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5,603.9</b>	<b>304.9</b>	<b>304.9</b>	<b>0.0</b>	<b>0.0</b>		
	<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>															
54	Financial guarantees	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
55	Assets under management	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
56	Of which debt securities	0.0	-	-	-	-	-	-	-	-	-	-	-	-		
57	Of which equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-		

a. Exposures to financial undertakings not subject to NFRD disclosures are also included.

## Template 1. Assets for the calculation of GAR based on Capex.

The table provides information on assets covered for GAR calculation based on Capex KPI of the counterparties.

31 December 2023, €m		Climate Change Mitigation (CCM)					Climate change adaption (CCA)				TOTAL (CCM+CCA+WTR+CE+PPC+BIO)						
	Total [gross] carrying amount	o/w towards taxonomy relevant sectors (Taxonomy-eligible)					o/w towards taxonomy relevant sectors (Taxonomy-eligible)				o/w towards taxonomy relevant sectors (Taxonomy-eligible)						
		o/w environmentally sustainable (Taxonomy-aligned)					o/w environmentally sustainable (Taxonomy-aligned)				o/w environmentally sustainable (Taxonomy-aligned)						
		Use of proceeds	o/w transitional	o/w enabling	o/w enabling	o/w enabling	Use of proceeds	o/w enabling	o/w enabling	Use of proceeds	o/w transitional	o/w enabling	o/w enabling				
<b>GAR - Covered assets in both numerator and denominator</b>																	
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	6,381.0	5,609.1	307.0	304.9	0.0	2.1	0.0	-	-	-	-	5,609.1	307.0	304.9	0.0	2.1
2	Financial undertakings (only NFRD)	134.7	57.2	0.0	-	-	-	0.0	-	-	-	-	57.2	0.0	-	-	-
3	Credit institutions	132.3	56.4	0.0	-	-	-	0.0	-	-	-	-	56.4	0.0	-	-	-
4	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	132.3	56.4	0.0	-	-	-	0.0	-	-	-	-	56.4	0.0	-	-	-
6	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	2.3	0.7	0.0	-	-	-	0.0	-	-	-	-	0.7	0.0	-	-	-
8	of which investment firms	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Non-financial undertakings (only NFRD)	75.4	6.5	2.1	0.0	0.0	2.1	0.0	-	-	-	-	6.5	2.1	0.0	0.0	2.1
21	Loans and advances	16.2	0.0	0.0	-	-	-	0.0	-	-	-	-	0.0	-	-	-	-
22	Debt securities, including UoP	59.2	6.5	2.1	0.0	0.0	2.1	0.0	-	-	-	-	6.5	2.1	0.0	0.0	2.1
23	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Households	5,993.5	5,483.6	304.9	304.9	-	-	0.0	-	-	-	-	5,483.6	304.9	304.9	-	-
25	of which loans collateralised by residential immovable property	5,302.0	5,302.0	304.9	304.9	-	-	0.0	-	-	-	-	5,302.0	304.9	304.9	-	-
26	of which building renovation loans	26.2	26.2	0.0	-	-	-	0.0	-	-	-	-	26.2	0.0	-	-	-
27	of which motor vehicle loans	272.3	155.4	0.0	-	-	-	0.0	-	-	-	-	155.4	0.0	-	-	-
28	Local governments financing	177.4	61.8	0.0	-	-	-	0.0	-	-	-	-	61.8	0.0	-	-	-
29	Housing financing	18.6	18.6	0.0	-	-	-	0.0	-	-	-	-	18.6	0.0	-	-	-
30	Other local government financing	158.8	43.2	0.0	-	-	-	0.0	-	-	-	-	43.2	0.0	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	<b>4,899.3</b>															
33	Financial and Non-financial undertakings	4,498.3															
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations (a)	4,493.6															
35	Loans and advances	4,434.4															
36	of which loans collateralised by commercial immovable property	2,566.1															
37	of which building renovation loans	0.0															
38	Debt securities	50.3															
39	Equity instruments	9.0															
40	Non-EU country counterparties not subject to NFRD disclosure obligations	4.6															
41	Loans and advances	0.2															
42	Debt securities	4.5															
43	Equity instruments	0.0															
44	Derivatives	92.2															
45	On demand interbank loans	47.4															
46	Cash and cash-related assets	105.5															
47	Other categories of assets (e.g., Goodwill, commodities etc.)	155.9															
48	<b>Total GAR assets</b>	<b>11,280.3</b>	<b>5,609.1</b>	<b>307.0</b>	<b>304.9</b>	<b>0.0</b>	<b>2.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5,609.1</b>	<b>307.0</b>	<b>304.9</b>	<b>0.0</b>	<b>2.1</b>
49	<b>Assets not covered for GAR calculation</b>	<b>4,335.3</b>															
50	Central governments and Supranational issuers	1,241.9															
51	Central banks exposure	3,079.5															
52	Trading book	14.0															
53	<b>Total assets</b>	<b>15,615.6</b>	<b>5,609.1</b>	<b>307.0</b>	<b>304.9</b>	<b>0.0</b>	<b>2.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5,609.1</b>	<b>307.0</b>	<b>304.9</b>	<b>0.0</b>	<b>2.1</b>
	<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>																
54	Financial guarantees	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	6,381.0	5,609.1	307.0	304.9	0.0	2.1	0.0	-	-	-	-	5,609.1	307.0	304.9	0.0	2.1

a. Exposures to financial undertakings not subject to NFRD disclosures are also included.

**Template 2. GAR – Sector information based on Turnover.**

The table provides information on the principal activity of non-financial undertakings subject to NFRD disclosure obligations, broken down at the 4 NACE level, with reported gross carrying and taxonomy aligned amounts based on Turnover KPI of the counterparties.

Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				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	
	[Gross] carrying amount		[Gross] carrying amount		Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
€m	Of which environmentally sustainable (CCM)	€m	Of which environmentally sustainable (CCM)	€m	Of which environmentally sustainable (CCM)	€m	Of which environmentally sustainable (CCM)	€m	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	€m	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	
1	H.49.31 – Urban and suburban passenger land transport	14.3	0.0			0.0	-			14.3	0.0	
2	C.11.01 – Distilling, rectifying and blending of spirits	1.9	0.0			0.0	-			1.9	0.0	
3	F.41.20 – Construction of residential and non-residential buildings	0.1	0.0			0.0	-			0.1	0.0	
4	G.47.11 – Retail sale in non-specialised stores with food, beverages or tobacco predominating	59.2	0.0			0.0	-			59.2	0.0	

**Template 2. GAR – Sector information based on Capex.**

The table provides information on the principal activity of non-financial undertakings subject to NFRD disclosure obligations, broken down at the 4 NACE level, with reported gross carrying and taxonomy aligned amounts based on Capex KPI of the counterparties.

Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				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	
	[Gross] carrying amount		[Gross] carrying amount		Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
€m	Of which environmentally sustainable (CCM)	€m	Of which environmentally sustainable (CCM)	€m	Of which environmentally sustainable (CCM)	€m	Of which environmentally sustainable (CCM)	€m	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	€m	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	
1	H.49.31 – Urban and suburban passenger land transport	14.3	0.0			0.0	-			14.3	0.0	
2	C.11.01 – Distilling, rectifying and blending of spirits	1.9	0.0			0.0	-			1.9	0.0	
3	F.41.20 – Construction of residential and non-residential buildings	0.1	0.0			0.0	-			0.1	0.0	
4	G.47.11 – Retail sale in non-specialised stores with food, beverages or tobacco predominating	59.2	2.1			0.0	-			59.2	2.1	

### Template 3. GAR KPIs Stock based on Turnover

The table provides information on the proportion of the taxonomy eligible, and taxonomy aligned assets over the respective covered assets based on Turnover KPI of the counterparties. GAR KPI stock is based on information disclosed in Table 2 above.

31 December 2023, % (compared to total covered assets in the denominator)		Climate Change Mitigation (CCM)					Climate change adaption (CCA)				TOTAL (CCM+CCA+WTR+CE+PPC+BIO)				Proportion of total assets covered (b)
		o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)					o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)				o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)				
		o/w environmentally sustainable (Taxonomy-aligned) (b)					o/w environmentally sustainable (Taxonomy-aligned) (b)				o/w environmentally sustainable (Taxonomy-aligned) (b)				
		o/w Use of proceeds	o/w transitional	o/w enabling			o/w Use of proceeds	o/w enabling			o/w Use of proceeds	o/w transitional	o/w enabling		
<b>GAR - Covered assets in both numerator and denominator</b>															
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	87.8	4.8	4.8	0.0	0.0	-	-	-	87.8	4.8	4.8	0.0	0.0	35.9%
2	<b>Financial undertakings (only NFRD)</b>	43.4	0.0	-	-	0.0	-	-	-	43.4	0.0	-	-	-	0.4%
3	Credit institutions	43.6	0.0	-	-	0.0	-	-	-	43.6	0.0	-	-	-	0.4%
4	Loans and advances	100.0	0.0	-	-	0.0	-	-	-	100.0	0.0	-	-	-	0.0%
5	Debt securities, including UoP	43.6	0.0	-	-	0.0	-	-	-	43.6	0.0	-	-	-	0.4%
6	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
7	Other financial corporations	31.7	0.0	-	-	0.0	-	-	-	31.7	0.0	-	-	-	0.0%
8	of which investment firms	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
9	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
10	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
11	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
12	of which management companies	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
13	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
14	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
15	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
16	of which insurance undertakings	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
17	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
18	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
19	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
20	<b>Non-financial undertakings (only NFRD)</b>	0.1	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
21	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
22	Debt securities, including UoP	0.1	0.0	-	-	0.0	-	-	-	0.1	0.0	-	-	-	0.0%
23	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
24	<b>Households</b>	91.5	5.1	5.1	0.0	0.0	-	-	-	91.5	5.1	5.1	-	-	35.1%
25	of which loans collateralised by residential immovable property	100.0	5.8	5.8	0.0	0.0	-	-	-	100.0	5.8	5.8	-	-	34.0%
26	of which building renovation loans	100.0	0.0	-	-	-	-	-	-	100.0	0.0	-	-	-	0.2%
27	of which motor vehicle loans	57.1	0.0	-	-	-	-	-	-	-	-	-	-	-	
28	<b>Local governments financing</b>	34.9	0.0	-	-	0.0	-	-	-	34.9	0.0	-	-	-	0.4%
29	Housing financing	100.0	0.0	-	-	0.0	-	-	-	100.0	0.0	-	-	-	0.1%
30	Other local government financing	27.2	0.0	-	-	0.0	-	-	-	27.2	0.0	-	-	-	0.3%
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
32	<b>Total GAR assets</b>	49.7	2.7	2.7	0.0	0.0	0.0	0.0	0.0	49.7	2.7	2.7	0.0	0.0	35.9%

- a. The percentage in this column represents the proportion of taxonomy-eligible assets over the gross carrying amount of the respective asset type.  
b. The percentage in this column represents the proportion of taxonomy-aligned assets over the gross carrying amount of the respective asset type.  
c. The percentage in this column represents the proportion of taxonomy-eligible assets over the total assets.



### Template 3. GAR KPIs Stock based on Capex

The table provides information on the proportion of the taxonomy eligible and taxonomy aligned assets over the respective covered assets based on Capex KPI of the counterparties. GAR KPI stock is based on information disclosed in Table 3 above.

31 December 2023, % (compared to total covered assets in the denominator)		Climate Change Mitigation (CCM)					Climate change adaption (CCA)				TOTAL (CCM+CCA+WTR+CE+PPC+BIO)				Proportion of total assets covered (c)
		o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)					o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)				o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)				
		o/w environmentally sustainable (Taxonomy-aligned) (b)					o/w environmentally sustainable (Taxonomy-aligned) (b)				o/w environmentally sustainable (Taxonomy-aligned) (b)				
		o/w Use of proceeds	o/w transitional	o/w enabling			o/w Use of proceeds	o/w enabling			o/w Use of proceeds	o/w transitional	o/w enabling		
<b>GAR - Covered assets in both numerator and denominator</b>															
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	87.9	4.8	4.8	0.0	0.0	-	-	0.0	87.9	4.8	4.8	0.0	0.0	35.9
2	<b>Financial undertakings (only NFRD)</b>	42.5	0.0	-	-	0.0	-	-	0.0	42.5	0.0	-	-	0.0	0.4
3	Credit institutions	42.6	0.0	-	-	0.0	-	-	0.0	42.6	0.0	-	-	0.0	0.4
4	Loans and advances	100.0	0.0	-	-	0.0	-	-	0.0	100.0	0.0	-	-	0.0	0.0
5	Debt securities, including UoP	42.6	0.0	-	-	-	-	-	-	42.6	0.0	-	-	0.0	0.4
6	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
7	Other financial corporations	31.7	0.0	-	-	0.0	-	-	0.0	31.7	0.0	-	-	0.0	0.0
8	of which investment firms	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
9	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
10	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
11	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
12	of which management companies	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
13	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
14	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
15	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
16	of which insurance undertakings	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
17	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
18	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
19	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
20	<b>Non-financial undertakings (only NFRD)</b>	8.6	2.8	0.0	-	0.0	-	-	0.0	8.6	2.8	0.0	-	0.0	0.0
21	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
22	Debt securities, including UoP	11.0	3.6	0.0	-	0.0	-	-	0.0	11.0	3.6	0.0	-	0.0	0.0
23	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
24	<b>Households</b>	91.5	5.1	5.1	0.0	0.0	-	-	0.0	91.5	5.1	5.1	0.0	0.0	35.1
25	of which loans collateralised by residential immovable property	100.0	5.8	5.8	0.0	0.0	-	-	0.0	100.0	5.8	5.8	0.0	0.0	34.0
26	of which building renovation loans	100.0	0.0	-	-	0.0	-	-	0.0	100.0	0.0	-	-	0.0	0.2
27	of which motor vehicle loans	57.1	0.0	-	-	-	-	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	34.9	0.0	-	-	0.0	-	-	0.0	34.9	0.0	-	-	0.0	0.4
29	Housing financing	100.0	0.0	-	-	0.0	-	-	0.0	100.0	0.0	-	-	0.0	0.1
30	Other local government financing	27.2	0.0	-	-	0.0	-	-	0.0	27.2	0.0	-	-	0.0	0.3
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	0.0	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
32	<b>Total GAR assets</b>	49.7	2.7	2.7	0.0	0.0	0.0	0.0	0.0	49.7	2.7	2.7	0.0	0.0%	35.9

- The percentage in this column represents the proportion of taxonomy-eligible assets over the gross carrying amount of the respective asset type.
- The percentage in this column represents the proportion of taxonomy-aligned assets over the gross carrying amount of the respective asset type.
- The percentage in this column represents the proportion of taxonomy-eligible assets over the total assets.

**Template 4. GAR KPIs flow based on Turnover.**

The table provides information on the proportion of the taxonomy eligible and taxonomy aligned flow of new loans and debt securities (year-end gross carrying amounts) during 2023 over the respective covered assets based on Turnover KPI of the counterparties. For reporting period of 2023, due to unavailability of data on the starting date of certain types of assets (such as goodwill, commodities, etc), they have been excluded from the GAR KPI flow reporting.

31 December 2023, % (compared to flow of total eligible assets)		Climate Change Mitigation (CCM)					Climate change adaption (CCA)			TOTAL (CCM+CCA+WTR+CE+PPC+BIO)					Proportion of total assets covered (c)
		o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)					o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)			o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)					
		o/w environmentally sustainable (Taxonomy-aligned) (b)					o/w environmentally sustainable (Taxonomy-aligned) (b)			o/w environmentally sustainable (Taxonomy-aligned) (b)					
		o/w Use of proceeds	o/w transitional	o/w enabling			o/w Use of proceeds	o/w enabling			o/w Use of proceeds	o/w transitional	o/w enabling		
<b>GAR - Covered assets in both numerator and denominator</b>															
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	81.2	12.7	12.7	0.0	0.0	-	-	-	81.2	12.7	12.7	0.0	0.0	13.5
2	<b>Financial undertakings (only NFRD)</b>	41.0	0.0	-	-	0.0	-	-	-	41.0	0.0	-	-	-	0.2
3	Credit institutions	41.0	0.0	-	-	0.0	-	-	-	41.0	0.0	-	-	-	0.2
4	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
5	Debt securities, including UoP	41.0	0.0	-	-	0.0	-	-	-	41.0	0.0	-	-	-	0.2
6	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
7	Other financial corporations	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
8	of which investment firms	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
9	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
10	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
11	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
12	of which management companies	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
13	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
14	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
15	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
16	of which insurance undertakings	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
17	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
18	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
19	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
20	<b>Non-financial undertakings (only NFRD)</b>	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
21	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
22	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
23	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
24	<b>Households</b>	82.8	13.1	13.1	0.0	0.0	-	-	-	82.8	13.1	13.1	0.0	0.0	13.3
25	of which loans collateralised by residential immovable property	100.0	18.2	18.2	0.0	0.0	-	-	-	100.0	18.2	18.2	0.0	0.0	11.5
26	of which building renovation loans	100.0	0.0	-	-	0.0	-	-	-	100.0	0.0	-	-	-	0.2
27	of which motor vehicle loans	93.1	0.0	-	-	-	-	-	-	93.1	0.0	-	-	-	1.5
28	<b>Local governments financing</b>	9.3	0.0	-	-	0.0	-	-	-	9.3	0.0	-	-	-	0.0
29	Housing financing	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
30	Other local government financing	9.3	0.0	-	-	0.0	-	-	-	9.3	0.0	-	-	-	0.0
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0
32	<b>Total GAR assets</b>	36.3	5.7	5.7	0.0	0.0	0.0	0.0	0.0	36.3	5.7	5.7	0.0	0.0	13.5

- a. The percentage in this column represents the proportion of taxonomy-eligible assets over the gross carrying amount of the flow of new assets of the respective asset type.
- b. The percentage in this column represents the proportion of taxonomy-aligned assets over the gross carrying amount of flow of new assets the respective asset type.
- c. The percentage in this column represents the proportion of taxonomy-eligible assets over the total flow of new assets.

**Template 4. GAR KPIs flow based Capex.**

The table provides information on the proportion of the taxonomy eligible and taxonomy aligned flow of new loans (year-end gross amounts) during 2023 over the respective covered assets based on Capex KPI of the counterparties. For reporting period of 2023, due to unavailability of data on the starting date of certain types of assets (such as goodwill, commodities, etc), such exposures have been excluded from the GAR KPI flow reporting.

31 December 2023, % (compared to flow of total eligible assets)		Climate Change Mitigation (CCM)					Climate change adaption (CCA)				TOTAL (CCM+CCA+WTR+CE+PPC+BIO)					Proportion of total assets covered (c)
		o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)					o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)				o/w towards taxonomy relevant sectors (Taxonomy-eligible) (a)					
		o/w environmentally sustainable (Taxonomy-aligned) (b)					o/w environmentally sustainable (Taxonomy-aligned) (b)				o/w environmentally sustainable (Taxonomy-aligned) (b)					
		o/w Use of proceeds	o/w transitional	o/w enabling			o/w Use of proceeds	o/w enabling			o/w Use of proceeds	o/w transitional	o/w enabling			
<b>GAR – Covered assets in both numerator and denominator</b>																
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	81.2	12.7	12.7	0.0	0.0	-	-	-	81.2	12.7	12.7	0.0	0.0	13.5	
2	<b>Financial undertakings (only NFRD)</b>	41.1	0.0	-	-	0.0	-	-	-	41.1	0.0	-	-	-	0.2	
3	Credit institutions	41.1	0.0	-	-	0.0	-	-	-	41.1	0.0	-	-	-	0.2	
4	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
5	Debt securities, including UoP	41.1	0.0	-	-	0.0	-	-	-	41.1	0.0	-	-	-	0.2	
6	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
7	Other financial corporations	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
8	of which investment firms	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
9	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
10	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
11	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
12	of which management companies	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
13	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
14	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
15	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
16	of which insurance undertakings	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
17	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
18	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
19	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
20	<b>Non-financial undertakings (only NFRD)</b>	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
21	Loans and advances	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
22	Debt securities, including UoP	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
23	Equity instruments	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
24	<b>Households</b>	82.8	13.1	13.1	0.0	0.0	-	-	-	82.8	13.1	13.1	0.0	0.0	13.3	
25	of which loans collateralised by residential immovable property	100.0	18.2	18.2	0.0	0.0	-	-	-	100.0	18.2	18.2	0.0	0.0	11.5	
26	of which building renovation loans	100.0	0.0	-	-	0.0	-	-	-	100.0	0.0	-	-	-	0.2	
27	of which motor vehicle loans	93.1	0.0	-	-	-	-	-	-	93.1	0.0	-	-	-	1.5	
28	<b>Local governments financing</b>	9.3	0.0	-	-	0.0	-	-	-	9.3	0.0	-	-	-	0.0	
29	Housing financing	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
30	Other local government financing	9.3	0.0	-	-	0.0	-	-	-	9.3	0.0	-	-	-	0.0	
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
32	<b>Total GAR assets</b>	36.3	5.7	5.7	0.0	0.0	0.0	0.0	0.0	36.3	5.7	5.7	0.0	0.0	13.5	

- a. The percentage in this column represents the proportion of taxonomy-eligible assets over the gross carrying amount of the flow of new assets of the respective asset type.
- b. The percentage in this column represents the proportion of taxonomy-aligned assets over the gross carrying amount of flow of new assets the respective asset type.
- c. The percentage in this column represents the proportion of taxonomy-eligible assets over the total flow of new assets.

**Template 5. KPI off-balance sheet exposures.**

The information within this template is not reported due to absence of the financial guarantees of undertakings subject to NFRD disclosure obligations and unavailability of data on assets under management.

31 December 2023, % (compared to total eligible off-balance sheet assets)		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					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-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		o/w		o/w		o/w	o/w		o/w		o/w	o/w		o/w		o/w
Use of		transit		enabli	Use of		enabli		ng	Use of		transit		enabli		
Proce		-ional		ng	Proce		ng		ng	Proce		-ional		ng		
eds		eds		eds	eds		eds		eds	eds		eds		eds		
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

**Annex XII: Template 1.**

No nuclear energy and fossil gas activities have been reported by our counterparties subject to NFRD disclosure obligations. As a result, only Template 1 of the respective Annex is disclosed.

Row	Nuclear energy related activities	
1	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
2	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
3	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
<b>Fossil gas related activities</b>		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	No
5	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	No
6	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

## Climate Change and Air Pollution

### CLIMATE AND ENVIRONMENTAL IMPACT IDENTIFICATION

#### Analysis of Impact of Climate and Environmental Risks on Business Environment (C&E RBE) 2024

Principal climate and environmental (C&E) risk heat maps were developed for short, medium and long term based on external expert assessment from Tartu University, Cobalt and KPMG. The external qualitative assessment by Tartu University identified the change of C&E risk impact severity and frequency in the defined time periods. The external assessment by KPMG and Cobalt identified the trends in the business environment Luminor operates in, analyzing macroeconomic variables, regulatory, social and demographic and technology trends as well as peer activity.

If an increase in frequency or severity of the C&E risk impact was identified in Tartu University report, it was concluded that these acute and/or physical risks are potentially material to the company. Based on this, an assessment was done for each portfolio or business area (corporate lending customers based on NACE sectors split by Large corporate customers and SMEs, for private lending customers for mortgage and consumer lending, and corporate and private leasing) about the impacts' applicability and the principal risk per business area defined. Transition risk relevance was determined based on the external assessment of Cobalt and KPMG.

Compared to last C&E risk assessment, the methodology has been updated and new assessment has been concluded. Based on the updated assessment methodology, the C&E RBE process was carried out in 2024. Changes compared to 2022 assessment have been identified and are presented in tables 21, 22 and 23.

Sources for C&E RBE, C&E risk driver severity identification:

1. EBA report on Management and Supervision of ESG risks for credit institutions and investment firms
2. The concept of risk in the IPCC Sixth Assessment Report: a summary of cross Working Group discussions, Guidance for IPCC authors
3. Draft Guidance Notes for Lead Authors of the IPCC Fifth Assessment Report on Consistent Treatment of Uncertainties









## CLIMATE CHANGE MITIGATION AND ADAPTION – TRANSITION PLAN

### Reducing the climate impact of our operations

#### Consumptions

#### 4. Energy consumption

MWh	Targets	YoY, %	2022	2023
<b>By type (a)</b>				
Electricity	n/a	-0.5	4,946.0	4,919.0
Heating	n/a	+6.1	3,166.0	3,359.0
<b>Total</b>	<b>n/a</b>	<b>+2.0</b>	<b>8,112.0</b>	<b>8,278.0</b>
<b>By source</b>				
Renewable	(b)	+4.3	3,334.0	3,476.0
Non-renewable	(b)	+0.5	4,778.0	4,802.0
<b>Total</b>	<b>n/a</b>	<b>+2.0</b>	<b>8,112.0</b>	<b>8,278.0</b>
Energy intensity ratio (MWh/m <sup>2</sup> )	n/a	0.0	0.2	0.2
Of which share of renewable sources in total energy consumption, % (b)	100	+0.9	41.1	42.0

a. Energy consumption data is obtained from Schneider electric system.

b. 100% of electricity by end 2025

#### 5. Transportation

Travelled distance by type, km	YoY, %	2022	2023
<b>Scope 1</b>			
Combustion cars	-19.2	227,329	182,702
Hybrid cars	+410.7	11,460	58,522
<b>Total</b>	<b>+1.0</b>	<b>238,789</b>	<b>241,224</b>
<b>Scope 3</b>			
Cars & motorbikes	-19.5	5,471,813	4,404,812
Bus	-39.5	1,985,151	1,200,635
Train/tram	+141.6	496,367	1,199,161
Air	+105.6	1,845,686	3,795,638
Bike	+7.9	196,880	212,370
Electric scooter	+64.3	51,532	84,684
<b>Total</b>	<b>+12.2</b>	<b>10,047,429</b>	<b>11,269,744</b>
<b>Total</b>		<b>10,286,218</b>	<b>11,510,968</b>

#### 6. Waste generation

By type, tonnes	YoY, %	2022	2023
Mixed	+77.8	43.1	76.7
Paper/Cardboard	+36.6	16.1	22
Bio	+42.9	0.4	0.5
Plastic	+32.9	3.5	4.6
<b>Total</b>	<b>+64.7</b>	<b>63.0</b>	<b>103.8</b>

## 7. Paper consumption

tonnes	YoY, %	2022	2023
Total	-10.5	7.6	6.8
Environmentally certified paper consumption of total, %	0.0	100.0	100.0

## Luminor GHG Own Emissions

### 8. Luminor Scope 1, 2 and 3 own emissions breakdown by country and source

tCO <sub>2</sub> , by Scope	YoY, %	% of total GHG emissions, 2023	2022	2023
<b>By source</b>				
<b>Scope 2</b>				
Electricity-related	-12.8	24.4	772.0	673.3
Heating- related	+10.6	20.9	524.0	579.7
<b>Total</b>	<b>-3.4</b>	<b>45.3</b>	<b>1,296.0</b>	<b>1,252.0</b>
<b>Scope 3</b>				
Employee commuting & business travel	-9.3	51.6	1,574.0	1,428.0
Waste generation	+40.8	1.3	26.0	36.6
Paper consumption	-11.4	0.2	7.0	6.2
<b>Total</b>	<b>-8.5</b>	<b>53.2</b>	<b>1,607.0</b>	<b>1,470.8</b>
<b>By country</b>				
<b>Scope 1</b>				
Estonia	-21.2	0.1	3.3	2.6
Latvia	-14.3	0.5	16.8	14.4
Lithuania	+0.6	0.9	24.8	25
<b>Total</b>	<b>-6.5</b>	<b>1.5</b>	<b>44.9</b>	<b>42.0</b>
<b>Scope 2</b>				
Estonia	-10.1	27.0	818.0	735.3
Latvia	-41.6	6.3	297.0	173.4
Lithuania	+89.7	12.0	181.0	343.3
<b>Total</b>	<b>-3.4</b>	<b>45.3</b>	<b>1,296.0</b>	<b>1,252.0</b>
<b>Scope 3</b>				
Estonia	-20.6	17.7	616.7	489.6
Latvia	+16.1	17.5	416.5	483.7
Lithuania	-13.3	18.0	573.8	497.5
<b>Total</b>	<b>-8.5</b>	<b>53.2</b>	<b>1,607.0</b>	<b>1,470.8</b>
<b>Total own GHG emissions</b>	<b>-6.2</b>	<b>100.0</b>	<b>2,947.9</b>	<b>2,764.8</b>
Total direct carbon emissions intensity (tCO <sub>2</sub> e/employee)	-12.0	n/a	1.3	1.1
Total own GHG emissions per net revenue (tCO <sub>2</sub> e/€m) (a)	-43.1	n/a	7.5	4.3

a. Revenues as per Luminor Holding's Annual Report 2023.

## 9. Scope 1, 2 and 3 own emissions intensity

By emission type	YoY, %	2022	2023
Emissions linked to Scope 2 emissions per office area, tCO <sub>2</sub> e/m <sup>2</sup>	0.0	0.04	0.04
Office space, m <sup>2</sup>	-1.2	34,225.0	33,804.0
Emissions related to transportation per total number of km travelled, tCO <sub>2</sub> e/km	-50.0	0.0002	0.0001
Emissions related to waste generation & management per employee, tCO <sub>2</sub> e/employee	+31.8	0.0110	0.0145
Emissions related to paper consumption per employee, tCO <sub>2</sub> e/employee	-33.3	0.003	0.002

## 10. Initiatives to reduce our Scope 1, 2 and 3 own emissions

By initiative	Scope	YoY, %	2022	2023
Replacing combustion engine cars with hybrid in Lithuania, km driven	1			
Combustion cars		-19.6	227,329	182,702
Hybrid cars		+410.7	11,460	58,522
Reduction of electricity consumption, MWh	2	-0.5	4,946.0	4,919.0
Increasing share of renewable energy in our energy mix, MWh	2	+4.3	3,334.0	3,476.0

## 11. Sustainability index and rating

Sustainability measure	YoY, %	2022	2023
Rating Score	+13.8	10.9	12.4
Risk Range	n/a	Low risk	Low risk

## Reducing the climate impact of our loan portfolio

### Luminor GHG Financed Emissions

#### 12. Luminor Scope 3 financed emissions breakdown and carbon intensity by asset class and country

On balance sheet assets	Exposure in scope €m		Financed emissions '000 tCO <sub>2</sub> e		Carbon Intensity tCO <sub>2</sub> e/€m		% of total financed emissions	
	2022	2023	2022	2023	2022	2023	2022	2023
<b>Mortgages</b>								
Estonia	1089	1,125	3	60	n/a	54	0.2	2.6
Latvia	1086	1,361	21	33	n/a	25	1.0	1.4
Lithuania	2463	2,784	119	138	n/a	50	6.0	5.9
<b>Total (b)(d)</b>	<b>4,639</b>	<b>5,270</b>	<b>144</b>	<b>232</b>	<b>n/a</b>	<b>44</b>	<b>6</b>	<b>10</b>
<b>Motor vehicle loans</b>								
Estonia	391	375	30	25	n/a	65	1.5	1.1
Latvia	262	348	24	21	n/a	59	1.2	0.9
Lithuania	483	661	27	37	n/a	56	1.4	1.6
<b>Total (d)</b>	<b>1,136</b>	<b>1,384</b>	<b>81</b>	<b>82</b>	<b>n/a</b>	<b>59</b>	<b>3</b>	<b>4</b>
<b>Corporate lending</b>								
Estonia	776	795	245	252	316	316	12.3	10.8
Latvia (c)	1,093	1,046	1,063	380	972	363	25.4	16.3
Lithuania	1,985	1,695	1,019	1,387	513	818	51.0	59.5
<b>Total (a)</b>	<b>3,855</b>	<b>3,536</b>	<b>2,327</b>	<b>2,018</b>	<b>604</b>	<b>571</b>	<b>91</b>	<b>87</b>
<b>Total</b>	<b>9,630</b>	<b>10,190</b>	<b>2,552</b>	<b>2,332</b>	<b>-</b>	<b>229</b>	<b>100</b>	<b>100</b>

- a. Scope 1, 2 & 3 upstream; Includes commercial real estate loans.
- b. Scope 1 & 2.
- c. Reinstated value for 2022 that includes previously excluded business loans, where financed emissions were estimated for NACE code D.35.30 for LV, due to questionable data quality of emission factors.
- d. We have updated the exposure allocation between collaterals methodology. Previously, we were allocating On balance exposure to all collaterals incl. both immovable and movable, whereas now, when dealing with loans collateralized by both immovable property and other types of collaterals, the on balance amount is computed and pro-rata approach is considered on the basis of the market value of the immovable property part of the collaterals only. This approach is used for both Mortgages and Motor vehicle loans. This change increased the total exposure in scope, which effectively increased financed emissions.

### 13. Luminor Scope 3 financed emissions and carbon intensity of corporate lending portfolio by sector

31 December 2023

	Exposure €m	Financed emissions 000s tCO <sub>2</sub> e	Carbon Intensity tCO <sub>2</sub> e/€m	% of total financed emissions
Real estate activities	1,259.0	42	33	2%
Wholesale and retail trade	525.7	553	1,052	27%
Manufacturing	476.3	908	1,907	45%
Transportation and storage	112.6	33	290	2%
Agriculture, forestry and fishing	298.6	227	760	11%
Construction	183.5	62	340	3%
Electricity, gas, steam and air conditioning	184.6	91	495	5%
Water supply	58.3	12	212	1%
Mining and quarrying	9.7	3	278	0%
Other	427.9	87	203	4%
<b>Total (included in scope)</b>	<b>3,536.2</b>	<b>2,018</b>	<b>571</b>	<b>100%</b>
Excluded Financial activities (NACE code K)	260			

### 14. Carbon intensity and of high-risk environmental assets in corporate lending portfolio

Corporate lending portfolio	YoY, %	2022	2023
Carbon intensity, tCO <sub>2</sub> e/€m (a)	-5.5	604.0	571.0
High risk environmental assets in corporate lending portfolio, €m (b)	-14.9	1,442.6	1,227.7
High risk environmental assets in corporate lending portfolio, % of total portfolio (b)	-1.2	19.7	18.5

- a. Reinstated value for 2022 that includes previously excluded business loans, more details in Financed emissions methodology.
- b. Previously reported under the name 'Carbon-related assets', renamed to align with internal risk definitions.

### Mortgage Lending Portfolio

#### 15. Energy efficient mortgage lending

Mortgage Lending	Target	YoY, %	2022	2023
Mortgage loans with EPC rating of A or B, €m	n/a	+5.0	1,666.0	1,749.3
Mortgage loans with EPC rating of A or better, €m (a)	n/a	+15.3	1,085.9	1,251.9
Mortgage loans with EPC rating A or better, % of total mortgage exposure (a)	30% by 2027	+1.0	23.0	24.0

- a. Annual change due to data availability and quality improvement, as well as updated methodology on allocated exposure.

## 16. Luminor financed mortgage portfolio based on energy efficiency classification

31 December 2023	Estonia	Latvia	Lithuania	Total	Total, €m
A, A+, A++	15.2%	4.9%	36.4%	<b>23.8%</b>	1,251.9
B	7.6%	2.0%	13.8%	<b>9.4%</b>	497.4
C	19.0%	3.4%	18.0%	<b>14.4%</b>	759.5
D	28.5%	14.7%	6.2%	<b>13.2%</b>	694.3
E	16.9%	5.8%	5.1%	<b>7.8%</b>	412.6
F or lower	4.9%	2.8%	17.8%	<b>11.2%</b>	588.5
No data	7.9%	66.4%	2.7%	<b>20.2%</b>	1,065.6
<b>Total, %</b>	<b>100%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	-
Total, €m	1,124.7	2,784.1	1,361.0	-	5,269.8

## Corporate Lending Portfolio

### 17. Small and micro business loans to support community development

31 December 2023	YoY, %	2022	2023
€m	-18.5	227.1	185.1
of which overdue, €m	+161.7	1.1	2.8
#	-3.8	3,594	3,457
of which overdue, #	+214.3	28	88

## 18. Corporate loans

### €m, at loan origination

	YoY, %	2022	2023
Sustainable real estate and renewable energy related projects financed (accumulated)	+27.1	85.0	108.0

## Lead-Managed Bond Issuance

### 19. Lead-managed bond issuance by type

#### Green, social and sustainability-linked bonds, €m

	YoY, %	2022	2023
<b>By amount</b>			
Green Bonds (ICMA GBP)	-42.3	122.0	70.4
Sustainability Linked Bonds (SLB)	0.0	0.0	0.0
Other	-39.2	1,320.0	802.0
<b>Total</b>	<b>-39.5</b>	<b>1,442.0</b>	<b>872.4</b>
<b>By # of issues</b>			
Green Bonds (ICMA GBP)	+100.0	3	6
Sustainability Linked Bonds (SLB)	0.0	0	0
Other	0.0	8	8
<b>Total</b>	<b>+27.3</b>	<b>11</b>	<b>14</b>
Volume of green or sustainability-linked Covered and Corporate Senior bonds in our portfolio, % (a)	<b>-0.3</b>	<b>4.7</b>	<b>4.4</b>

- a. Luminor had €26.6m and €35.4m of green bonds ICMA certified in comparison to 5-year end-of-the year's rolling average of holdings in fixed income portfolio by the end of 2022 and 2023 respectively. Collected information on verification of green bond standard certification is based on Bloomberg's and Reuters' database. All green bonds held in trading portfolio and banking book are included into calculation which comprise co-managed bonds by Luminor, and bonds acquired for trading purposes. 2022 number has been restated due to improvements in data availability.

## Climate Risk Management

### 20. Luminor credit portfolio based on climate and social risk exposure, by risk category

31 December 2023, €m	Low	Medium	High	Excluded (a)	Total
Real estate activities	167.5	1,500.6	0.0	0.0	1,668.0
Wholesale and retail trade	687.2	175.3	187.7	0.0	1,050.2
Manufacturing	0.0	641.6	339.2	2.0	982.9
Transportation and Storage	3.6	328.3	0.0	0.0	331.9
Agriculture, forestry and fishing	0.9	484.4	192.9	0.0	678.2
Construction	38.2	87.8	625.3	0.0	751.3
Administrative and support service activities	167.1	160.3	1.4	0.0	328.8
Professional scientific and technical activities	212.0	0.0	0.0	0.0	212.0
Electricity, gas, steam and air conditioning	252.7	32.2	77.8	0.0	362.7
Mining and quarrying	0.0	0.0	22.6	0.0	22.6
Water supply	0.0	81.2	19.6	0.0	100.8
Other	143.6	114.6	0.0	0.0	258.2
<b>Total</b>	<b>1,672.7</b>	<b>3,606.1</b>	<b>1,466.6</b>	<b>2.0</b>	<b>6,747.5</b>

a. The list of activities that are typically excluded from financing using EBRD funds.

### 21. Climate risk management

Active significant supplier contracts	YoY, %	2022	2023
Total number of active significant supplier contracts, # (a)	+45.1	257.0	373.0
New and reviewed significant supplier contracts integrating 3rd party code of conduct, %	0.0	100.0	100.0
Suppliers assessed for environmental impacts, # (b)	+663.6	11.0	84.0
Suppliers that have overall high ESG risk, # (c)	+800.0	4.0	36.0
Suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment, %	24.0	18.0	42.0
Suppliers with which the relationships were terminated due to having Critical overall ESG risk, %	0.0	0.0	0.0
New lending volume in high climate risk sectors to clients that have transition plans in place, % (d)	n/a	n/a	47

a. Significant agreements are agreements with value over €30k.

b. The environmental impact assessment process was started in December 2022. Out of the 11 suppliers assessed, five were flagged with ESG risk rating "High", mostly due to social performance. Additional improvement actions were defined for supplier communication in 2023.

c. The significant rise in suppliers posing overall high ESG risk is attributed to: in 2022, the assessment process spanned only one month, whereas it encompassed the entire year in 2023, resulting in a substantial increase in the number of evaluated suppliers. Moreover, the scope of assessment differed between the years; in 2022, only Tier1-Tier2 companies were included, whereas in 2023, smaller companies, typically subject to less regulation and with fewer ESG considerations integrated into their operations and governance, were targeted.

d. In scope only customer groups above €5m and excluding off balance items and loan prolongations.

## 22. Collaterals sensitive to acute or chronic physical climate risks

Loans, €m	31 Dec 2023	% of total collaterals
<b>By collateral type</b>		
Commercial real estate, €m (a)	284.9	13.7
Residential real estate, €m (b)	644.3	12.3
<b>By # of collaterals</b>		
Commercial real estate	315	1.7
Residential real estate	18,368	13.1

a. 47% of exposure of commercial real estate collaterals were not assessed for physical climate risks, due to unavailable location data.

b. 12% of exposure of residential real estate collaterals were not assessed for physical climate risks, due to unavailable location data

## 23. Collaterals sensitive to acute or chronic physical climate risks by country

31 December 2023, Loans, €m	Estonia	Latvia	Lithuania
<b>By collateral type</b>			
Commercial real estate, €m (a)	0.0	284.9	0.0
Residential real estate, €m (b)	0.0	644.3	0.0
<b>By # of collaterals</b>			
Commercial real estate	0	315	0
Residential real estate	0	18,368	0

Due to unavailable location data:

a. 55% of exposure of commercial real estate collaterals in EE, 73% in LV and 39% in LT were not assessed for physical climate risks;

b. 1% of exposure of residential real estate collaterals in EE, 3% in LV and 18% in LT were not assessed for physical climate risks

## Reducing the climate impact of our investment related activities

### 24. Breakdown of assets under management by business sector across asset classes

€m (b)		YoY, %	2022 (b)	2023
Electricity, gas, steam and air conditioning supply	Bonds	-10.0	63.8	57.4
Financial and insurance activities	Bonds	+128.4	8.1	18.5
	Exchange Traded Funds (a)	+10.0	540.9	595.0
	Mutual Funds (a)	+15.5	804.6	929.6
	Private Equity Funds	+32.3	9.9	13.1
	Real Estate Funds	-0.6	30.9	30.7
Public administration and defence; compulsory social security	Bonds	+54.6	94.0	145.3
Real estate activities	Bonds	+6.7	3.0	3.2
Manufacture of motor vehicles, trailers and semi-trailers	Bonds	-30.6	1.4	1.0
Telecommunications Bonds	Bonds	-28.6	1.4	0.9
Retail Trade, except of motor vehicles and motorcycles	Bonds	+2.9	3.5	3.6
Warehousing and support activities for transportation	Bonds	+25.0	0.4	0.5
Financial service activities, except insurance and pension funding	Bonds	-100.0	0.5	0.0
Land transport and transport via pipelines	Bonds	-100.0	0.5	0.0
<b>Total</b>		<b>+15.1</b>	<b>1,562.9</b>	<b>1,798.8</b>

a. The sectors are assigned based on the NACE of the fund-level, without reference to constituent level.

b. 2022 numbers have been re-stated since Discretionary Portfolio Management AUM have been included. Last year's only AUM belonging to Pensions were included in the figure.

# SOCIAL INFORMATION

## Own Workforce

### EMPLOYEE STATISTICS

#### 25. Employees (head count) by gender at the end of the reporting period

Employees (head count) by gender at the end of the reporting period, #	YoY, %	2022	2023
Male	+13.1	694	785
Female	+2.0	1,863	1,901
Other	0.0	0	0
Not reported	0.0	0	0
<b>Total employees</b>	<b>+5.0</b>	<b>2,557</b>	<b>2,686</b>

#### 26. Employees (head count) by country at the end of the reporting period

Employees (head count) by region at the end of the reporting period, #	YoY, %	2022	2023
Estonia	+3.7	597	619
Latvia	+6.9	919	982
Lithuania	+4.2	1,041	1,085

#### 27. Number of employees (full time equivalent) by contract type and by gender at the end of the reporting period

31 December 2023 (a)	Female	Male	Other	Not disclosed	Total
<b>By contact type</b>					
Permanent	1,665	755	0	0	2,420
Temporary	54	18	0	0	72
<b>Total</b>	<b>1,719</b>	<b>773</b>	<b>0</b>	<b>0</b>	<b>2,492</b>
<b>By contracted hours</b>					
Full-time	1,700	767	0	0	2,467
Part-time	19	6	0	0	25
<b>Total</b>	<b>1,719</b>	<b>773</b>	<b>0</b>	<b>0</b>	<b>2,492</b>

a. Total FTE increased by 139 during 2023, mostly in Latvia and Lithuania, as we filled vacant positions, mainly in support and control functions.

#### 28. Number of employees (full time equivalent) by contract type and by country at the end of the reporting period

31 December 2023	Estonia	Latvia	Lithuania	Total
<b>By contact type</b>				
Permanent	568	888	964	2,420
Temporary	12	20	40	72
<b>Total</b>	<b>580</b>	<b>908</b>	<b>1,004</b>	<b>2,492</b>
<b>By contracted hours</b>				
Full-time	575	902	990	2,467
Part-time	5	6	14	25
<b>Total</b>	<b>580</b>	<b>908</b>	<b>1,004</b>	<b>2,492</b>



## 29. Employee (head count) turnover in the reporting period

Employee (head count) turnover in the reporting period	2023
Number of employees	327
Rate of employee turnover, %	13.5

## 30. Collective bargaining coverage and social dialogue

Coverage rate, 2023	Collective Bargaining Coverage		Social dialogue
	Employees - EEA	Employees - Non-EEA	Workplace representation (EEA only)
0-19%			
20-39%	Estonia		Estonia
40-59%			Lithuania
60-79%			
80-100%			

Employees who are not covered by collective bargaining agreements are covered by local law and individual employment contracts. In Latvia and Lithuania, we don't have collective bargaining agreement though in the latter as required by law we have established an internal Employee Works Council.

## 31. New employee hires during the reporting period by gender, age group and country

#	YoY, %	2022		2023	
		#	%	#	%
<b>By gender</b>					
Female	-9.0	404	64	240	55
Male	+9.0	227	36	199	45
<b>Total</b>	<b>0.0</b>	<b>631</b>	<b>100</b>	<b>439</b>	<b>100</b>
<b>By age group</b>					
Under 30 years old	-6.0	259	41	154	35
30-50 years old	+2.0	347	55	251	57
Over 50 years old	+4.0	25	4	34	8
<b>Total</b>	<b>0.0</b>	<b>631</b>	<b>100</b>	<b>439</b>	<b>100</b>
<b>By country</b>					
Estonia	-3.0	164	26	100	23
Latvia	+5.0	183	29	150	34
Lithuania	-2.0	284	45	189	43
<b>Total</b>	<b>0.0</b>	<b>631</b>	<b>100</b>	<b>439</b>	<b>100</b>

## EMPLOYEE DIVERSITY AND INCLUSION

### 32. Gender diversity metrics

Gender diversity metrics, %	Target year	Target	YoY, %	2022	2023
Gender pay gap same function, same job level, %		<5%	+0.2	2.0	2.2
Supervisory Council, % female members	By 2026	40%	-8.0	30.0	22.0
Management Board, % female members			+4.4	28.6	33.0
Supervisory Council and Management Board, % female members	By 2026	33%	-2.7	29.4	26.7
All Managers, % female managers			-1.3	56.3	55.0
All employees, % female employees			-1.4	70.4	69.0
Average ratio of female to male of board members, %			-2.7	29.4	26.7

### 33. Composition and diversity of top management level and members administrative, management and supervisory bodies

Composition and diversity of top management level 2023	Female	Male	Total
Gender distribution of top management level at the end of reporting period			
FTE, #	26	42	68
Percentage, %	38.2	61.8	100.0
Gender distribution of the members administrative, management and supervisory bodies			
Number of executive members, #	2	4	6
Number of non-executive members, #	2	7	9
Independent members of the supervisory body, %	22.2	33.3	55.6

### 34. Number of managers (full time equivalent) by gender

Managers (FTE) by gender, #	31 Dec 2022			31 Dec 2023		
	Female	Male	Total	Female	Male	Total
Supervisory Council	3	7	10	2	7	9
Management Board	2	5	7	2	4	6
Reportees to the CEO	6	5	11	6	5	11
All managers	168	131	299	166	136	302

### 35. Employees per employee category by gender at the end of the reporting period

Employees per employee category by gender, %	31 Dec 2022		31 Dec 2023	
	Female	Male	Female	Male
All employees	70.4	29.6	69.0	31.0
Professionals	72.4	27.6	71.1	28.9
Middle level management (a)	56.6	43.4	55.0	45.0
Executive management (a)	54.5	45.5	54.5	45.5

a. 2022 numbers updated to enhance data quality.

### 36. Employees per employee category and function by gender

Employees per employee category and function by gender, %

	31 Dec 2022		31 Dec 2023	
	Female	Male	Female	Male
<b>By category levels</b>				
<b>All employee</b>				
Under 30 years old	15.8	6.9	14.7	6.9
30-50 years old	45.5	20.7	45.8	22.1
Over 50 years old	9.1	2.0	8.5	2.0
<b>Professionals</b>				
Under 30 years old	17.3	7.6	16.1	7.4
30-50 years old	45.8	18.0	46.1	19.8
Over 50 years old	9.4	1.9	8.8	1.8
<b>Middle level management</b>				
Under 30 years old	5.9	2.1	4.8	2.8
30-50 years old	42.8	39.1	43.7	39.5
Over 50 years old	7.7	2.4	6.5	2.7
<b>Executive management</b>				
Under 30 years old	0.0	0.0	0.0	0.0
30-50 years old	54.5	45.5	54.5	27.3
Over 50 years old	0.0	0.0	0.0	18.2
<b>By functions</b>				
<b>All employees</b>				
Business	40.7	12.7	39.3	12.0
Support	25.8	14.1	24.8	15.4
Control	3.9	2.8	4.9	3.6
<b>Professionals</b>				
Business	3.5	2.4	40.7	10.6
Support	42.4	11.5	25.6	15.2
Control	26.5	13.7	4.7	3.2
<b>Middle level management</b>				
Business	6.3	5.2	31.3	22.3
Support	29.7	21.6	18.6	16.8
Control	20.4	16.8	5.2	5.8
<b>Executive management</b>				
Business	18.1	9.1	9.1	9.1
Support	9.1	9.1	27.3	27.3
Control	27.3	27.3	18.1	9.1

### 37. Employee related incidents

#	2023
Discrimination incidents, including harassment, in the reporting period	1
Complaints filed through channels for people to raise concerns (including grievance mechanisms) (a)	18
Material fines, penalties, and compensation for damages as a result of the incidents and complaints	0
Severe human rights incidents identified connected to the undertaking's workforce in the reporting period	0
Fines, penalties and compensation for damages for the human rights incidents identified	0

a. Raise Your Concern (whistle blowing)/channel enables anyone (including, third parties) to submit concerns related to potential violation of regulatory requirement, internal rules, unethical behaviour or potential breaches of Luminor Code of Conduct.

### 38. Other employee related metrics

Other employee related metrics	YoY, %	2022	2023
Minimum notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them, # days	0.0	15	15
Percentage of senior management at significant locations of operation that are hired from the local community, %	-11.3	82.0	72.7
Employees entitled to take family-related leave % (a)	0.0	100	100
<b>Entitled employees that took family-related leave, by gender, % (b)</b>			
Female	-2.4	12.2	9.8
Male	-0.2	1.3	1.1

a. All employees are entitled to family-related leave according to the respective country's labor laws.

b. Adjusted methodology, year 2022 recalculated from # to %

## EMPLOYEE ENGAGEMENT AND TRAINING

### 39. Employee engagement and capability building metrics

Employee engagement and capability building metrics	YoY, %	2022	2023
Absenteeism (trend total), %	-0.4	2.0	1.6
Employee Net Promotor Score (eNPS)	+4.1	+49	+51
Promotions, #	-17.4	368	304

### 40. Employee training

Employee training, #	YoY, %	2022	2023
Total number of training hours	-20.4	70,726	56,293
Average hours of training per employee	-13.0	23	20
<b>By gender</b>			
Female	-32.3	31	21
Male	-22.7	22	17
<b>By employee category</b>			
All employees	-22.0	27	21
Professionals	-25.9	27	20
Middle level management	0.0	27	27
Executive management	+133.3	15	35

#### 41. Employee regular performance and career development reviews

Employee regular performance and career development reviews, #	YoY, %	2022	2023
Employees that participated in regular performance and career development reviews, % (a)	+6.6	91	97
<b>By gender, %</b>			
Male	+4.4	90	94
Female	+7.7	91	98

a. All Luminor employees are included in the scope of the Year-End Review process. However, there is a 3% gap typically due to employees who have worked in the organization for less than three months and have not yet completed their probation period. These employees may choose to either complete the Year-End Review and/or adhere to the Onboarding plan until the end of their probation period.

#### 42. Training by topic

Hours	2022		2023	
	# of hours	% of total training hours	# of hours	% of total training hours
AML & Compliance / GDPR	16,763	23.7	6,771	12.0
Corporate identity (incl. ESG related training)	948	1.3	1,065	1.9
Credit Competence/Credit Risk/Financial analysis	3,772	5.3	2,877	5.1
Internal processes	3,145	4.4	5,495	9.8
Internal trainers	45	0.1	283	0.5
Leadership	3,191	4.5	2,879	5.1
Luminor products & systems	4,630	6.5	4,586	8.1
Newcomers	8,533	12.1	4,597	8.2
Other professional (incl. human rights related training)	4,274	6.0	2,413	4.3
Personal development	1,113	1.6	1,065	1.9
Risk Management	1,600	2.3	1,087	1.9
Sales & customer service	6,731	9.5	3,861	6.9
Security/OpRisks	10,887	15.4	5,429	9.6
Technology	1,458	2.1	2,261	4.0
Wellbeing	2,788	3.9	1,679	3.0
Luminor Library (Skills Path)	848	1.2	426	0.8
Risk and compliance academy	n/a	n/a	9,519	16.9
<b>Total</b>	<b>70,726</b>	<b>100.0</b>	<b>56,293</b>	<b>100.0</b>

#### 43. Employee training on human rights policies or procedures

Hours	YoY, %	2022	2023
Hours	+796.1	230	2,061
Employees trained, %	+37.4	42.0	79.4

#### 44. Employee training on anti-corruption policies and procedures

Employee training on anti-corruption policies and procedures, %	YoY, %	2022	2023
% (a)	+82.6	12.7	95.3

a. In 2022 only new employees received anti-corruption training.

#### 45. Employees that have received training on anti-corruption

#	2022		2023	
	# of employees	% of employees	# of employees	% of employees
<b>By employee category</b>				
All employees	770	99.6	2,411	99.3
Professionals	715	99.6	2,129	99.3
Middle level management	55	100.0	272	98.9
Executive management	0	n/a	9	100.0
<b>By country</b>				
Estonia	181	99.5	617	99.5
Latvia	229	100.0	1,002	99.0
Lithuania	360	99.4	1,139	98.5

### Consumers and End Users

#### CUSTOMER SATISFACTION

##### 46. Customer practices metrics

Customer practices metrics	YoY, %	2022	2023
Customer Net Promoter Score – Transactional (Retail)	+23.7	+38	+47
Customer complaints caused by human error (Retail), %-age reduction vs. previous year	n/a	n/a	-26%

#### CUSTOMER PRIVACY AND PROTECTION

##### 47. Data privacy and security

#	YoY, %	2022	2023
Personal Data Breaches reported to Supervisory Authorities (a)	+100.0	8	16
Identified leaks, thefts, or losses of customer data	0.0	0	0

a. The data breaches we detected were in the nature of a confidentiality breach, where there is an unauthorized or accidental disclosure of or access to personal data and did not result in data leakage or theft.

##### 48. Substantiated complaints and inquiries received concerning breaches of customer privacy

#	YoY, %	2022	2023
Complaints received from outside parties and substantiated by the organization	+50.0	24	36
Enquiries from regulatory bodies	-40.0	5	3

## INCLUSIVE BALTIC GROWTH

### 49. Inclusive Baltic growth key metrics

Inclusive Baltic growth key metrics	YoY, %	2022	2023
Organizations supported, #	-66.3	86	29(a)
Not-For-Profit and Non-Governmental-Organizations' partnerships that support the startups that solve social or environmental problems, #	-28.6	7	5
Financial literacy initiatives, #	+50.0	4	6
Lectures and mentoring engagements, # of employees engaged	-14.8	27	23
Volunteering for local communities, # of employees registered in systems	+69.0	197	333
Total of hours of our employees spent on volunteering, # of hrs	+95.1	1,763	3,440
Total of days of our employees spent on volunteering, # of days	+105.7	209	430
Community Investment, €	-14.4	160,000	137,000
Number of bank accounts opened for Ukrainian citizens fleeing the war pro bono, #	-84.3	3,785	595
Number of ESG seminars for customers, #	0.0	5	5

The number of organizations supported has decreased as compared to year 2022 due to the nature of the partnerships and organizations supported in 2023. The mentioned projects in 2023 were focused more on providing content on ESG topics to the local communities as opposed to variety of projects that encouraged growth of organizational structures in 2022.

### 50. Empowering inclusive Baltic growth through capability building and partnerships with social enterprises in 2023

Partnership/ Country	Country	Teams applied, #	Finalist teams, #	Audience, #	Employees engaged, #
<b>ESG</b>					
GreenEST Summit	Estonia	n/a	n/a	n/a	3
<b>Social entrepreneurship</b>					
Impact Day	Estonia	n/a	n/a	~3000	4
NULA	Estonia	67	7	n/a	29
Pitch contest	Latvia	99	10	n/a	2
Creative Shock	Lithuania	n/a	n/a	n/a	4
Impact Academy	Lithuania	40	12	n/a	3
<b>Financial literacy</b>					
Bank Union	Estonia	n/a	n/a	15 guest lessons/ ~ 200 pupils	7
European Money Quiz	Latvia	n/a	n/a	8 (Luminor class only)	n/a
Life ready	Latvia	n/a	n/a	10 lectures / 260 pupils	2
Riga Puzzle Day	Latvia	n/a	n/a	172 pupils	2
Digiklase	Lithuania	n/a	n/a	15 lectures/ ~750 viewers registered	1

# GOVERNANCE INFORMATION

## Business Conduct

### 51. Anti-money laundering and financial crime core metrics

Anti-money laundering and financial crime core metrics	YoY, %	2022	2023
Suspicious activity reports (SAR) (a)	-24.6	965	728
Number of critical concerns, that were communicated to the highest governance body, # (b)	0.0	1	1
Number of convictions for violation of anti-corruption and anti-bribery laws, #	0.0	0.0	0.0
Amount of fines for violation of anti-corruption and anti-bribery laws, €m	0.0	0.0	0.0
Number of confirmed incidents of corruption or bribery, #	0.0	0.0	0.0
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents #	0.0	0.0	0.0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery, #	0.0	0.0	0.0

a. Includes money laundering and terrorism financing reports. SAR 2022 numbers have been re-stated due to quality improvements.

b. 2022, the concern raised related to an insignificant internal fraud suspicion; in 2023, was related to conflict-of-interest suspicion.

### 52. Compliance metrics

Compliance metrics	YoY, %	2022	2023
Significant instances due to non-compliance with laws and regulation, #	n/a	0.0	2.0
of which instances for which fines were incurred, #	n/a	0.0	1.0
of which instances for which non-monetary sanctions were incurred, #	n/a	0.0	1.0
Fines paid for instances due to non-compliance with laws and regulations, #	n/a	0.0	1.0
Fines paid for instances due to non-compliance with laws and regulations, €m	n/a	0.0	0.032
Significant fines due to non-compliance with environmental laws and regulations, #	0.0	0.0	0.0
Significant fines due to non-compliance with environmental laws and regulations, €m	0.0	0.0	0.0
Cases brought through dispute resolution mechanisms due to non-compliance with environmental laws and/or regulations, #	0.0	0.0	0.0
Number of legal proceedings currently outstanding for late payments	n/a	n/a	0.0

### 53. Key dialogue channels and engagement with stakeholders

Key dialogue channels and engagement with stakeholders, #	YoY, %	2022	2023
Number of invitations sent to Customer Net Promoter Score surveys	+10.4	368,077	406,376
Number of evaluations received in Customer Net Promoter Score surveys	-2.4	78,271	76,358
Numbers of employees engaged in our ESG survey	n/a	n/a	320
Number of stakeholders engaged in the ESG materiality assessment	+144.4	18	44
Number of association memberships (a)	0.0	33	33

a. 2022 number has been re-stated.



## Business Model Resilience

### 54. Economic value added

Economic value added, €m (a)	Measure	YoY, %	2022	2023
Revenues	Total operating income	+64.9	391.8	646.1
<b>Direct economic value generated</b>		<b>+64.9</b>	<b>391.8</b>	<b>646.1</b>
Operating costs	Other administration expenses	+67.2	-112.8	-188.6
Employee wages and benefits	Personnel expenses, excluding indirect expenses	+23.5	-103.1	-127.3
Payments to providers of capital	Dividends	-100.0	-90.0	0.0
Payments to government	Tax expense	+343.5	-17.7	-78.5
Community investments		-14.4	-0.2	-0.1
<b>Economic value distributed</b>		<b>+21.9</b>	<b>-323.8</b>	<b>-394.5</b>
<b>Economic value retained</b>		<b>+269.7</b>	<b>68.0</b>	<b>251.6</b>

a. 2022 figures recalculated

## DATAPOINTS THAT DERIVE FROM OTHER EU LEGISLATION

Disclosure Requirement	Data point	Sustainability statements	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Location in SR, AR, FB, or Pillar 3 (a)
ESRS 2 GOV-1	21 (d)	Board's gender diversity paragraph	x		x		FB, pp.26
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			x		FB, pp.26
ESRS 2 GOV-4	30	Statement on due diligence	x				SR, pp.64
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	x	x	x		Pillar 3, ESG Template 1
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	x		x		Pillar 3, ESG Template 1
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	x		x		Pillar 3, ESG Template 1
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			x		Pillar 3, ESG Template 1
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	SR, pp.30-34
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		SR, pp.70
ESRS E1-4	34	GHG emission reduction targets	x	x	x		SR, pp.2, 22-23.
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				Not applicable
ESRS E1-5	37	Energy consumption and mix	x				FB, pp.17
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	x				Not applicable
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		SR, pp.23; FB, pp.18-20,37-39
ESRS E1-6	53-55	Gross GHG emissions intensity	x	x	x		FB, pp.18
ESRS E1-7	56	GHG removals and carbon credits				x	Not applicable
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		SR, pp.25-30, FB, pp. 13-16, Pillar 3
ESRS E1-9	66 (a),(c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		x			Pillar 3, ESG Template 5, 5 (LT), 5 (LV), 5 (EE)
ESRS E1-9	67(c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			Pillar 3, ESG Template 2
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		Not stated
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil,	x				Not stated
ESRS E3-1	9	Water and marine resources	x				Not material
ESRS E3-1	13	Dedicated policy	x				Not material
ESRS E3-1	14	Sustainable oceans and seas	x				Not material
ESRS E3-4	28 (c)	Total water recycled and reused	x				Not material

Disclosure Requirement	Data point	Sustainability statements	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Location in SR, AR, FB, or Pillar 3 (a)
ESRS E3-4	29	Total water consumption in m <sup>3</sup> per net revenue on own operations	x				Not material
ESRS 2- IRO 1- E4	16 (a) i		x				Not material
ESRS 2- IRO 1- E4	16 (b)		x				Not material
ESRS 2- IRO 1- E4	16 (c)		x				Not material
ESRS E4-2	24 (b)	Sustainable land/agriculture practices or policies	x				Not material
ESRS E4-2	24 (c)	Sustainable oceans/seas practices or policies	x				Not material
ESRS E4-2	24 (d)	Policies to address deforestation	x				Not material
ESRS E5-5	37 (d)	Non-recycled waste	x				Not material
ESRS E5-5	39	Hazardous waste and radioactive waste	x				Not material
ESRS 2- SBM3 - S1	14 (f)	Risk of incidents of forced labour	x				Not applicable
ESRS 2- SBM3 - S1	14 (g)	Risk of incidents of child labour	x				Not applicable
ESRS S1-1	20	Human rights policy commitments	x				SR, pp.38-40, 47-48
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		SR, pp.40
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x				SR, pp.37-40
ESRS S1-1	23	Workplace accident prevention policy or management system	x				SR, pp.38-40
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	x				SR, pp.47-48, 64
ESRS S1-14	88 (b),(c)	Number of fatalities and number and rate of work-related accidents	x		x		Not stated
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x				Not stated
ESRS S1-16	97 (a)	Unadjusted gender pay gap	x		x		Not stated
ESRS S1-16	97 (b)	Excessive CEO pay ratio	x				Not stated
ESRS S1-17	103 (a)	Incidents of discrimination	x				FB, pp.28
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	x		x		SR, pp.40
ESRS SBM3- S2	2- 11 (b)	Significant risk of child labour or forced labour in the value chain	x				SR, pp.41
ESRS S2-1	17	Human rights policy commitments	x				SR, pp.40-43
ESRS S2-1	18	Policies related to value chain workers	x				SR, pp.64
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		SR, pp.41-43
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		SR, pp.41-43
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x				SR, pp.40
ESRS S3-1	16	Human rights policy commitments	x				Not material

Disclosure Requirement	Data point	Sustainability statements	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Location in SR, AR, FB, or Pillar 3 (a)
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD	x		x		Not material
ESRS S3-4	36	Human rights issues and incidents	x				Not material
ESRS S4-1	16	Policies related to consumers and end-users	x				SR, pp.40-42, 45-49, 79-81
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		SR, pp.40
ESRS S4-4	35	Human rights issues and incidents	x				SR, pp.40
ESRS G1-1	10 (b)	United Nations Convention against Corruption	x				SR, pp.73
ESRS G1-1	10 (d)	Protection of whistle- blowers	x				Not applicable
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	x		x		FB, pp.32
ESRS G1-4	24 (b)	Standards of anti- corruption and anti-bribery	x				SR, pp.65

a. Other documents referenced: SR – Sustainability Report, AR – Annual Report 2022, FB – Sustainability Factbook 2022, Pillar 3 – Pillar 3 report 2023.

## METHODOLOGIES

**EPC estimation** - to determine the EPC rating of a real estate properties, when the EPC rating is not available, a country specific estimation approach was developed. The estimation methodology was created based on the country, type of building and construction period, and precisely, the construction period was used to proxy the EPC rating. To develop the estimation methodology, we analyzed real estate building regulations from European directives and local regulations. Overall, the main assumption applied to complete the estimation was that the older the real estate property, the lower EPC rating.

**Financed emissions** - For financed emissions calculations, we follow the Partnership for Carbon Accounting Financials (PCAF) methodology. 11% of the total financed emissions are calculated based on available customers' GHG emissions data, while the remaining portion is estimated using the PCAF emission factor database for business loans. The estimations use economic activity-based emission factors. PCAF methodology is based on GHG protocol, which includes all relevant Greenhouse gases. The total on-balance exposure in scope of financed emissions reporting covers approximately 95% of all on-balance assets. The remaining assets are out of scope for carbon accounting based on current methodology, and it is described below in more detail. Described below are the limitations and assumptions for each asset class.

- **Mortgages and Vehicles:** GHG emissions are calculated for the actual, financed asset (e.g., an apartment, van etc.); Only on-balance assets are included in scope of calculations; The following on-balance assets are excluded from scope due to the methodology of financed emissions: consumer loans, card loans and other products that are not related to specialized lending for private individuals; Market value is used as a denominator for financed emissions calculations where available, in other cases, latest original value is used; For loans, which have more than one residential real estate or motor vehicle collateral pledged, the amount is distributed among the collaterals based on the proportion of a single collateral value, which is defined as the 'Allocated on-balance exposure.
- **Corporate lending:** Active customer lists and respective credit commitments represents the reporting year 2023, whereby customer financial data is used mostly from 2022, and older in limited cases; Only on-balance assets are included in scope of financed emissions calculations. Therefore, products such as guarantees, and trade finance are excluded; The following on-balance assets are excluded from scope due to the methodology of financed emissions: assets related to daily banking, investment accounts, deposits placed and credit to financial activities (NACE code K). On-balance assets excluded due to data limitations include corporate bonds.

**Financed mortgage portfolio based on energy efficiency classification** - For Energy Performance Certificates (EPC) label, we use three main sources: data collected from customers at loan origination, data collected from external registries (governmental), and calculated proxies based on internally developed methodology. EPCs for residential real estate collaterals are available for around 35%. Where unavailable, estimates are used which cover 45% of total immovable properties. In the table, 'No data' includes immovable properties, where we don't have neither real nor estimated EPC label.

In many cases, we have more than one collateral pledged to a loan, and for this reporting period, we have updated the exposure allocation between collaterals methodology. Previously, we were allocating On balance exposure to all collaterals incl. both immovable and movable, whereas now, when dealing with loans collateralized by both immovable property and other types of collaterals, the on balance amount is computed and pro-rata approach is considered on the basis of the market value of the immovable property part of the collaterals only.

**GHG Scope 1, 2 and 3 own emissions** - The consolidation approach for own emissions accounting was operational control. For Scope 1, 2 and 3 own emission calculations, we used the GHG footprint calculation tool for organizations provided by the Estonian Ministry of Environment ("Kasvuhoonegaaside Jalajälje Arvutusmudel Organisatsioonidele") which is based on the GHG protocol. The scopes and the emission sources for each scope considered in the calculations are described in the Glossary section of the Sustainability Report under the GHG definition. The emission factors used are the ones provided in the GHG footprint calculation tool and the sources are listed in the references of the tool. However, for Scope 2 calculations for Latvia and Lithuania, the emission factors used were provided by Schneider Electric. The calculations were performed directly in tonnes of CO2 equivalent, without specifying emissions for each of the greenhouse gases.

Our data limitations and assumptions:

- For Scope 2 emissions calculations for facilities where heating consumption data was not provided, it was calculated based on two possible methodologies depending on the data availability. For some branches, the heating consumption was calculated based on the costs and public information about the price per MWh. For other branches, it was calculated considering the total building consumption and Luminor's facility floor area. All the energy subtracted to tenants is excluded.
- For Scope 3 waste generation emissions, the calculation methodology and data limitations and assumptions can be found in the Consumptions section above under the waste generation data.
- For Scope 3 commuting emissions, an internal questionnaire was filled by employees to understand their work commuting specifics. The questionnaire collected information about the country, type of transport, monthly commuting frequency and the travelled distance in kilometres. The collected data was extrapolated based on respondents average commuting specifics to cover all Luminor employee commute in the Previous Calendar Year considering both going to and from work (the distance between home and office is doubled for one office day). For business travel by plane, the emission data was provided directly from the travel company provider. The emissions have been estimated based on the following plane data: model, weight, route, distance travelled, capacity, etc.

**Luminor credit portfolio based on climate and social risk exposure by risk category** - Luminor credit portfolio based on climate (both transitional and physical risk) and social risk exposure been provided according to the EBRD climate risk industry classification (see definition in Glossary). The exposure is defined as "total credit commitment" which is the sum of amount drawn, interest accrued and off-balance sheet exposure.

**Physical climate risk assessment** - In order to identify exposures sensitive to impact from climate change physical events, firstly, we used Luminor's Analysis of Impact of Climate and Environmental Risks on Business Environment (C&E RBE) with 19 individual climate physical risk drivers in order to assess which climate events are material for Luminor business areas (further information on C&E RBE can be found in the Climate And Environmental Impact Identification section). We chose medium time horizon (4-10 years) for our materiality assessment based on the average loan maturity. Once material risks for different assets (collaterals) were identified, then we assessed the actual climate change event risk level for collateral addresses. Physical risk assessment has been performed on NUTS3 level using local governmental climate change maps, as well as ThinkHazard! online platform. If at least one of the risk drivers in acute or chronic physical risk groups was identified as high risk, it was concluded that exposures are sensitive to acute and/or chronic climate change events in the medium-term.

**Use of temporary contracts** - Luminor uses temporary contract type in cases if there is the need to replace a person on long term leave, typically maternity leave and parental leave, military service absence and in specific cases long-term sickness absence, which is expected to be more than 90 days. Typically, a part time agreement is initiated by employee. Main reasons are better work life balance after returning from long term leave or part time studies.

**Waste generation** - waste generation calculations are country specific. For Estonia and Latvia headquarters, the maintenance or cleaning companies measured the weight of the waste containers. Average container weight and waste collection frequency was used as a basis for the calculation of the annual waste generation. The waste generation ratio per employee was calculated individually for each country, and this ratio was afterwards extrapolated to calculate waste generation for other locations in Estonia and Latvia based on the number of employees working per location. For Lithuania, Vilnius headquarter data was provided by the landlord since the building is BREEAM certified. The BREEAM certification sets the requirement to measure waste generation. The data provided by the landlord was used to calculate the waste generation per employee and used to calculate waste generation amounts for other locations in Lithuania similarly as in Estonia and Latvia.

## GLOSSARY

**All employees** - all employees including all level managers and excluding Supervisory Council.

**Board members** - Supervisory Council and Management Board members.

**Business functions** - Corporate Banking Division and Retail Banking Division employees.

**Control functions** - Compliance Division, Internal Audit and Risk Division.

**Employee training on anti-corruption policies and procedures, %** - The percentage of employees trained on anti-corruption policies and procedures is calculated considering the total number of employees in 2023 (including newcomers and terminated employees) and several courses launched throughout the year.

**Energy intensity ratio** - Electricity and heating consumed within Luminor/ Office space occupied.

**Executive management** - all level 1 employees reporting to CEO.

**Executive members** - Management Board members.

**Full Time Employee (FTE)** - FTE is defined as full-time equivalent employment in relation to working hours as specified in signed employment agreement. We exclude from FTE calculation long term leavers (typically maternity or parental leaves, long term sick leaves (over 90 days) and military services) and interns.

**Geographical definition of local** - Baltic countries (Estonia, Latvia, Lithuania).

**Middle level management** - levels 2, 3 and 4 employees.

**Non-executive members** - Supervisory Council members.

**Professionals** - all employees excluding all level managers and excluding Supervisory Council.

**Senior management** - all Head of Divisions reporting to the CEO including management board members.

**Significant locations of operation** - Baltic countries (Estonia, Latvia, Lithuania).

**Support functions** - CEO Office, Credit Advisory & Restructuring Division, Finance Division, Group Communications, Legal Division, People & Culture Division and Chief Operating Office Division.

**Sustainalytics scoring scale** - 0-10 negligible risk; 10-20 low risk; 20-30 medium risk; 30-40 high risk; 40+ severe risk.

**Top management** - Management Board members, L1 and L2 managers.

**Volume of green or sustainability-linked Covered bonds and Corporate Senior bonds in our bond portfolio** - Volume of fixed income portfolios certified by a green bond framework divided by (a 5-year rolling average of) total amount of holdings in fixed income portfolios.

Cover and inside photographs: In September, 120 of our employees helped restore two wetland areas, Silėnai peatland and Svirplinė Botanical-Zoological Reserve in Asveja Regional Park, in Lithuania. Re-wetting peatlands helps to avoid greenhouse gas emissions and binds the carbon, and so help mitigate climate change



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