

EnviroBank Ltd.

2022 Annual Sustainability and Financial Performance Report

About EnviroBank Ltd.

EnviroBank Ltd. is a leader in sustainable finance, committed to advancing green investments and supporting climate-positive financial products. As a financial services provider, we aim to balance profitability with social responsibility, focusing on aligning our activities with EU Taxonomy standards to promote sustainable economic growth.

This section provides detailed disclosures on our EU Taxonomy eligibility and alignment, illustrating our commitment to environmentally sustainable practices. Additionally, we summarize our financial and operational metrics to provide a comprehensive picture of our annual performance.

1. EU Taxonomy Compliance and Sustainability Contributions

EnviroBank’s EU Taxonomy alignment in 2022 reflects our active role in financing projects that mitigate environmental impact. Our eligible activities primarily involve financing renewable energy projects, low-carbon transport, and sustainable infrastructure. Below is a breakdown of our EU Taxonomy eligibility and alignment.

EU Taxonomy Metric	Eligible (%)	Aligned (%)
Turnover	60	45
Capital Expenditure (CapEx)	40	35
Operating Expenditure (OpEx)	30	25

Turnover Eligibility and Alignment

A significant portion (60%) of EnviroBank’s 2022 turnover was derived from EU Taxonomy-eligible activities, which include sustainable financing for renewable energy and low-emission transportation. Of this, 45% was fully aligned with the EU Taxonomy, driven by financing projects that meet stringent sustainability criteria.

CapEx Eligibility and Alignment

Eligible CapEx represented 40% of our total investment, with funds allocated to green office infrastructure and digital tools for efficient remote operations. 35% of this CapEx was aligned with the taxonomy, specifically targeting energy efficiency in our buildings and supporting the development of climate-friendly financial products.

OpEx Eligibility and Alignment

Approximately 30% of our OpEx qualified as EU Taxonomy-eligible, focused on low-carbon technology, sustainable procurement, and staff training for ESG skills. Of this, 25% was

aligned with EU Taxonomy standards, directly supporting our commitment to sustainable operations and talent development.

2. Financial Summary

In addition to our sustainability efforts, EnviroBank achieved stable growth across core financial metrics. The table below summarizes our financial results for 2022, showing year-on-year changes.

Financial Metric	2022 (€M)	2021 (€M)	Change (%)
Gross Revenue	8,100	7,800	+3.8%
Net Profit	1,500	1,400	+7.1%
Total Assets	55,000	50,000	+10.0%
Capital Expenditure (CapEx)	800	700	+14.3%
Operating Expenditure (OpEx)	1,200	1,100	+9.1%

3. Key Initiatives and Achievements in 2022

- Green Bond Issuance:** EnviroBank successfully launched a €500 million green bond to finance renewable energy projects, including wind farms in Germany and solar installations in Spain.
 - Digitalization for Carbon Reduction:** Enhanced digital banking solutions reduced the need for physical branch visits, resulting in a 20% decrease in emissions from customer transport.
 - Sustainable Office Transition:** Converted 80% of our European offices to energy-efficient facilities powered by 100% renewable energy, aligned with our CapEx commitment to the EU Taxonomy.
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4. Strategic Outlook for 2023 and Beyond

Looking forward, EnviroBank aims to increase its EU Taxonomy-aligned turnover to 50% by 2025, with a specific focus on expanding green finance offerings and enhancing ESG training across the workforce. Plans are in place to raise additional capital to fund sustainable infrastructure projects and increase our green bond portfolio by 15% annually.

5. Corporate Social Responsibility and Community Impact

In 2022, EnviroBank contributed €15 million to various community programs focused on financial literacy, climate education, and sustainable business grants. Our outreach programs impacted over 200,000 individuals, reinforcing our role as a socially responsible financial institution.

6. Further Information

For more in-depth information on EnviroBank's EU Taxonomy alignment and sustainability initiatives, please refer to the full annual report, accessible on our corporate website: <https://www.envirobank.com/annualreport2022>.

Compliance Note: This report complies with the EU Taxonomy requirements as outlined in Sections 5.1–5.3. Projections and sustainability initiatives mentioned in this document are subject to change based on evolving regulatory requirements and market dynamics.