

Consumer Protection Policy

Document purpose and scope

The Policy applies to the Bank and the subsidiaries that provide services to personal customers. The Policy describes the control model ensuring the protection of consumer rights, whether they use the services provided by the Group or its intermediaries. The document also refers to vulnerable customers.

Which ESG-related issues does the Policy address?

The Policy sets out the following principles:

- Treat consumer fairly: Consumers have a right to be treated respectfully, honestly, and fairly and not be discriminated against. They are entitled to service based on high ethical standards.
- Customer-centric design of products/services: Financial products and services must be designed taking into account the characteristics and needs of consumers and should offer an appropriate level of consumer protection.
- Responsible pricing: Consumers have the right to fair prices for financial products and services. All product prices and service fees or commissions must be clearly and explicitly set out in the agreement templates and pre-contractual information of the financial product or service.
- Transparent communication: The interaction with consumers must be transparent. The documents provided to the consumers should include information on the terms and conditions applicable to the product/ service and the risks involved.
- Financial education: The Group should launch educational programmes intended to foster the knowledge of financial products and services. Thanks to such initiatives, customers are able to understand better the risks and opportunities, which contributes to their more informed financial decisions.

Information on fair, individualized, and personalized treatment of consumers should be included in training programs for employees, and, in particular for employees of business units dealing directly with consumers (including intermediaries). Particular attention should be paid to the correct selling and distribution of products and revision of adequacy or suitability, including the individual consumer's ability to meet their obligations. Such training should take place regularly and test employees' knowledge.

The Policy also refers to a responsible approach to innovation when creating and continuously adapting products and services. The objective is to ensure that evolving consumer needs and expectations are met, while ensuring inclusiveness and digitalisation to provide easier access to financial services and minimise barriers and risks for consumers.

The document also deals with the treatment of vulnerable customers. There are consumers who, due to their personal circumstances, are more likely than others to be adversely affected or sustain a financial and/or personal loss. The signs of potential consumer vulnerability include: disability/incapacity, illness, age-related difficulties, incapacity to work, low level of numeracy/literacy, economic stress or specific family or personal circumstances. The Group applies a special approach to the treatment of consumers identified as vulnerable in order to

proceed in their best interest and offer viable solutions whenever possible. This can be done through:

- designing inclusive products and services,
- communicating in a clear and inclusive way,
- preventing financial abuse (e.g. situations when a persons' financial resources could be misused by their guardians or caregivers),
- responsible lending and preventing over-indebtedness,
- considering the vulnerability criteria in collections & recoveries.

[The highest management level responsible for the Policy](#)

The Head of Compliance Department is responsible for developing and updating the Policy. The Policy sets out the roles of the Local Marketing & Monitoring Committee (LMMC) with respect to monitoring and consumer protection. It also describes the role of the Management Board and Supervisory Board that are responsible for supervising progress in the delivery of actions planned in this area.

[Application across the Bank's subsidiaries](#)

The Policy is applied at the Bank, Erste Leasing and Erste TFI.