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Principles for
Responsible Banking

Coop Pank AS 2025

Responsible Banking Progress Statement for PRB Signatories



Summary template

Coop Pank AS 2025

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
<p>Content Coop Pank aligns its business strategy with the UN Sustainable Development Goals and the Paris Climate Agreement. The bank’s main focus areas are SDG 8 (Decent Work and Economic Growth) and SDG 13 (Climate Action), complemented by SDG 11, 12, and 16. In recent years, Coop Pank has joined global initiatives such as UNEP FI and PCAF, improving the quality of its footprint assessments and sustainability reporting. In 2025, the bank finalized its CSRD double materiality analysis and strengthened ESG governance to ensure strategic alignment with sustainability objectives. Its mission, “Advancing life in every corner of Estonia,” integrates sustainability into everyday operations and emphasizes local capital and community development.</p>	<p>Content Coop Pank conducted a comprehensive impact analysis in 2023, covering all core business areas and most of the portfolio. The bank identified climate action (SDG 13) and decent work & economic growth (SDG 8) as the most significant impact areas. SMART targets have been set, such as increasing the share of clients joining Tuleva pension funds to 20% by 2030 and expanding the Rahasahtel savings product. Progress is monitored monthly, and actions include developing new products and enhancing client engagement. These innovations are designed to encourage responsible financial behavior and these also support national goals.</p>	<p>Content Coop Pank works responsibly with clients by integrating sustainability into lending, including an exclusion list for unethical or environmentally harmful activities. The bank offers targeted products such as, Rahasahtel savings, and preferential home loans for teachers and home defenders. Client engagement is supported through financial literacy initiatives, ESG training, and partnerships with organizations like Tuleva. Environmental impact assessments are conducted for relevant clients, and responsible marketing and transparent pricing principles are applied. These actions encourage sustainable practices and support clients’ transition to more responsible economic activities.</p>
<p>Links & references https://www.cooppank.ee/en/coop-pank/about-coop-pank https://res30f.cooppank.ee/image/upload/investor/lehed/aruandlus/ENG/2024/CoopPank-2024-annual-report-eng.pdf (pp. 5, 30-34) https://www.cooppank.ee/en/coop-pank/for-the-environment https://www.cooppank.ee/en/investor/management/targets-and-strategy</p>	<p>Links & references What we do to preserve Estonia’s pristine nature - Coop Pank Reporting – Coop Pank, pp. 30-34 Teacher’s home loan – truly flexible offers - Coop Pank Save money without realising you’re doing it - Coop Pank</p>	<p>Links & references Reporting – Coop Pank, pp. 30-34 Save money without realising you’re doing it - Coop Pank Tuleva’s III pillar pension fund - Coop Pank</p>

<p>Principle 4: Stakeholders</p>	<p>Principle 5: Governance & Culture</p>	<p>Principle 6: Transparency & Accountability</p>
<p>Content Coop Pank actively engages and collaborates with a wide range of stakeholders to implement responsible banking principles. The bank works with the Estonian Banking Association, government institutions, and ministries to advance financial literacy and sustainable finance. Partnerships with organizations like TalTech University support academic research, student development, and ESG knowledge sharing. Coop Pank also collaborates with the Ministry of Defense and sports federations to promote societal well-being and national priorities. Stakeholder consultations and joint initiatives help the bank address significant impacts and set ambitious targets.</p>	<p>Content Coop Pank’s governance of sustainability is overseen at the highest executive level, with the Chief Risk Officer responsible for ESG at the Management Board. The Head of ESG provides quarterly updates to the Board. ESG responsibilities are integrated into internal policies, including the Credit Policy and Green Office Policy, ensuring sustainability is part of daily operations. Employee training and awareness initiatives, such as ESG workshops and satisfaction surveys, foster a culture of responsible banking. Governance and cultural measures are continuously strengthened to embed ESG principles into strategic decision-making and everyday practices.</p>	<p>Content Coop Pank ensures transparency and accountability by publishing annual sustainability reports (partly) aligned with CSRD/ESRS and by disclosing UNEP FI PRB reports. The bank discloses financed emissions using the PCAF methodology and regularly updates progress. Sustainability information is reviewed annually. In 2025, Coop Pank received the Golden Label from Sustainable Business Estonia’s Responsible Business Index, where ESG disclosures were assessed by independent experts. Additional details can be found in the Sustainability Report (pp. 30–34) in the annual report.</p>
<p>Links & references Kaardivägi - Coop Pank TalTechi ja Coop Panga koostöö toob tudengitele kaks stipendiumit ja hulgaliselt võimalusi</p>	<p>Links & references Reporting – Coop Pank, pp. 30-34 About Coop Pank - Coop Pank</p>	<p>Links & references Reporting – Coop Pank, pp. 30-34 What we do to preserve Estonia’s pristine nature - Coop Pank</p>

Supplement templates

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 business lines, 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, business areas or by disclosing the number of customers and clients served.

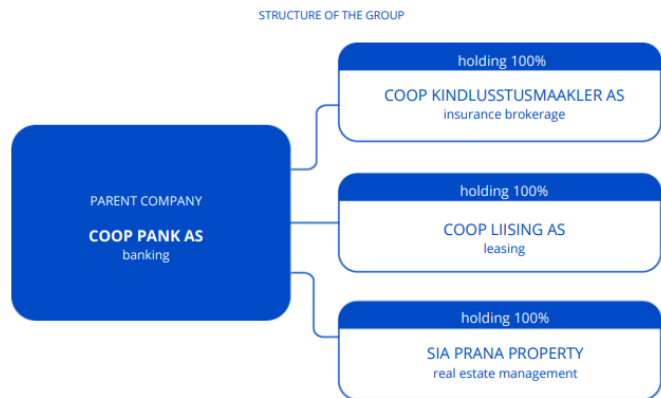
Links & references

[About Coop Pank – Coop Pank](#)

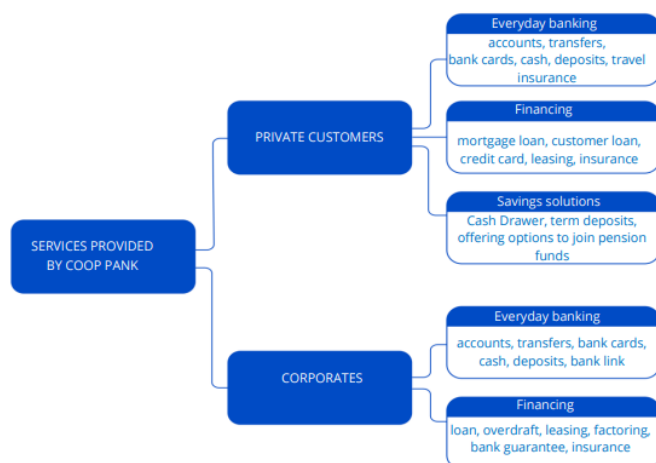
[Reporting – Coop Pank](#) *Reporting – 2024 – Coop Pank AS annual reports. Management report p. 5*

Response

Estonian Bank. Coop Pank is predominantly owned by domestic investors (99,5%). Coop Pank's shares are listed on the Tallinn Stock Exchange and are held by more than 35,000 people in the country. The bank has 35,885 shareholders as of 31.12.2024. The bank's customers are all residents of Estonia. All our decisions are made in Estonia. Our employees, the Management Board and the Supervisory Board, sit at one table, every week if they must. We feel there is public support for domestic capital-based banks. Through its activities, the bank wishes to contribute to the development of Estonian people and companies and thereby support the development of the Estonian economy. In fulfilling this mission, we cooperate proactively with Estonian entrepreneurs who need financial support to implement their business plans in both rural and urban areas. By supporting the development of companies outside the big cities, we contribute to the regional development of Estonia and create opportunities for people to live where they want to in Estonia.



Everyday banking, financing services and saving products. Coop Pank sees its strengths and the resulting growth opportunities primarily in the provision of everyday banking (account, payments, bank card, cash, deposits), financing services (mortgage loan, consumer loan, credit card, business loan, finance lease receivable) and saving products (short term saving, medium term saving into deposits, long term saving into pension funds). In addition, we intermedate the most common property insurance products (motor third party liability insurance, comprehensive insurance, home insurance, travel insurance, purchase insurance) through our insurance broker. We react quickly to market changes.



Integration of banking and retail. Thanks to the strategic partnership with Coop Eesti Keskühistu and its 18 member cooperatives, in addition to the usual sales and service channels (offices, internet banking, mobile banking), we can also offer financial services in 320 stores of Coop Eesti Keskühistu member associations all over Estonia. This is expressed through the Coop Sula service, i.e. the possibility of making a cash withdrawal from a bank account or a deposit to a bank account at cash registers of Coop stores. The customer also receives the cheapest prices in Coop Estonia stores when paying for purchases with a Coop Pank card.

Over the next two years (by the beginning of 2027), our strategic goal is to increase the bank's market share in Estonia to 10% (a loan portfolio of at least 2 billion euros) and thereby to reach a position in which every tenth Estonian is a current customer of Coop Pank (approximately 150,000 active customers).

Our new strategic focus is on **saving solutions**. Coop Pank offers convenient options for saving and growing money. In addition to term deposits, customers can save and grow their funds flexibly and effortlessly with the Rahasahtel (Cash Drawer) account. Coop Pank also facilitates access to Tuleva's second and third pillar pension funds.

Update: We reached the 2-billion-euro loan portfolio target in October 2025 and by the end of Q3 Coop Pank had 220,000 customers.

Strategy alignment

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 other international frameworks such as the Kunming-Montreal Global Biodiversity Framework (GBF), the United Nations Guiding Principles on Business and Human Right (UNGPs), the forthcoming instrument on plastic pollution etc.

Include any other national and/or regional frameworks that your bank has a strategy to align with where relevant.

Links & references

[Reporting – Coop Pank Reporting – 2024 – Coop Pank AS annual reports – Sustainability report, pp. 30-34](#)

[What we do to preserve Estonia's pristine nature - Coop Pank](#)

[Objectives and strategy - Coop Pank](#)

Response

Coop Pank aspires to be climate neutral by 2050 and has set itself a goal of aligning its business strategy with sustainable development goals to increase the positive impact of its products and services and reduce the negative impact.

Operating within the banking sector, we can contribute either directly or indirectly to the following areas of sustainable development:

- **SDG 8 – Decent Work and Economic Growth (most significant impact area)**
- **SDG 13 – Climate Action (most significant impact area)**
- SDG 11 – Sustainable Cities and Communities
- SDG 16 – Peace, Justice and Strong Institutions
- SDG 12 – Responsible Consumption and Production

We have been reporting yearly about our commitment and contribution to the above-mentioned SDGs (see references).

Overall, our approach has been moving step-by-step. Every year we have progressed in the field of sustainability (see details in the sustainability report).

The Coop Pank group joined the Responsible Business Forum (renamed Sustainable Business Estonia KELL in 2025) in 2020 and has participated in their Responsible Business Index surveys several times, Coop Pank was awarded a Golden Label in 2025. In 2022, the Group participated as the first Estonian bank in one of the world's leading environmental reporting projects, CDP (Carbon Disclosure Project). Coop Pank disclosed via CDP from 2022-2024. In 2022, Coop Pank joined the Partnership for Carbon Accounting Financials (PCAF), which harmonizes the assessment and disclosure of greenhouse gas emissions financed through loans and investments. Joining the initiative was a step forward in improving the scope and quality of our footprint assessment. Coop Pank has been measuring and disclosing the climate impact of its operations and portfolio since 2021.

Coop Pank actively contributes to the work of the Estonian Banking Association, including as a member of its sustainable banking committee. In 2022, the Coop Pank group became a member of UNEP FI and signed the principles of responsible banking.

2024 was a busy year in the field of sustainability. At the same time, we worked in parallel on the CSRD double materiality process and preparations for reporting; preparatory activities for compliance with the EU Taxonomy (including climate risk assessments and processes); and the UNEP FI PRB process. Given our capacity as a small bank, we tried to combine these parallel processes as much as possible. At the beginning of 2025, we reached the final stage of the CSRD

double materiality process, and the Management Board approved the material topics. Omnibus and the potential regulatory changes associated with it have somewhat slowed down our CSRD process. However, this has allowed us to focus more on substantive work in the field of sustainability, for instance on ESG risks and governance.

Looking at sustainability and how it aligns with our strategy, it is closely linked to our mission to advance life in every corner of Estonia. Coop Pank is an extension of the COOP business model – which is focused on collaboration – and therefore has a conceptually embedded goal to contribute more broadly to society. The connection between banking and retail defines our shared mission: “Advancing life in every corner of Estonia.” This mission has characterized our activities over the past eight years and continues to shape one of the key focus areas of our sustainability and responsibility efforts.

For years, we have excluded financing of activities that could negatively impact the environment (an exclusion list in our credit policy). We have measured the impact of our own activities and our portfolio for several years. Through employee involvement and awareness-raising, they too can increasingly contribute to enhancing our positive impact. By engaging the management board and the council, raising their awareness, and emphasizing ESG topics, we further enhance the alignment of our strategy with sustainability goals.

In summary, we are moving forward step by step in a way that makes sustainability a dynamic part of our everyday work.

Principle 2: Impact & 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.

Impact Analysis

Show how your bank has identified, prioritized and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target-setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement.

The impact analysis should include assessment of the relevance of the four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector](#), as part of its initial or ongoing impact analysis.

Links & references

[What we do to preserve Estonia's pristine nature - Coop Pank](#)

[Reporting – Coop Pank](#) Reporting – 2024 – Coop Pank AS annual reports – Sustainability report, pp. 30-34

[Global Sustainable Development Goals | Riigikantselei](#)

[Tree of Truth - Indicators important for the country](#)

[Avaleht | Kesta.me](#)

[Teacher's home loan – truly flexible offers - Coop Pank](#)

[Save money without realising you're doing it - Coop Pank](#)

Response

At the end of the year 2023, Coop Pank performed an impact analysis using UNEP FI Portfolio Impact Analysis Tool for Banks which covers the requirements for undertaking the impact analysis. All core business areas, i.e. consumer banking and institutional banking were considered in the scope of the analysis. The country of operations is Estonia. The impact analysis was conducted by the ESG project manager and the Chief Risk Officer.

The analysis carried out with the UNEP FI Portfolio Impact Analysis tool was followed by the process in which we combined different impact assessments (e.g., impact materiality assessment by UNEP FI ESRS conversion tool). As we were simultaneously carrying out a CSRD double materiality assessment at the bank, and we were also preparing to comply with the requirements of the EU sustainable finance taxonomy regulation and carrying out a climate risk assessment for this, it was entirely appropriate to combine these different processes, as they have many points of contact and common ground.

In addition, we also used the data and the results of the analysis of our financed emissions. We have been measuring our financed emissions for several years, and these results were a valuable input for determining priorities for target setting.

The scope of the impact analysis covered a significant majority of our portfolio, including retail.

The composition of our portfolio regarding the economic sectors and private individuals was considered. Table below illustrates the overall composition of our portfolio as of 31st of August 2023 (covering the same period of which data was used in the UNEP FI Portfolio Impact Analysis Tool for Banks). We considered both, the share of sectors and the financed emissions of the sectors (available in our sustainability Report).

Sector	Sector name	%
	Private individuals	46,68%
E	Water supply; sewerage, waste management and remediation activities	0,11%
K	Financial and insurance activities	4,26%
N	Administrative and support service activities	0,91%
R	Arts, entertainment and recreation	1,16%
L	Real estate activities	22,03%
P	Education	0,48%
A	Agriculture, forestry and fishing	2,19%
B	Mining and quarrying	0,04%
C	Manufacturing	6,33%
D	Electricity, gas, steam and air conditioning supply	3,58%
F	Construction	2,11%
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	5,80%
H	Transportation and storage	1,84%
I	Accommodation and food service activities	1,12%
J	Information and communication	0,41%
M	Professional, scientific and technical activities	0,36%
Q	Human health and social work activities	0,14%
S	Other service activities	0,45%

For the private individual's segment, we considered portfolio composition by product, service and type of customers.

31.12.2024

Home loans real estate	78%
Consumer financing (including credit cards)	12%
Other	10%
	100%

The country of operations is Estonia and therefore the main challenges and priorities related to sustainable development in Estonia have been considered. For instance, SDGs are implemented in Estonia through the development plans and programs of the "Estonia 2035" long-term strategy. Estonia has developed a platform [kesta.me](#) (link attached), from where one can find recommendations on how to better implement the goals of sustainable development at various levels, as well as country's priorities, the situation in Estonia and globally, and supporting statistics. In addition, the state and progress of Estonia's sustainable development indicators can be viewed on the [Statistics Estonia web page](#). We have studied these public sources to consider main challenges

and priorities of Estonia. We have also considered the results of UNEP FI – ESRS conversion tool, which considers both, the context of Estonia and our portfolio.

In addition, we have been an active member of Responsible Business Forum (VEF, since 2025 Sustainable Business Estonia KELL), which helps to contribute to the implementation of the strategic goals of Estonia 2035. We are contributing to the KELL working groups where we can play significant role among others in shaping the Estonia as in cooperation with other market participants, it is possible to increase the impact of our activities. This helps to not only be aware of the priorities of Estonia's main challenges and priorities, but also to have a bigger positive impact.

Considering the scope, portfolio composition and the context, Coop Pank have identified the following impact areas, where we can contribute the most either directly or indirectly: SDG 8, 11, 12, 13, 16. We begin with a concise overview of how we contribute to the SDGs, followed by a more in-depth description of the two most significant impact areas.

SDG 11 – Sustainable Cities and Communities

Coop Pank has a key role in driving economic growth as well as sustainable communities.

Since 2017, the Coop Pank group's biggest shareholder has been the retail chain Coop Estonia. The link between retail and banking is reflected in our joint mission statement: 'Driving life forward in every corner of the country.' This has exemplified our operations for the last eight years and determines a key focal point of our sustainability. We drive life forward in every corner of the country – urban and rural areas alike – by sticking together and valuing our pristine environment. It is important to us that vital products and services are accessible to everyone close to their homes. As an Estonian bank, we bring everyday banking services closer to people so that everyone can enjoy life wherever they want to live. For instance, cash services are available at local stores: more than 320 Coop stores in Estonia. This is reflected in the Coop Sula service, which enables customers to withdraw cash from or deposit cash into their bank accounts at the cash registers of Coop stores. Additionally, customers benefit from the lowest prices in Coop Estonia stores when paying for purchases with a Coop Pank card.

SDG 12 – Responsible Consumption and Production.

The development of products and services in line with responsibility and sustainability objectives is an ongoing process. The Coop Pank group decided some time ago that it would not offer financing for certain activities (The organization of gambling and betting activities, the manufacturing of tobacco, entertainment events, exports to countries subject to sanctions, aircraft, ships and railway stock, the weapons industry or arms trade which is not linked to Estonian national defense or NATO, political parties and other political organizations). Nor do we offer credit services in areas or to companies whose activities are unethical or linked to corruption, violate human rights, or have a significant negative impact on the environment. We have agreed on principles for selecting clients, partners, and services in both the "Procurement Policy" and the "Green Office Principles".

For example, our procurement procedure defines the principle that: The bank does not procure goods or services from companies whose activities are unethical, violate human rights, are associated with corruption, or have a significant negative impact on the environment.

In the pricing of bank services, we are honest and transparent, and in the marketing of services we are guided by the principles of responsibility.

SDG 16 – Peace, Justice and Strong Institutions

We consider our management culture to be open and modern, the basis of which is that we are guided by regulations and international standards (such as human rights, labour law and the fight against discrimination). In our operations we are led by best practices in company management and banking, the principles of responsible lending, other guidelines issued by financial supervision authorities and valid legal acts.

The following two SDGs have been identified by Coop Pank as priority areas. The most significant areas to prioritize are Climate Action (SDG 13) and Decent Work and Economic Growth (SDG 8).

SDG 13 – Climate Action - priority area 1 (negative)

In issuing loans to companies, the Coop Pank group takes environmental impact into consideration and looks for opportunities to contribute to companies that minimise negative environmental impact. The bank is also increasingly environmentally aware in its own operations and portfolio impact. For the years of 2021- 2024, we have performed an assessment of the carbon footprint associated with our organisation and loan portfolio (financed emissions).

Through assessing our operational footprint and calculating financed emissions across our portfolio, we recognize the significant climate impact of the emissions we finance. As a result, we have prioritized this area within the SDG framework.

For years, Coop Pank has monitored and disclosed in its sustainability report how much financing is directed toward renewable energy, including the nominal capacity in megawatts (MW) and the share of corporate financing allocated to renewables. In addition, the bank has been actively exploring opportunities to apply green financing instruments to support energy efficiency and renewable energy projects. More on this under business opportunities.

SDG 8 – Decent Work and Economic Growth - priority area 2 (positive)

We contribute to improving the financial literacy of the Estonian population by advising people of all ages on how to make smarter choices regarding their finances via our 'Lihtsalt rahast' ('Money Matters Put Simply') podcast and through other channels. We promote saving for retirement and its importance with Tuleva pension funds. We are a member of the Estonian Banking Association's working group on financial literacy, and in 2023 we also actively contributed (both via the association and independently) to efforts to thwart financial fraud to help protect the assets of people in the country.

Coop Pank operates based on its mission: "to move life forward in every corner of Estonia." We are guided by this mission in the development and launch of new products, in marketing and communication activities, and in the selection of support projects. **In 2024, we launched a special mortgage product for teachers with favorable conditions.** Teachers play a vital role in Estonia's development. As a bank, we cannot solve the **societal challenges** related to teachers' workload or their financial well-being, but we can help them build the home they dream of and deserve. Given the growing public focus on national security, we have also decided to recognize and support all police officers, rescue workers, active-duty military personnel, and members of the Defense League by offering them a special **Home Defender Mortgage** starting in 2025.

Collaboration with Tuleva: Advancing Financial Wellbeing and Societal Impact

Coop Pank initiated its partnership with Tuleva in 2023 to expand access to long-term savings solutions for Estonian individuals. This collaboration reflects our shared values - both organizations are rooted in domestic capital and committed to improving the financial wellbeing of Estonian society.

Through Coop Pank's mobile app and internet bank, clients can now easily invest in Tuleva's II and III pension pillars. The initiative is not driven by short-term profit but by the goal of empowering people to make informed and beneficial financial decisions. By integrating Tuleva's low-cost index funds into our offering, we help democratize access to modern investment tools and promote long-term financial resilience.

This partnership also aligns with our sustainability strategy and our commitment to UNEP FI Principles. It contributes to societal goals by encouraging responsible saving behavior, reducing financial exclusion, and supporting economic stability.

Rahasahtel (Cash Drawer): Empowering Everyday Saving

Coop Pank launched Rahasahtel in **2023** to promote consistent saving habits and improve financial resilience among Estonian households. The product was designed in response to research showing that while many people wish to save, few manage to do so regularly. Rahasahtel addresses this gap by offering a simple, automated, and flexible savings tool that fits seamlessly into everyday banking.

Rahasahtel supports long-term financial planning and aligns with our sustainability goals by encouraging responsible money management. It empowers individuals to build up reserves for unexpected expenses or personal goals - whether through rounding up transactions, fixed

contributions, or scheduled transfers. By making saving intuitive and accessible, Rahasahtel contributes to a more financially secure and inclusive society.

We have disclosed the list of these SDGs and more detailed information and data about our contribution to these areas in our sustainability report (link attached).

Targets, Target Implementation, and Action Plans/Transition plans

Show that your bank has set and published a minimum of two SMART targets which address at least two different areas of most significant impact that your bank identified in its impact analysis. Once targets are set, explain the actions taken and progress made. Include details regarding: Alignment, Baselines, Targets, Target Implementation & Monitoring (and KPIs), Action Plans/ Transition plans and Milestones.

Banks are encouraged to disclose information regarding actions they are taking in four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector \(2024\)](#).

Links & references

Response

We have identified that it is relevant to align our bank's portfolio with the SDGs by focusing on topics that are not only important to us, but also priorities to Estonia. Coop Pank considers SDGs and the Paris Climate Agreement as primary frameworks for the ESG strategy.

Climate change mitigation is our main (negative) impact area, where we are consistently taking steps to reduce our negative impact and increase our positive impact. Our second (positive) impact area is Decent Work and Economic Growth.

First area – Climate Action:

- Financing of energy efficiency and renewable energy projects
- Applying green financing instruments to support energy efficiency and renewable energy projects
- Continuous assessment of financed emissions and improvement of assessment quality
- Ongoing advocacy efforts to improve EPC coverage and importance in the real estate sector

In 2025, we initiated the development of internal capabilities to assess financed emissions. As a result, our PCAF (Partnership for Carbon Accounting Financials) data quality scores shifted - decreasing for some asset classes, increasing for others, and expanding to include a new asset class that will be assessed based on 2025 data. Due to changes in assumptions and data classification accuracy, previous results are not directly comparable with the new ones.

Additionally, PCAF has recently announced a revision of its methodology, which will soon affect our newly established assessment framework. Consequently, we are reviewing our previous year's plan and considering a shift away from setting targets directly related to financed emissions. Instead, we may focus on goals such as increasing green lending volumes. Given the evolving methodologies and data quality, financed emissions are not comparable on equal terms. Therefore, we have not set official SMART targets for this impact area, although several SMART targets have been defined for our second impact area. This will be taken as a next step.

Second area – Decent Work and Economic Growth

- Improving the financial literacy of the Estonian population
- Tuleva pension funds
- Rahasahtel (Cash Drawer) saving product
- Home loans on preferential terms for certain societal groups (teachers and home defenders).

We have set a SMART target regarding Tuleva pension funds. By 2030, our target is for 20% of clients with regular income to have joined Tuleva through Coop Pank. As of October 2025, around

5% percent of our client base with regular income has submitted a membership application via Coop Pank.

We have set an internal goal to increase customer engagement with Tuleva funds. This objective is supported by targeted campaigns, strategic communication, and technical developments - such as enhanced functionality within the Coop Pank mobile app and internet bank. We are actively investing in increasing the visibility of Tuleva. Progress toward these goals is monitored monthly.

We have defined a SMART target for Rahasahtel, which is currently in the final stage of internal approval. While we cannot disclose the exact goal, we can confirm that an ambitious objective for 2030 will be formally adopted by the end of 2025.

This goal reflects our commitment to improving household financial wellbeing and reducing economic vulnerability across Estonia. As of October 27, 2025, **27,600 savers** have collectively accumulated **€77.3 million**.

To achieve the objectives of our savings product Rahasahtel, we are expanding its functionality, developing new versions, and implementing plans to increase customer engagement. Progress toward these goals is monitored monthly.

Set targets are ambitious and relevant. Coop Pank's initiatives - the Tuleva funds and the Rahasahtel savings product - are well aligned with the national goals outlined in Estonia's Strategy for Developing Financial Wisdom in Estonia 2021–2030. This strategy emphasizes the importance of empowering individuals to make informed financial decisions, increasing transparency in financial services, and fostering long-term financial resilience.

The **Tuleva funds**, with their focus on low-cost, transparent investment options, directly support the strategy's objective to improve citizens' understanding of long-term financial planning and investment behavior. By offering clear, accessible information and minimizing hidden fees, Tuleva helps build trust and financial literacy among Estonian savers.

Meanwhile, **Rahasahtel** - a digital savings product designed to help users manage their personal finances - contributes to the strategy's goal of enhancing everyday financial decision-making. It encourages budgeting, saving, and awareness of spending habits, which are key components of financial wisdom as defined in the national framework.

Principle 3: Clients & 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.

Client and Customer engagement

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 activities. It should include information on the client engagement strategy including but not limited to the impact areas identified/ targets set, awareness raising activities with clients and customers, relevant policies and processes, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

Links & references

Response

Coop Bank has adopted a proactive approach to client engagement by integrating sustainability into its lending processes. The bank has committed not to finance activities that are unethical, violate human rights, are linked to corruption, or have a significant negative environmental impact. Coop Bank also has an exclusion list. As of the end of 2023, Coop Bank's loan portfolio included no financing in these excluded sectors. Environmental impact assessments are conducted case-by-case for clients whose operations may affect the environment, ensuring alignment with applicable standards. The bank also applies responsible marketing and transparent pricing principles across its services.

To further support sustainable economic activities, Coop Bank has developed an ESG roadmap and regularly updates it to guide strategic actions. Awareness-raising efforts include internal sustainability training, employee surveys, and collaboration with academic institutions such as Tallinn University. The bank awards scholarships in ESG, supports thesis work, and shares knowledge through entrepreneurship platforms (for instance, Trialog). Externally, Coop Bank engages in webinars, conferences, and media outreach to promote ESG topics. These initiatives reflect the bank's commitment to enabling shared prosperity and supporting clients in their sustainability transitions.

Coop Bank applies tailored client engagement strategies across its product portfolio, recognizing that different financial products require distinct approaches to sustainability and customer interaction. For example, the bank's home loan offerings for teachers and home defenders are designed with social impact in mind, combining preferential terms with targeted outreach. Meanwhile, investment products such as the partnership with Tuleva focus on long-term financial literacy and transparency, supported by digital onboarding and educational content. Savings tools like Rahasahtel emphasize behavioral nudges and accessibility, encouraging everyday financial resilience.

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 your bank has developed these in the reporting period. Provide information on sustainability-related products and services and frameworks in place that support the transition needs of clients, size of the sustainable finance portfolio in USD or local currency and/or as a % of your bank's portfolio,* and which SDGs or impact areas you bank is striving to make a positive impact on (e.g. green mortgages—climate, social, sustainability bonds—financial inclusion, etc.).

* Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes

Links & references

[Coop Bank obtains 15 million euros for the funding of green projects in the field of energy - Coop Bank](#)

[EBRD invests €20m in inaugural covered bond by Estonia's Coop Bank](#)

Response

We contribute to improving the financial literacy of the Estonian population by advising people of all ages on how to make smarter choices regarding their finances via our Lihtsalt rahast ('Money Matters Put Simply') podcast and through other channels. We promote saving for retirement and its importance with Tuleva pension funds, and we also encourage everyday saving habits through our dedicated savings product, Rahasahtel as part of building financial resilience.

We are a member of the Estonian Banking Association's working group on financial literacy, and we also actively contribute (both via the association and independently) to efforts to thwart financial fraud to help protect the assets of people in the country.

We offer more favourable conditions for the purchase of property with a higher energy performance index.

In 2023, we signed an agreement with the European Energy Efficiency Fund (EEEF) to obtain 15 million euros funding for the purpose of financing energy efficiency and renewable energy projects with public link. Through the EEEF, we have financed several projects with a positive impact and public relevance, such as woodchip-fueled boiler houses in small Estonian municipalities as well as solar parks. We remain focused on financing such projects. For instance, the construction of solar parks and wind turbines reached a nominal capacity of 80.9 MW by the end of the year 2024. Financing for renewable energy makes up about 5.3% of the portfolio of our corporate financing business line.

In 2025, the EBRD invested €20 million in Coop Pank's inaugural covered bond issuance. Coop Pank has pledged to use the full amount of the EBRD's investment to support environmentally sustainable projects that meet the EBRD's Green Economy Transition criteria. This initiative aims to boost green financing within Estonia's real economy and contribute to the country's transition to a greener future.

Principle 4: Stakeholders

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

Stakeholder identification and consultation

Describe which stakeholders (or groups/types of stakeholders) your bank has 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 the bank's engagement strategy following criteria for effective engagement and advocacy, how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Links & references

[Kaardivägi - Coop Pank](#)

[TalTechi ja Coop Panga koostöö toob tudengitele kaks stipendiumit ja hulgaliselt võimalusi](#)

Response

We are aware that as a financial institution we have a significant impact on society. Therefore, we have regularly consulted and cooperated with different stakeholders, so that we have a broad overview of the challenges as well as the possibilities of how we can contribute more effectively and increase our positive impact.

Coop Pank is an active member in different local initiatives. We also actively participate in several collaboration networks that promote and develop the principles of responsible business at the Baltic and international levels.

Coop Pank is a member of the Estonian Banking Association and actively participates in all its working groups. Among other initiatives, we contribute - together with the Banking Association - to promoting financial literacy among both youth and adults, advancing sustainable finance, and more. In doing so, we follow the principle of supporting life in every corner of Estonia. For example, in April 2025, we organized a financial literacy seminar in a small town Rakvere, and during Financial Literacy Month in March and April, we delivered financial education lessons across the country.

Being a member of different working groups of Banking Association, we can consult and collaborate with different stakeholders as well as be a partner for governmental institutions, ministries, Bank of Estonia, and other influential organisations in developing the fields of financial literacy and of sustainable finance. At the same time, it serves as an excellent platform for cross-sectoral cooperation, where solving key focus topics happens significantly faster and with a greater positive impact on society than working alone.

We are also engaged in the cooperation between Pan-Baltic banking associations and banks. Within the Banking Association, we meet once a month, and at the Pan-Baltic level every six weeks. Together, we have developed a unified ESG questionnaire and a GHG calculator at the Baltic level.

We have also been an active member of the Responsible Business Forum - renamed Sustainable Business Estonia (KELL) in 2025 - collaborating with various stakeholders to more effectively advance shared societal goals.

Since 2024, Coop Pank has been collaborating with the Ministry of Defense of the Republic of Estonia and the Foundation for the Development of National Defense, which established the Reservists' Fund. Both Coop Pank and its customers contribute donations to the fund to support Estonia's national defense. Through Coop Pank's "Kaardivägi" (Card Guard) programme (link attached), customers donate €0.01 for every card payment they make, and Coop Pank matches this amount with an additional €0.01. All donations are transferred to the account of the Foundation for the Development of National Defense. The Ministry of Defense of Estonia awarded Coop Pank the highest recognition for supporting national defense - the Gold Badge.

Since 2023, Coop Pank has been collaborating with the pension association Tuleva to offer its clients the opportunity to join Tuleva's second and third pillar pension funds. This partnership aims to contribute to the improvement of the financial well-being of people in Estonia.

Coop Pank collaborates with the Estonian Athletic Association and the Estonian Volleyball Federation to support the development of volleyball and decathlon in Estonia.

All these partnerships reflect our shared values with our collaborators and our commitment to improving life in every corner of Estonia.

Regarding our employees as a stakeholder group, an example of a collaboration network focused on employees and broader social aspects is PARE - a supportive community for HR managers and professionals - in which Coop Bank is also a committed member.

Step by step, we have started to involve our employees increasingly, we are raising awareness and holding various seminars and trainings. From 2024, our employee satisfaction survey has a section dedicated to sustainability. In the coming years, we will be able to monitor the attitude, awareness, and opinion of the employees more clearly and methodically about the bank's sustainability.

Since 2024, Coop Pank has also been collaborating with TalTech to diversify academic learning, support students, train bank employees, and conduct research. A practical example of this cooperation is that Coop Pank provides students with ideas for master's and bachelor's theses and offers input when a student wishes to write their thesis based on the bank's case. The partnership also includes co-organizing events such as the School of Business and Governance internship fair and the IT internship café. In addition, Coop Pank awards scholarships (€3,000 each). In 2024, scholarships were granted to students interested in artificial intelligence and ESG topics.

We also participate in knowledge sharing, both in the field of ESG and, for example, AI, we share our experience and knowledge through the University's entrepreneurship and research portal Trialoog, which is primarily aimed at entrepreneurs and decision makers. We cooperate about bachelor's and master's theses and on the provision of internships. In summary, this cooperation promotes students' interest in areas in which Coop Pank sees significant potential for increasing the competitiveness of Estonian banking and the wider economy.

In the 2024-2025 academic year, one master's thesis and one bachelor's thesis were completed in collaboration with Coop and TalTech, both focusing on sustainability. Each thesis utilized Coop Pank's data, and the results provided valuable feedback to the bank. We presented the results to the entire bank in the form of a seminar, where we also invited an external expert to help provide a broader perspective on the topic.

We invest in educating the market in general on different matters, including ESG. This includes organising webinars and participating in seminars and conferences organised by others, accepting speaking opportunities as well as writing articles. Coop Pank's spokespeople regularly participate in sharing knowledge via different mediums.

Principle 5: Governance & Culture

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

Governance Structure for Implementation of the Principles

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 (including accountability at the executive leadership level, clearly defined roles and responsibilities for sustainability matters in internal processes, etc.) and support the effective implementation of the Principles.

Links & references

Response

Coop Pank has established a governance framework to support the implementation of sustainability principles. ESG matters are overseen at the highest executive level, with the Chief Risk Officer responsible for sustainability at the Management Board. The Head of ESG provides quarterly updates to the Management Board and annual report to the Supervisory Board. A dedicated ESG function was created in 2022 to ensure systematic development of sustainability practices. The bank follows a structured ESG roadmap. ESG responsibilities are integrated into internal policies and credit processes, ensuring that both positive and negative impacts are actively managed across the organization.

Some examples: We have a Green Office Policy, updated in 2025, which follows the principles of the European Green Office. It defines the environmental and sustainability-related principles and directions for the bank's offices. These are divided into three groups:

- Governance and employee engagement
- Daily environmental activities and office management
- Social responsibility

The Credit Policy demonstrates that sustainability is not solely the responsibility of the ESG department, but an integral part of our daily lending operations. Since 2020, social responsibility has been embedded in our Credit Policy. In our credit process, we consider environmental, ethical, and social responsibility considerations. Through this approach, we aim to contribute to the sustainable development of both the environment and society. Therefore, we monitor environmental risks and assess the impact of companies from various sectors on the environment and sustainability more broadly.

We are in the final stages of developing our ESG/sustainability policy. The next steps are related to governance of ESG risks as well as diversity.

We consider the implementation of the UNEP FI Principles for Responsible Banking as an integral part of our broader sustainability agenda, rather than a standalone initiative. Accordingly, we do not maintain separate reporting to the Board specifically on PRB implementation. However, all sustainability-related matters - including progress aligned with the UNEP FI Principles - are regularly communicated to the Board as part of our overall ESG governance and strategic updates.

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, learning & development, sustainability training for relevant teams, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Links & references

Response

Since the beginning of 2020, we have taken a more strategic approach to foster a culture of responsible banking among our employees. First sustainability and ESG-related trainings were conducted in 2021, for the whole bank and specialising for specific employee groups.

From 2021, we have a Green Office policy in place, that defines principles and directions related to environment and sustainability aspects in the bank's offices as well as more broadly. We have stated there that we consider sustainability in all aspects of our activities and try to minimize the impact of our activities on the environment. Being guided by such an understanding is part of our daily activities both within the organization, and with cooperation partners and customers.

Coop Pank contributes to raising employees' environmental awareness by introducing employees and new employees to the goals of creating a Green Office policy, its management system, and the environmental activities we implement in the office and more broadly.

In addition to policy-based engagement, Coop Pank has organized various awareness-raising initiatives, including environmental challenges, thematic training days, and morning coffee sessions focused on sustainability. These efforts are designed to build capacity and embed sustainability into the bank's culture and daily practices.

Here are a few examples:

All bank employees can submit proposals via digital solutions for changing the office and our operations more environmentally friendly and sustainable, and the green office working group discusses the submitted proposals and, if necessary, involves other employees or external partners to implement the proposed solutions. There is also a separate questionnaire for waste sorting and for any other sustainability-related questions and suggestions employees may have.

In addition, once a year every spring we give an overview of our footprint and financed emissions to the whole bank. This also helps us to foster a culture of responsible banking by keeping the topic of climate impact constantly important and under attention.

In 2024, we conducted ESG training for business client managers. The training gave insights into the ESG overall, but more specifically on how the landscape is changing and how to be prepared for it in client-facing roles. We will continue to raise awareness and train our employees.

As part of our internal sustainability engagement and awareness raising, Coop Pank hosted a morning seminar in June 2025 focused on sustainable commuting. The event featured a TalTech student presenting a master's thesis based on a case study of Coop Pank and followed by a discussion led by an expert on the broader urban mobility context and the role of city planning in enabling sustainable choices.

Since 2024, our employee satisfaction survey has a section dedicated to sustainability. In the coming years, we will be able to monitor the attitude, awareness, and opinion of the employees more clearly and methodically about the bank's sustainability.

A key part of responsible business is also expecting responsibility from our partners.

We collaborate with partners who share our values. When selecting partners, we review the background of their beneficial owners and the company's activities. The goal is to work with companies whose beneficial owners do not have a negative background, are not sanctioned individuals, and whose companies are not under international sanctions or associated with negative impacts on communities.

In addition, our procurement procedure includes the principle that we do not purchase services from companies whose activities are unethical, violate human rights, are linked to corruption, or have a significant negative impact on the environment.

Risk and due diligence processes and policies

Describe what processes your bank has installed to identify and manage environmental and social risks associated with your bank's portfolio. This can include aspects such as identification of significant/salient risks, due diligence processes, 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 your bank has in place to oversee these risks.

Links & references

[Reporting – Coop Pank](#) *Reporting – 2024 – Coop Pank AS annual reports, Sustainability report, pp. 30-34*

Response

Coop Pank has integrated environmental, social, and governance (ESG) risk management into its overall risk framework. ESG risks and opportunities (in the CSRD context) were assessed through a

double materiality analysis and UNEP FI impact methodology, covering short-, medium-, and long-term horizons.

ESG risks are categorized across environmental, social, and governance dimensions and are managed in alignment with other risk categories such as credit, compliance, operational, strategic, and reputational risks.

The bank's credit policy includes an exclusion list for unethical sectors, and ESG considerations are embedded in credit decision-making processes. Our focus has been on preventing to onboard the high-risk sectors/companies which do harm to the environment or do not follow social expectations.

In the crediting process the loan administrator's responsibility is to assess various risks in the analysis of legal entities, including the impact on the environment. When specific criteria are met, a more detailed sustainability analysis is conducted regarding the client. We use an internal ESG scoring model, which is applied jointly by the account manager and the Head of ESG. This process results in an assessment of the client's ESG risk. For certain green lending products, we carry out a comprehensive due diligence process. Therefore, our assessment and due diligence process depends on the specific loan customer, on the activity and the scope of their business. Detailed steps are set in our credit analysis procedure under the chapter of ESG and credit process.

ESG risk governance is overseen by the Management Board, with the Head of ESG reporting quarterly to the Board and once a year to the Supervisory Board. A dedicated ESG function ensures systematic implementation and monitoring.

Coop Pank is also preparing for upcoming regulatory requirements, including those from the European Banking Authority (EBA), which mandate the integration of ESG factors into governance, strategy, and risk management. The bank is developing a formal action plan with measurable objectives and processes to monitor and address ESG-related financial risks.

In 2025, we placed greater focus on ESG risks, including both transition and physical risks. We have taken steps to assess the flood risk of collateral in our portfolio and are preparing to disclose energy performance certificate (EPC) information related to collateral properties.

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.

The information provided in the Responsible Banking Progress Statement is sufficient. If third-party assurance has been undertaken, provide details on the scope of assurance and the reference/link to the Independent (Limited) Assurance Report

Coop Pank is committed to transparent and accountable ESG practices. We conduct annual footprint and financed emissions assessments and publish sustainability reports following CSRD structure and requirements (not full requirements as we are not in the scope of CSRD as of yet) and PRB reports aligned with UNEP FI Principles.

We disclose financed emissions using PCAF methodology and collaborate with public and private partners to improve ESG data accessibility. ESG risks are integrated into credit policy and governance, with oversight from the management board and risk committee.

We continuously review our progress and update both, our sustainability report and UNEP FI PRB reporting annually to reflect our contributions to societal goals. In both our operations and the preparation of our second PRB report, we have followed the recommendations outlined in the UNEP FI feedback report, ensuring our disclosures and actions reflect best practices and continuous improvement.

A great amount of the information disclosed in this PRB report has been disclosed in our sustainability report, which has been audited. In 2025, we received a Golden label from Sustainable Business Estonia KELL program 'Responsible Business Index', where sustainability and ESG related information

was reported and assessed by at least two independent experts. We joined the Sustainable Business Estonia KELL in 2021 and in every two years we go through the assessment process.