



Sparkasse Bank Skopje

Impact analysis, target setting, self-assessment 2023

Principle 1: Alignment



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Sparkasse Bank AD Skopje is a traditional, universal bank founded in 1992 with 95,6% shares owned by Steiermaerkische Sparkasse AG Graz, Austria.

The business model of the Bank is equivalent with the business model of other banks in North Macedonia – the Bank is providing traditional banking services such as payments, deposits, lending, debit and credit cards to corporate and retail clients.

The Bank has three main segment of clients:

- Retail, consisting of individuals
- Corporate, consisting of large, medium, small and micro enterprices
- Financial institutions

Sparkasse Bank AD Skopje operates across the whole territory of Republic of North Macedonia, with concentration in Skopje and Ohrid, measured by occupied m2 and number of employees. Information provided in this report, refer to overall operations of the Bank, without discrimination to a specific area of bank's geographical presence.

All branches of Sparkasse Bank Skopje network, as an operation channel, offer the same scope of product and sevicies to the clients, regardless of their geographical location.

Sparkasse Bank Skopje operates through:

- 36 Branches
- 93 ATMs
- 3 Business premises - the Bank has 3 headquarters
- Electronic bank
- Mobile bank

Branches are point of contact with clients where all of the Bank's products and services are provided to the customers.

2022: [SKM C4050i23050508270 \(sparkasse.mk\)](https://www.sparkasse.mk)

Other operation channels (ATMs, E-bank, M-bank) offer reduced scope of products and services, compared to the branches.

Sparkasse Bank Skopje provides following products and services:

- Transactional accounts, as principal account through which client is performing all transactions
- Debit and credit cards
- Deposit and saving accounts
- Loans
- Electronic banking
- Mobile banking
- Foreign exchange – FX market where all transaction of buying and selling foreign currencies against denars take place

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- Yes
 No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights
 International Labour Organization fundamental conventions
 UN Global Compact
 UN Declaration on the Rights of Indigenous Peoples
 Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: -----
 Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: -----
 None of the above

Following the Steiermeaerkische Sparkasse Group's sustainability initiative, Sparkasse Bank AD Skopje adopted Sustainability strategy in November 2022. In the Strategy is stated that the Bank is recognizing the value and importance of all 17 SDGs, and is particularly acting on 9 of them, directly linked with the business model of the bank: SDG 1, 3, 4, 5, 8, 9, 10, 11, 13.

Within the Sustainability strategy, activities are organized in 4 pillars: 1. Corporate governance and society; 2. Clients; 3. Environment; and 4. Employees. Subsequently, activities are planned, organized and performed in sub-areas, with distinct KPIs.

Corporate governance and society, is structured in sub-areas of corporate governance, financial education and sustainable corporate strategy. Different actions are forecasted aiming to nurture and preserve

Sustainability at Steiermärkische Sparkasse [link](#)



Sustainability Strategy.pdf

cultural heritage, improve the overall well-being of people, promoting and raising awareness about ESG topics and need for action.

Client's pillar deal with continual improvement of Client-Bank relationship, with reference to different products, loans, credit lines and services. General principle in this pillar, is Sparkasse Skopje to be the first choice of bank for the clients, to have long-term relation with the clients, and have clients consider Sparkasse Skopje as reliable and credible partner. Within the pillar, Sparkasse Skopje is promoting entrepreneurial spirit, responsible banking and financial health.

Environmental pillar considers activities by which the Bank transforms its own operation into sustainable ones. This refers to increasing the efficiency of energy consumption; production of green energy by installation of own photovoltaic capacity for energy production; turning mobility to eco-friendly mobility and "greening" vehicle fleet; using the technology to the benefit of increased sustainability in regard to resource consumption, digitalization, carbon footprint.

Employees constitute the very important pillar for the Bank and sustainability strategy. Activities in this pillar are focused on health and well-being of the employees, continual education, creating equal opportunities and diversity-triving working environment.

Principle 2: Impact and Target Setting



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly¹ and fulfil the following requirements/elements (a-d)²:

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

The Impact analysis considers two main segments – corporate/institutional loan portfolio and retail/household loan portfolio.

The focus is on loan portfolio as main income generator. Through the performance of loan portfolio, Sparkasse Bank Skopje is making impact by promoting sustainability, renewable energy, and clean technology. By

¹ That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

² Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

providing finance to such projects and initiatives, Bank is contributing to positive environmental impact.

Also, analysis is performed on other income generators, products and services, distributed among these two segments of clients. Considering that transactional account is the primary product for clients to make transactions and manage their finances, information about accounts is independently disclosed.

Within corporate loan portfolio, separately is presented “green” part of the portfolio i.e.:

- Disbursed and outstanding amount for financed renewable energy production projects and energy efficiency projects
- Participation of green portfolio in the total corporate loan portfolio
- Project financing of green loans
- Market position
- Loan portfolio by industry, i.e. 5 most carbon intensive:
 1. Cement,
 2. Energy,
 3. Fertilizers,
 4. Iron and Steel,
 5. Aluminium and Hydrogen

Within retail loan portfolio information is representing:

- Housing loans portfolio - Important feature of the housing loans that constitute housing portfolio, is fixed interest rate for the first (up to) 10 years of repayment. This feature ensures monthly payments to remain constant, shielding retail clients from fluctuation in market interest rates, offering predictability and easier budgeting.
- Consumer loans portfolio; Similar to housing loans, consumer loans also have fixed interest rate, effective for a shorter repayment period compared to housing loans
- Social and green part of the portfolio – even though in the retail overall portfolio this part is not yet material, the Bank has already started to address the question of ESG in segment of citizens and households
- Overdrafts
- Credit card limits

Information presented is as of 31 Decembre 2023.

As a separate area where the Bank is producing impact with regard to SDGs and the Sustainability strategy, information about CSR activities, donation and sponsorship, realized in 2022 and 2023 is provided.

In 2023 Sparkasse Bank Skopje started developing **#SparkasseLIFE# platform** where all corporate responsible activities to create significant social impact in the areas supporting education, sport and health, climate change, enrichment of culture, affirmation of art, support to socially vulnerable, and similar activities, are gathered. The Bank is active in sponsoring and donating, achieving following:

In 2022, Sparkasse Bank Skopje participated in 35 events, financially supporting with amount of 175k eur.

In 2023, Sparkasse Bank Skopje participated in 51 events, financially supporting with amount of 137k eur.

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

- i) by sectors & industries³ for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or
- ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

1. *Transactional accounts of Individuals:*
 - a. *Market share is 7,65%*
 - b. *Active clients, 65%*
 - c. *Students consist 13,3%*
 - d. *Clients fee-free account, 13,3%*
2. *Transactional accounts of Legal entities:*
 - a. *Market share is 16,21%*
 - b. *Active clients, 63%*
3. *Deposit and Savings accounts, according to the volume:*
 - a) *By segment: 52% of deposit portfolio attributes to legal entities/institution. Other 48% refer to segment of individuals.*
 - b) *By currency: 49% - is in Macedonian denars; 45% is in eur currency and remaining 5% are other currencies.*
4. *Payments in domestic market in the period 01.01.2023 until 31.12.2023, presenting all client payments, through all payment channels (branches, e-bank and m-bank), calculated according volume turnover:*
 - a) *By segment: legal entities/institution are dominating the service usage with 97,5% participation*
 - b) *Market share: As of 30.09.2023 (last available statistics), in volume of payment operations in the domestic market - Individuals hold 2,5% and Legal entities/Institutions 97,5%.
According to number of payment orders – Individuals 15,8%, and Legal entities /Individuals 84,2%*

International payments in the period from 01.01.2023 until 31.12.2023, representing all client payments, through all payment channels:

 - c) *According volume of payment operations in the foreign market - Legal entities/Institutions 99%.*
 - d) *According to number of payment orders – Individuals 38,5%, and Legal entities /Individuals 61,5%*

³ 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

5. Market share of foreign exchange market - transactions of buying and selling foreign currency against Macedonian denars, with all clients (individuals, legal entities, banks, exchange offices): **19,7%**

6. Number of debit and credit cards: Usage of payment cards is dominated by the segment of Individuals. This segment use 97,9% of issued debit cards, and 96,2% of issued credit cards.

7. Structure according number of active users of e-bank and mobile bank:

	E-bank	Mobile bank
Individuals	7,0%	47,8%
Legal entities	84,0%	5,5%
	11,3%	45,5%

8. The Loan portfolio, is presented through 2 main segments:

- Individuals – consisting of physical persons
- Legal entites - large, SMEs, and micro companies

For the portfolio of Individuals, exposure provided is according type of loan. In a separate row is presented “green” portfolio – loan for renovation and increasing the enery efficiency of the households provided by GEFF i.e. specially designated credit line.

In the table bellow, GEFF green loans outstanding is presented in a separate row, but only for informative purpose. These loans are already presented in the total portfolio, being part of housing and consumer portfolio.

Where available, information about market share is also provided.

In a separate table, structure of the “green” portfolio in the total portfolio of legal entities is provided. The table represent financial support, loans used for production capacities of renewable energies like small hydro power plants, biogas plants, photovoltaic and wind plants.

Separate disclose of loan exposure to the GHG emission intensive industries: Cement, Energy, Fertilizers, Iron and Steel, Aluminium and Hydrogen.

Step by Step is a social banking program which focuses on improving the financial stability of entrepreneurs, facilitating job creation and self-employment, through financial support for start-ups, encouraging the development and increase of social organization influence. In addition to existing bank products, clients are provided with financial advising, consulting, business education and mentoring. With this concept, the Bank helps start-ups, social enterprises, to make the right financial decisions, and in the long run the program creates a sustainable base for improving the economic situation of clients and helps them achieve financial stability and financial health.

The table below represents structure of the credit exposure divided by segment, product, and exposure in most intensive carbon emissions industries:

INDIVIDUALS	44,73%
Overdrafts	2,28%
Credit card limits	1,75%
Consumer loans, unsecured	43,59%
Housing loans	45,62%
Mortgage loans	6,72%
Green loans	1,03%
LEGAL ENTITIES	55,27%
Large	53,64%
SME	43,56%
Micro	2,06%
LEGAL ENTITIES	
Cement industry	0,03%
Energy	15,83%
Fertilizers	0,09%
Iron and Steel	0,32%
Aluminium and hydrogen	0,06%

Green portfolio, i.e exposure in companies producing energy from renewable resources represents 17% in the total loan portfolio of legal entities:

Total	17,04%
Biogas power plant	1,93%
Photovoltaic power plant	10,01%
Small hydro power plant	4,45%
Wind power plant	0,65%

Step by step

Step by step is a social banking program nad Sparkasse Bank Skopje plans to enter a new cycle of this social banking program, for the period 2024 – 2027. By extending the social banking program and support to start-ups, the Bank aims to:

- ✓ Improve financial stability
- ✓ Be the first choice bank for start-up business
- ✓ Educate and train population when starting new businesses
- ✓ Finance and support business and ideas
- ✓ Foster social innovation and expand social organizations

✓ *Facilitate job creation*

For realization of set goals, in December 2023 Sparkasse Bank Skopje adopted “Minimum Financing Standards for social banking lending to micro clients, starting entrepreneurs and social organizations”. According definitions in the document, social banking means providing financial services (incl. lending) to financially excluded and marginalized clients (people at risk of poverty or social exclusion) and social organizations (non-profit sector, non-governmental organizations and social enterprises). Social Banking clients have to be country residents, have an employment or documented prospect for employment in the country where the financing is provided. Clients who are eligible for regular lending within in the locally defined regular lending parameters cannot be the target group of Social Banking. For financing customers under Social Banking, purpose with a positive social impact must be clearly defined, and social banking financing customers must always aim to improve their situation.

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?⁴ Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

In Republic of North Macedonia where the Bank operates, the market is complex and challenged by different occurrences, crucial for long-term sustainability. Regardless of the stakeholders, their status (legal entities or citizens), size (big companies or micro entity), source of information (reports, interviews, conferences) the following challenges are recognized as priorities affecting the whole society:

1.Environmental Issues - Macedonia has struggled with air and water pollution, largely due to industrial activities, outdated infrastructure, and inadequate waste management systems.

2.Energy Efficiency: Enhancing energy efficiency and transitioning to renewable energy sources are important for reducing the environmental impact and ensuring a more sustainable energy sector. In energy production, the country is heavily dependant on fossil fuels. Sparkasse Bank is contributing to energy transition by financing numerous projects that are increasing capacity for energy production from renewable resources.

3.Economic Stability: The country faced economic challenges, including high unemployment rates and slow economic growth. Sustainable development requires a robust and inclusive economy that provides opportunities for all citizens.

4. Emigration is great challenge affecting economic, social, and future sustainability.

5.Social Inclusion and Poverty Reduction: Achieving sustainable development involves addressing social inequalities and promoting inclusivity.

6.Infrastructure Development: Upgrading and modernizing infrastructure, including transportation and urban planning, is essential for sustainable development. This includes improving public transportation, managing urban sprawl, and enhancing connectivity.

7.Education and Innovation: Investing in education and fostering innovation are critical for building a knowledge-based economy and ensuring the long-term sustainability of development efforts.

8.Political Stability and Governance: Political stability and effective governance are fundamental for implementing sustainable development policies. Ensuring transparency, reducing corruption, and promoting good governance are ongoing challenges. Sustainable development needs to be further regulated and break-down in actionable measures.

9.Water Management: Water scarcity and inefficient water management practices have been concerns in certain regions. Sustainable water management is crucial for agricultural, industrial, and domestic purposes.

10.Climate Change Adaptation: Like many countries, North Macedonia faces challenges related to climate change. This includes adapting to

[Циркулари од областа на банкарската супервизија \(nbrm.mk\)](http://nbrm.mk)

[Конституирана Комисија за ЕСГ при МБА – МБА – Македонска Банкарска Асоцијација \(mba.mk\)](http://mba.mk)

⁴ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

changing weather patterns, mitigating the impact on agriculture, and developing strategies to cope with extreme weather events.

11.Integration with European Union: Macedonia's aspiration to join the European Union involves meeting various criteria and implementing reforms. The accession process itself can be challenging, requiring alignment with EU standards in various sectors.

North Macedonia have taken steps towards sustainable development, following country's commitments to various international agreements and frameworks, including UN SDGs. Efforts towards sustainable development vary in extent and effectiveness of regulatory frameworks, and in centralized or decentralized activities. Banking industry follows National bank's "Guidelines for management of climate change related risks", document that is recommending and implying good practices banks should implement to respond effectively to climate change risks.

By transposing regulatory requirements received from the parent bank with headquarter in Europe, Macedonian banks operations are also affected, but due to absence of unified regulatory alignment with national goals and needs, each bank is approaching sustainability initiatives in its own distinct manner.

Recognizing the importance of banking sector involvement into building sustainable strategy for the country, in September 2023 within MBA, Macedonian banking association, individual ESG committee was established. ESG committee is intended to play pivotal role in promoting ESG integration within banks by aligning banks operations with sustainability/ESG standards, building capacity and entering partnerships with stakeholders to address ESG challenges and opportunities. Sparkasse Bank Skopje is actively engaged in newly established committee.

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)5? Please disclose.

According to the needs in the country where the Bank operates, and set targets by the Staermarkishe Sparkasse and Erste Group, the Bank classified Climate change mitigation, as well as Financial health (and inclusion) as two main targets. Furthermore, Bank's business model is compatible and holds most potential to impact in the selected target areas.

Climate change mitigation effort focus on enhancing capacity for renewable energy production and financing projects improving energy efficiency. Financing is and will be provided for initiatives addressing climate change solutions across various sectors.

Also, climate change considerations are gradually integrated in Bank's own operations. That referes to installing photovoltaic systems at the rooftops on locations, where the Bank operates and where feasible; striving to reach "only green" energy sourcing; optimization of energy consumption; transitioning vehicle fleet to eco-friendly alternatives.

When entering partnerships and choosing external suppliers, the Bank is setting high standards expecting associates to follow the same

⁵ To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

values as the ones set in the Sparkasse Bank Skopje Sustainability strategy.

Sparkasse Bank Skopje actively support events that promote discussions and solutions to climate change challenges – workshops, panels, conferences.

Financial health and inclusion, is a concept that Sparkasse Bank Skopje is developing to transform financial service into financial health. Financial health shape our business model to create value not just for our clients, but for our environment and society as a whole. Sparkasse Bank Skopje understands Financial health as a state in which an individual, household, micro, small or medium-sized enterprise can smoothly manage existing financial obligations and have confidence in the financial future.

This includes four elements:

- managing day-to-day finances to meet short term needs
- capacity to absorb financial shocks (resilience)
- capacity to reach future goals
- feeling secure and in control of finances (confidence)

Financial health is a two-dimensional target addressing both Bank’s employees and clients.

The main drivers for Financial health are:

- Strengthening financial skills of individuals and businesses, with strong focus on financial education
- Increased access to and improved usage of suitable products and services
- Delivery of transparent advisory services

Financial Health transformation starts internally, and therefore investing in staff training, health and social programs, and well-balanced remuneration are the starting point in building human banking. Employees with a healthier financial life are able to make informed decision about their own financial well-being and consequently advise and design improved financial solutions for the clients.

Trainings are a key element in the company's organizational culture, and Sparkasse Bank in 2023 for its employees has organized a wide range of trainings to enhance/develop the skills and knowledge an employee needs.

Through Annual training plan, mentoring programs, regular trainings for technical and soft/sales skills, ESG & Sustainability education to expertise building program, Group provided programs, Bank Academy and Retail Certification, Sparkasse strongly invests in its employees. Total training hours of trainings provided in 2023 is 12.688 hours, of which training hours provided to employees in a managerial function - 2.094 hours for 109 employees, and 10.574 hours for 547 employees in a non-managerial function.

Financial health with target effect on clients, begins by Bank’s openness for cooperation. The concept is embedded in:

- Products and services - through improving availability and UX, as well as establish free-of-charge accounts for specific vulnerable groups

<ul style="list-style-type: none"> - <i>Client engagement - deliver financial education and skills-building programs, contents, to individuals and companies; data analytics improvement, to create more personalized and suitable client offering</i> - <i>Improving internal processes and policies - improve credit and risk policies to mitigate over-indebtedness e.g., risk models to screen early signs of over-indebtedness, behavior and income assumptions; develop or refine financial consumer protection policies and initiatives e.g., responsible marketing, responsible lending, understandable language, no misleading advertisements; improve remuneration strategies and policies to promote financial inclusion and financial health of customers e.g., incentivizing long-term customer relationships and financial inclusion of customers rather than incentivizing short-term sales targets and provisions</i> - <i>External engagement and partnership - collaborate with NGOs, governments, fintech's or other enterprises and banks to initiate, innovate, and impact systemic changes; develop partnership program with academia and other stakeholders to develop and improve methodologies to advance and measure financial health.</i> - <i>Developing social banking, financing start-up community and empower entrepreneurship</i> <p><i>Commitment to developing and improving Financial health scales progressively, extending through diverse training initiatives, sponsorships of work-shops and panels, lectures, conferences and summits, advocating and setting example of good practices. By nurturing financial literacy from an early age and extending its reach to the largest clients, the Bank establishes a comprehensive approach to empower a broad spectrum of individuals and legal entities.</i></p> <p><i>The concept of Financial health is subject of continual development, extending to diverse activities, various stakeholders, measures and indicators.</i></p>	
<p>d) For these (min. two prioritized impact areas): <u>Performance measurement.</u> Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.</p> <p>In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex.</p> <p>If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.</p> <p><i>The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.</i></p>	
<p><i>Sparkasse Bank Skopje is following the Group leads in setting targets for impact, and performance management. With reference to Climate change, the Bank is no longer financing fossil fuels for energy production, while at the same time is heavily financing renewable</i></p>	<p>Sustainability/ESG - the principles of Erste Group Erste Group Bank AG</p>

<p>energy sources. Through the credit policy and loan portfolio, the Bank is contributing to improvement of energy efficiency, building up renewable energy capacity and supporting energy transition in a country significantly dependant on fossil fuels.</p> <p>With reference to climate change mitigation, Sparkasse Skopje is assessing if a client is financially affected by ESG factors. ESG Questionnaire is applicable to the following clients:</p> <ul style="list-style-type: none"> - Corporate clients (GCC) with an annual total turnover > EUR 50mil or according to the internal segmentation rules of the Group Corporates and Markets Segmentation Policy; - Real Estate projects with total exposure ≥ EUR 20mil excluding non-profit housing organisations. - Portfolio approach for SME & Micros via industry ESG Factor Heat Map, i.e. assessment of impact in industry strategies and adaptation of lending standards in industries with high risks from ESG factors (SME: currently under developments for specific segments of Agriculture and Food & Beverages Production; for other critical industries the existing lending standards remain valid). <p>At present, the Bank is following the “green” portfolio in the segment of legal entities, participation in the total portfolio as well as market share. Subject of monitoring is the volume of loan disbursed and outstanding amount, by type of renewable energy resource. Starting January 01, 2024 according requirement from the National Bank of North Macedonia, all banks are required to report about monthly development of “green” portfolio. This will promote further the topic of green finance, and increase understanding of impact potential and performance measurement.</p> <p>According to sustainability strategy of Sparkasse Skopje and of the Group’s, goals and KPIs are defined for all 4 main pillars of the Sustainability strategy. Initial setting of KPIs was done in 2022, and is followed through in 2023. By means of building ESG capacity in the Bank, KPIs will be subject of development and improvement, accompanied by follow-up and monitoring.</p> <p>***</p> <p>With reference to Financial health, detailed definition of the concept is in progress. At the present time, Sparkasse Bank Skopje is impacting Financial health by supporting education, both to employees and clients.</p> <p>Partnering with the Ministry of science and education in realization of Student meal project, was also under the Financial health target, in line with other business motives.</p> <p>Sparkasse Bank Skopje consider having fixed interest rate in loans to individuals, as beneficial for its clients.</p> <p>Having free-of-charge accounts for particular group of clients, is adding to financial inclusion.</p> <p>Sparkasse Bank Skopje is considering continual improvement of its mobile application as necessary to improve user experience and provide relevant and credible financial service to their clients. In 2023, the Bank upgraded mobile bank for individuals, and launched mobile bank application for corporate clients.</p>	
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Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?⁶

Scope:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio composition:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No
Context:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No
Performance measurement:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate change and Financial health.

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.:
(optional)

⁶ You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets⁷ have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: which international, regional or national policy frameworks to align your bank's portfolio with⁸ have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

We aligne our portfolio with the National strategy of RNM where the goals of Paris Agreement are incorporated.

Sparkasse Bank Skopje alignes its business conduct with the Legal framework for risk management, set by the National bank of Republic of North Macedonia.

We align our lending policy, management of global and credit risk with the Steirmarkische Sparkasse and Erste Group policy; this way, we aligne with goals of the Paris Agreement and Net-zero banking alliance.

[Македонски - Законска регулатива \(nbrm.mk\)](#)

[English - Legal Framework \(nbrm.mk\)](#)

[Циркулари од областа на банкарската супервизија \(nbrm.mk\)](#)

[#believeintomorrow - Sustainability at Steiermärkische Sparkasse](#)

[Sustainability/ESG - the principles of Erste Group | Erste Group Bank AG](#)

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the [Annex](#) of this template.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

Impact area	Indicator code	Response
	A.1.1	In progress

<i>Climate change mitigation</i>	<i>A.1.2</i>	<i>In progress</i>
	<i>A.1.3</i>	<i>No</i>
	<i>A.1.4</i>	<i>In progress</i>
	<i>A.1.5</i>	<i>In progress</i>
	<i>A.2.1</i>	<i>In progress</i>
	<i>A.2.2</i>	<i>No</i>
	<i>A.2.3</i>	<i>No</i>
	<i>A.2.4</i>	<i>No</i>
	<i>A.3.1</i>	<i>Yes</i>
	<i>A.3.2</i>	<i>In progress</i>
	<i>A.4.1</i>	<i>No</i>
	<i>A.4.2</i>	<i>In progress</i>
<i>Impact area</i>	<i>Indicator code</i>	<i>Response</i>
<i>Financial health & inclusion</i>	<i>B.1.1</i>	<i>In progress</i>
	<i>B.1.2</i>	<i>Yes</i>
	<i>B.1.3</i>	<i>In progress</i>
	<i>B.2.1</i>	<i>In progress</i>
	<i>B.2.2</i>	<i>Yes</i>
	<i>B.3.1</i>	<i>No</i>
	<i>B.3.2</i>	<i>No</i>
	<i>B.3.3</i>	<i>Yes</i>
	<i>B.3.4</i>	<i>Yes</i>
	<i>B.3.5</i>	<i>In progress</i>
	<i>B.4.1</i>	<i>No</i>
	<i>B.4.2</i>	<i>No</i>
	<i>B.4.3</i>	<i>No</i>
	<i>B.4.4</i>	<i>No</i>
	<i>B.4.5</i>	<i>No</i>
	<i>C.4.1</i>	<i>Yes</i>
	<i>C.1.2</i>	<i>Yes</i>
	<i>C.2.2</i>	<i>Yes</i>
	<i>C.2.3</i>	<i>Yes</i>
	<i>C.3.3</i>	<i>Yes</i>
<p>In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.</p>		
<p><i>Sparkasse Bank Skopje is in process of determining indicators and their baseline. This process runs with alignment to the Group's guidelines.</i></p>		<p><u>Sustainability/ESG - the principles of Erste Group Erste Group Bank AG</u></p>

⁷ Operational targets (relating to for example water consumption in office buildings, gender equality on the bank's management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

⁸ Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank's targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

c) SMART targets (incl. key performance indicators (KPIs)⁹): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Specific, SMART targets are in process of development.

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Plan of activities is developed, linked to specific KPI and SDG goal. This action plan is aligned with Staermarkische Sparkasse Graz.

Self-assessment summary			
Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...			
	... first area of most significant impact: ... <i>Climate change mitigation</i>	... second area of most significant impact: ... <i>Financial health</i>	(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... (please name it)
Alignment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No

⁹ Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

With regard to the Climate change and mitigation, the Sparkasse Bank Skopje no longer finance fossil-fuels energy production.

The Bank is actively engaged in financing the "green" projects (energy efficiency, RES, renovation, bulding capacities). The Bank has 17% participation of the "green" in the total corporate loan portfolio. Aligned with Group policy, Sparkasse Skopje target 25% green portfolio participation by 2026.

With the market share of 32% in "green loans", the Bank is leader on the market and will continue to be one. Presented market share is interpolated from available sources (ex.information from Macedonian Credit Bureau): it is calculated internaly, missing formal, regulatory report and/or confirmation.

In the retail segment, the Bank has been financing improvement of households efficiency in the past 10 years.

With regards to Financial health, different activities with different impact intensity can be reported.

Building Financial health begins with the youngest clients in the Bank. In 2023, especially in October 2023 regarded as "month of saving", representatives of Sparkasse Skopje visited 26 kindergardens and 33 primary schools, educating more than 4.000 youngsters what "money" are and why saving is important and valuable habit.

Because saving habits are important part of financial health, Sparkasse Bank Skopje in September 2023 opened saving account with 50 eur start deposit for 53 children of its employees entering for the first time educational system.

Sparkasse Bank provides no-fee transactional account, for socialy vulnerable users.

Two saving products were developed with effect on individuals and their saving activities. First one "Save while you pay", is developing saving habit for the owner. When spending on POS terminal, client can round up spent amount to the nearest 100th of the amount in Macedonian denars. The round-up difference is transferred to a separate interest bearing account. Cumulated amount is at spending disposal to the client at any given time. This product was launced in 2023.

[Субвенциониран студентски оброк, Министерство за образование и наука \(sparkasse.mk\)](#)

Second saving product, has long-term feature. "Deposit Plus" provides long-term tenure for deposit in Macedonian denars and euro as well. The deposit bears highly competitive interest rates to stimulate saving and planning of investments.

Distinctive product for building financial health is the Vibe – On package, created for young population from 15 to 25 years of age.

Vibe – On package consist of:

- *No-fee transactional account*
- *fee free S-Bank -mobile application*
- *No-fee Visa debit card*
- *No-fee Student meal debit card; Sparkasse Bank Skopje is the main partner in implementation of Student's meal Law. Goal of the project is all students in Republic of North Macedonia to receive daily funds of approximately 2,5 eur specifically intended for food and meal. According agreement with the Ministry of education and science, Sparkasse Bank Skopje issued 30.000+ debit cards, free of charge.*

By using "Vibe On" package, students understand payments and electronic transactions, budgeting and managing finances in digital age, and adopt responsible financial habits. To incentivize students to benefit from usage of Vibe-On package, Sparkasse Bank Skopje introduced one-time cashback in amount of cca 9 eur.

Sparkasse Bank Skopje consider education as mandatory basis for achieving financial health, and it starts in-house. In 2022, the Bank has organized 463 trainings, with 1.628 participations and 6.552 training hours. In 2023, 889 trainings were organized, with 1.045 participations and 8.960 training hours.

The Young Banker academy opened its doors for students in the country that are interested in pursuing a banking career and knowing more about the banking/financial sector. The program consists of an educational and competitive part in which participants have opportunity to follow lectures and trainings in the field, but also team up and compete with each other with their own product and development ideas.

The Academy aims to provide education in real working environment, offering the students-participants close-up experience with the operations in a financial institution. Beside wider overview of the industry, participants get insights to usefuls skills such as CV creation, sales techniques, corporate communications, product development, personal branding, etc.

Furthermore, participants learn about the corporate culture of the Bank and its corporate values: trust, partnership, agility, passion and excellence, and gain deeper knowledge about the Bank's sustainability strategy and its focus on life-quality in the region, materialized through its governance, relationship with the clients and working environment for the employees.

Throughout the year, educational events and cooperations are organized with universities/faculties, 3 hakatons supported, 1 climaton (first in the country), summits and conferences.

Loans with fixed interest rates. For segment of individuals, focusing especially on housing loans, Sparkasse bank Skopje offers loans with tenure up to 30 years and fixed interest rate for the first 5 or/and 10 years of repayment schedule. Fixed interest rate of loans is beneficial

for the individuals, allowing predictable monthly payments and protection against interest rate fluctuations.

Development of mobile application is consequence of digitalization trend in the banking sector and is necessary product for every bank determined to stay relevant on the market. While developing services to meet the market challenges, and at the same enabling clients to digitaly use banking service on their own, the Bank is contributing to financial literacy of the clients. S-Bank is mobile application of Sparkasse Bank Skopje developed for both individuals and legal entities, as main client segments. Further development of the application, adding financial management features, tips about responsible banking, will enhance user's financial knowledge as they navigate mobile banking.

Principle 3: Clients and Customers



We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers¹⁰ in place to encourage sustainable practices?

Yes In progress No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

Yes In progress No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities¹¹). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

With reference to Climate Change, Sparkasse Bank Skopje is actively financing the energy transition, determined to be leader for green financing in the country. Ambition in the area of green financing is to outperform the market, and have higher market share in green financing in comparison to market share in total assets and loans. Acting as one Group in the region, contribution is done by sharing knowledge, know-how, recognition of opportunities and their financial support.

With reference to climate change mitigation, Sparkasse Skopje is assessing if a client is financially affected by ESG factors. ESG Questionnaire is applicable to the following clients:

- *Corporate clients (GCC) with an annual total turnover > EUR 50mn or according to the internal segmentation rules of the Group Corporates and Markets Segmentation Policy;*
- *Real Estate projects with total exposure ≥ EUR 20mn excluding non-profit housing organisations.*
- *Portfolio approach for SME & Micros via industry ESG Factor Heat Map, i.e. assessment of impact in industry strategies and adaptation of lending standards in industries with high risks from ESG factors (SME: currently under developments for specific segments of Agriculture and Food & Beverages Production; for other critical industries the existing lending standards remain valid).*

Sparkasse Bank's Skopje responsible banking can be recognized in:

- Excluded industries of financing – the Bank is not financing energy production using coal or other fossil fuels
- Financing of the first private wind project in North Macedonia
- Green loans for households and SMEs

Beside financial and advisory support of the client, climate change mitigation is done through active reducing of bank's own carbon footprint, by using renewable energy (for example, two headquarters have installed photovoltaics energy production capacity).

Sparkasse Bank Skopje is mindful about ecological footprint in relation to choosing partners for postal and taxi services, demanding they sustain the same ESG principles as the Bank.

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Sparkasse bank Skopje is excluding fossil burning industries from finance arrangements while in the same time financially supporting

The Bank is continually cooperating with international financial institution, such as EBRD, GGEF, EFSE, EIB, IFAD, that by the means of financial arrangements are supporting transition to renewable energy and efficiency.

[Sustainability/ESG - the principles of Erste Group | Erste Group Bank AG](#)

Principle 4: Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

¹⁰ A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹¹ Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups¹²) you have identified as relevant in relation to the impact analysis and target setting process?

Yes In progress No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

The Bank engage with its stakeholders, in the manners aligned according specifics of the stakeholder.

With the shareholders, the Bank is engaged within the business strategy and requested KPIs, and through regular meetings with the Supervisory Board.

Clients are considered with regular Client Satisfaction Surveys performed minimum once a year. In case of need, irregular surveys within shorter time period are also performed.

The Bank keeps close connection to the society, engaging in diverse CSR activities, relevant to local and global community.

Employees are considered through engagement measurement and corresponding survey results.

¹² Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations

Principle 5: Governance & Culture



We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

- Yes In progress No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

In 2023, Sparkasse Bank AD Skopje established a Sustainability committee consisted of all B-1 managers, Head of marketing and Sustainability officer. The committee meets on a monthly basis.

The committee is mandated to develop the sustainability strategy, set sustainability KPIs, action plan and monitor the progress.

The committee answers to the Management Board, whose members are present at the committee's meetings.

Sustainability targets are not yet directly linked to remuneration practices. Still, should be noted that Bank's reward policy discourage sale of products and services that put the interests of employees, and the Bank, before the interests of customers.

5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Sparkasse Bank has established the Sparkasse Life platform as a platform where various sustainable initiatives are developed and activities taken. Through the platform, Sparkasse Bank Skopje is building awareness among internal and external stakeholders.

Sparkasse Bank Skopje, with assistance of the Group, organized training programs that enhance the capacity and understanding of the topic of sustainability. All employees of the Bank, in 2023, passed the Basic ESG training program.

ESG, sustainability and Sustainability strategy of the Bank, is included in onboarding and certification programs that Sparkasse Bank Skopje is organizing for the employees. For example, ESG is part of Retail certification program in the Bank.

Sparkasse Bank and its representatives are participating in number of events, conferences, and initiatives that promote and contribute to sustainable development in the country and abroad.

For further improvement, the Bank is in process of developing Sustainability strategy communication for internal, and external stakeholders.

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?¹³ Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Sparkasse Bank Skopje is in process of implementation of Local Responsible Financing procedure with overall objective "to provide main principles and rules for assessing and mitigating various reputational risks concerning financing the Energy sector and the Defense / Weapons industry. These principles are inherent to the collaboration with business clients who are directly or indirectly involved in socially, environmentally and ethically sensitive sectors".

At the time of preparation of this report, the Bank started obtaining technical assistance for the purpose of ESG analysis and screening of the portfolio, accompanied by ESG related capacity building in the Bank.

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

Yes No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

Yes No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

Yes In progress No

¹³ Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistleblower policies etc., or any applicable national guidelines related to social risks.

Principle 6: Transparency & Accountability



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

Yes Partially No

If applicable, please include the link or description of the assurance statement.

No, the Bank is in process of addressing assurance by an independent assurer.

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other:

The Bank is in process of development the sustainability information report

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis¹⁴, target setting¹⁵ and governance structure for implementing the PRB)? Please describe briefly.

In the next period, The Bank will develop defined targets in KPIs and actions.

¹⁴ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁵ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Embedding PRB oversight into governance | <input checked="" type="checkbox"/> Customer engagement |
| <input checked="" type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning | <input type="checkbox"/> Data availability |
| <input checked="" type="checkbox"/> Conducting an impact analysis | <input type="checkbox"/> Data quality |
| <input checked="" type="checkbox"/> Assessing negative environmental and social impacts | <input type="checkbox"/> Access to resources |
| <input checked="" type="checkbox"/> Choosing the right performance measurement methodology/ies | <input type="checkbox"/> Reporting |
| <input type="checkbox"/> Setting targets | <input checked="" type="checkbox"/> Assurance |
| <input type="checkbox"/> Other: ... | <input type="checkbox"/> Prioritizing actions internally |

If desired, you can elaborate on challenges and how you are tackling these: