ERSTE Group

Audited Reporting 2025

Your notes

Management report

Business performance and economic situation

Economic environment

From an economic point of view 2025 was mainly characterised by higher trade barriers, elevated policy uncertainty, stricter immigration policies, rising AI (Artificial Intelligence)-related investments and continued regional conflicts. Inflation levels declined further during the year although with significant regional divergence. On the monetary condition side, most of the world's major central banks continued to gradually loosen their respective policy stance and further cut their policy rates. The global economy proved more resilient than expected which was mainly due to front loaded imports in the first half of the year and reorganised supply chains to redirect trade flows. Economic growth rates varied significantly among advanced and emerging economies with the latter significantly supported by China and India. Overall, the global economy achieved a growth rate of 3.3%.

Among advanced economies, the United States again outperformed the Euro Zone and Japan. While higher imports tariffs, measures to curb immigration, the record long government shutdown, and policy uncertainty negatively impacted economic growth in the US, these effects were counterbalanced by solid consumption, an accommodative fiscal and monetary policy as well as strong AI-related investments. Inflation bottomed out in April 2025 then rising again at moderate levels. In response to the weakening labour market the US Federal Reserve (Fed) resumed monetary policy easing and decreased the federal funds rate in three steps, the first one in September, from 4.5% to 3.75%. The Fed also announced at its December meeting that it would start to buy short-term government bonds. The initial amount was set at a monthly rate of USD 40 billion. The US government deficit slightly decreased. Overall, the US economy grew by 2.1% in 2025.

In Europe economic growth was supported by resilient labour markets, decreasing inflation, and a more favourable interest rate environment. In addition, policy support from the Recovery and Resilience Facility and other EU funding cushioned the effect of tighter fiscal policy in several EU member states. Strong demand for services was supportive and important tourism destinations such as Croatia and Spain benefited. Spain in particular recorded well above-average growth benefiting from successful reforms and the country's strong service sector. Germany, Europe's largest economy, on the other hand, remained relatively weak. The euro appreciated against the US dollar and other major currencies. Average inflation in the euro area hovered around the 2% target of the European Central Bank (ECB), which cut the key policy rate from 3.00% to 2.00% in four steps during the year. The unemployment rate stabilised at low levels in most European countries. Overall, the growth rate of the European Union stood at 1.5% in 2025.

Austria's economic performance was slightly better than originally expected and after two years of recession the country's economy resumed with modest growth in 2025. Economic growth was mainly driven by increased consumption, government spending, and a stabilisation of investment activity. Private consumption growth was supported by real income gains of the previous years. Exports, on the other hand, dampened economic growth particularly against the backdrop of the weak performance of Germany, Austria's main trading partner. Non-residential construction recovered in 2025. Industrial production showed signs of recovery. Tourism again performed well and contributed to economic growth. The agricultural sector, although not a major contributor to GDP, also performed well. Overall, the Austrian economy underperformed the European Union average and grew by 0.4% in 2025.

Inflation increased during the year with average inflation in Austria amounting to 3.6%, above the euro zone average of 2.1%. Service and energy prices remained among the main inflation drivers. Food prices and industrial goods prices also came in higher than expected. Austria's labour market remained relatively stable throughout the year with the unemployment rate increasing slightly to 5.5%. Despite the fiscal consolidation measures adopted for the year the general government deficit increased further. The general government debt in relation to GDP increased.

Central and Eastern European economies experienced solid economic growth in 2025 driven mainly by household consumption on robust labour markets, easing inflation and, in most cases, higher real wages. Investment activity was fuelled by Next Generation European Union funds. Deterioration of foreign demand was most pronounced in countries with a high dependency on Germany's economy, such as Slovakia or Hungary. Romania's economy underperformed the CEE average as well. The economies of Croatia and Poland posted the highest growth dynamics. Croatia benefitted from its booming tourism sector and was again one of the best performing economies in the region. The Czech Republic also performed well. Consumer sentiment gradually recovered across all CEE countries except Romania where fiscal consolidation affected households. Overall, CEE economies achieved GDP growth rates ranging from 0.4% in Hungary to 3.6% in Poland in 2025.

Labour markets remained very strong in Central and Eastern Europe with the Czech Republic again posting one of the lowest unemployment rates among the European Union countries. Inflation, on the other hand, increased in most CEE countries driven mainly by higher food and energy prices. Romania's inflation was the highest in the European Union as the country eliminated the cap on electricity prices and increased value-added taxes in the course of the year. The Czech and Polish central banks further cut their interest rates throughout the year while the Hungarian, Romanian and Serbian central banks kept their policy rates unchanged. In Slovakia and Croatia ECB policy rates apply. While most CEE currencies were relatively stable during the year the Hungarian forint appreciated against the euro. Windfall taxes, special banking levies, and financial transaction taxes were introduced or increased in a number of CEE countries.

Analysis of performance

In the group management report P&L data of 2025 is compared with data of 2024, balance sheet data as of 31 December 2025 is compared to data as of 31 December 2024. The entire development is presented in detail in the notes to the consolidated financial statements.

Profit and Loss Statement

in EUR million	2024	2025	Change
Net interest income	7,528	7,788	3.5%
Net fee and commission income	2,938	3,191	8.6%
Net trading result and gains/losses from financial instruments at FVPL	437	419	-4.1%
Operating income	11,178	11,659	4.3%
Operating expenses	-5,279	-5,583	5.8%
Operating result	**5,900**	**6,076**	**3.0%**
Impairment result from financial instruments	-397	-478	20.3%
Other operating result	-414	-158	-62.0%
Levies on banking activities	-245	-372	52.0%
Pre-tax result from continuing operations	**4,997**	**5,400**	**8.1%**
Taxes on income	-1,053	-1,103	4.8%
Net result for the period	**3,945**	**4,297**	**8.9%**
Net result attributable to non-controlling interests	819	788	-3.9%
Net result attributable to owners of the parent	**3,125**	**3,510**	**12.3%**

Net interest income

Net interest income rose especially in the CEE markets. Increases were recorded primarily in the Czech Republic and Slovakia and were mainly attributable to higher loan volumes as well as lower interest expenses on customer deposits. The decline in Austria was mainly due to repricing of variable rate customer loans and the delayed passing on of lower market rates on customer deposits. The net interest margin (calculated as the annualised sum of net interest income, dividend income and net result from equity method investments over average interest-bearing assets) was nearly stable at 2.41% (2.46%).

Net fee and commission income

Growth was achieved across all core markets and income categories. Asset management and the securities business showed a strong development. Insurance brokerage also performed well. The significant rise in income from the lending business was mostly attributable to a reclassification from payment services.

Net trading result & gains/losses from financial instruments measured at fair value through profit or loss

Net trading result as well as the line item gains/losses from financial instruments measured at fair value through profit or loss are materially affected by the fair value measurement of debt securities issued. The related valuation is shown in the fair value result, the valuation of corresponding hedges in the net trading result.

Net trading result deteriorated to EUR 313 million (EUR 519 million) due to negative valuation effects in derivatives held for trading, despite a strong foreign exchange business. Gains/losses from financial instruments measured at fair value through profit or loss trended in the opposite direction and improved to EUR 107 million (EUR -82 million), primarily due to a decline in losses from the valuation of debt securities in issue at fair value.

General administrative expenses

in EUR million	2024	2025	Change
Personnel expenses	-3,202	-3,335	4.1%
Other administrative expenses	-1,529	-1,688	10.4%
Depreciation and amortisation	-547	-560	2.3%
General administrative expenses	**-5,279**	**-5,583**	**5.8%**

Personnel expenses were up in nearly all core markets – most significantly in Austria – driven mostly by collective salary agreements. The rise in other administrative expenses was primarily attributable to higher IT, consulting and marketing expenses. Contributions to deposit insurance schemes declined to EUR 53 million (EUR 72 million). Almost all of this decline occurred in Austria, where contributions fell to EUR 13 million (EUR 33 million). General administrative expenses did include costs related to the integration of Erste Bank Polska in an amount of EUR 38 million.

The cost/income ratio stood at 47.9% (47.2%).

Gains/losses from derecognition of financial instruments not measured at fair value through profit or loss and of financial assets measured at amortised cost

Losses from this position amounted to EUR 41 million (EUR 91 million). This includes most notably negative results from the sale of securities in the Czech Republic.

Impairment result from financial instruments

The impairment result from financial instruments amounted to EUR -478 million (EUR -397 million). Net allocations to provisions for loans and advances rose to EUR 557 million (EUR 394 million), most notably in Central and Eastern Europe, which last year benefited from releases. Positive effects came from high recoveries of receivables already written off, most notably in Austria. Overall, the majority of impairments on financial instruments in 2025 occurred again in Austria..

Other operating result

Other operating result is significantly affected by taxes and levies on banking activities and one-off effects. Other operating result is significantly affected by taxes and levies on banking activities and one-off effects. Taxes and levies on banking activities included in this line item rose to EUR 372 million (EUR 245 million). In Austria, banking tax increased to EUR 133 million (EUR 40 million), primarily on the back of a temporary tax increase in the amount of EUR 60 million. In Hungary, banking levies amounted to a total of EUR 175 million (EUR 168 million). In Romania, banking levies rose to EUR 63 million (EUR 37 million), mainly due to the increase in banking tax from 2% to 4% in July 2025. The rise in banking taxes was partly offset by lower contributions to resolution funds, which dropped to EUR 15 million (EUR 28 million), most notably in the Czech Republic. In 2025, credit institutions in the euro zone were again not charged regular contributions. Overall, other operating result improved mainly due to several positive one-off effects, namely EUR 88 million related to a technical change in the inclusion of an associated company, EUR 77 million resulting from the release of a provision after a positive court decision in Romania as well as EUR 48 million in gains from real estate sales in the Czech Republic, while in the previous year a provision of EUR 90 million was booked for legal risks.

Net result attributable to owners of the parent

Taxes on income amounted to EUR 1,103 million (EUR 1,053 million). The decline in the minority charge to EUR 788 million (EUR 819 million) was attributable to lower profitability at the savings banks. The net result attributable to owners of the parent rose to EUR 3,510 million (+12.3%; EUR 3,125 million). The return on tangible equity (ROTE) was 16.6% (16.3%).
adding some information.

Balance sheet

in EUR million	Dec 24	Dec 25	Change
Assets			
Cash and cash balances	25,129	27,573	9.7%
Trading, financial assets	75,781	79,522	4.9%
Loans and advances to banks	26,972	20,827	-22.8%
Loans and advances to customers	218,067	231,985	6.4%
Intangible assets	1,382	1,413	2.2%
Miscellaneous assets	6,405	7,254	13.3%
Total assets	**353,736**	**368,574**	**4.2%**
Liabilities and equity			
Financial liabilities held for trading	1,821	2,412	32.4%
Deposits from banks	21,261	16,919	-20.4%
Deposits from customers	241,651	252,991	4.7%
Debt securities issued	51,889	54,872	5.7%
Miscellaneous liabilities	6,346	6,715	5.8%
Total equity	30,767	34,665	12.7%
Total liabilities and equity	**353,736**	**368,574**	**4.2%**

Cash and cash balances amounted to EUR 27.6 billion (EUR 25.1 billion). Trading and investment securities held in various categories of financial assets increased to EUR 79.5 billion (EUR 75.8 billion).

Loans and advances to credit institutions (net), including demand deposits other than overnight deposits, declined to EUR 20.8 billion (EUR 27.0 billion). Loans and advances to customers (net) increased to EUR 232.0 billion (EUR 218.1 billion). All core markets recorded a positive development, with Central and Eastern Europe posting stronger growth, most notably the Czech Republic and Hungary. Growth was recorded in both retail and corporate business.

Loan loss allowances for loans to customers were almost unchanged at EUR 4.0 billion (EUR 4.1 billion). The NPL ratio – non-performing loans as a percentage of gross customer loans – improved to 2.4% (2.6%), the NPL coverage ratio (based on gross customer loans) slipped to 69.7% (72.5%).

Financial liabilities – held for trading amounted to EUR 2.4 billion (EUR 1.8 billion). Deposits from banks declined to EUR 16.9 billion (EUR 21.3 billion). Deposits from customers increased to EUR 253.0 billion (EUR 241.7 billion) across the group, most notably in the retail business and most strongly in the Czech Republic. The loan-to-deposit ratio stood at 91.7% (90.2%). Debt securities in issue rose to EUR 54.9 billion (EUR 51.9 billion) on increased issuance activity.

Total assets rose to EUR 368.6 billion (EUR 353.7 billion). Total equity increased to EUR 34.7 billion (EUR 30.8 billion). This includes AT1 instruments in the amount of EUR 3.5 billion. After regulatory deductions and filtering according to the Capital Requirements Regulation (CRR) common equity tier 1 capital (CET1, CRR phased-in) rose to EUR 28.5 billion (EUR 24.0 billion) as were total own funds (CRR phased-in) to EUR 36.5 billion (EUR 30.9 billion). Total risk – risk-weighted assets including credit, market and operational risk (CRR phased-in) – declined to EUR 147.5 billion (EUR 157.2 billion). The decline, despite strong credit growth, was attributable to a regulatory effect (CRR3 implementation) and securitisations and portfolio effects.

The total capital ratio, total eligible qualifying capital in relation to total risk, stood at 24.8% (19.7%), well above the legal minimum requirement. The tier 1 ratio was 21.7% (17.0%), the common equity tier 1 ratio 19.3% (15.3%) (all ratios are CRR phased-in).

Cash earnings per share (diluted/undiluted) amounted to 8,25/8,26 in 2025 (EUR 7.20/7.21). Earnings per share (diluted/undiluted) are EUR 8,24/8,24 (EUR 7.19/7.20).

The cash return on equity, i.e. the return on equity adjusted for non-cash expenses such as goodwill amortization and straight-line depreciation for the customer relationships, was 15.7% (return on equity: 15.5%) after 15.2% (return on equity: 15.2%) last year.

Branches

Erste Group Bank AG maintains branches in New York, Hong Kong and Germany (Berlin and Stuttgart) that provide commercial lending to foreign banks, leasing companies and sovereign debtors as well as institutional sales.

Expected development and risks of the Group

Long-term growth trends in Central and Eastern Europe

In line with growing economic performances disposable income have risen significantly in recent decades compared to Western Europe. In addition, most countries of Central and Eastern Europe have labour markets that are considerably more flexible. These advantages are complemented by, on average, highly competitive export industries that benefit from wage costs that are low relative to workforce productivity and from investor-friendly tax and welfare systems.

A comparison of per capita private debt levels in Central and Eastern Europe with those of Western economies reveals the gap that exists between these markets. Private debt levels and particularly household debt, are substantially lower than in the advanced economies. Erste Group firmly believes that credit expansion accompanied by economic growth in this region will prove to be a lasting trend.

Over the upcoming 15 to 20 years, on average, the countries of the eastern part of the European Union are therefore expected to experience higher growth rates than the countries of Western Europe, even though periods of expansion may alternate with times of economic stagnation or even setbacks on this long-term path of sustainable growth.

Customer banking in Central and Eastern Europe

The basis of Erste Group's banking business are essentially the business segments of retail business, corporate business and the capital markets business. For further information on the business segments, Erste Group refers to *Note 1 Segment reporting* in the consolidated financial statements.

Retail business

Erste Group's key business is the retail business, covering the entire spectrum from lending, deposit and investment products to current accounts and credit cards. Erste Group's core competence in retail banking has historical roots. In 1819, wealthy Viennese citizens donated funds to establish Erste Group's predecessor, the first savings bank in Central Europe. It was their aim to bring basic banking services such as safe savings accounts and mortgage loans to wide sections of the population. Today, the bank serves over 16 million customers in its markets and operates nearly 1,800 branches. Wealthy private clients, trusts and foundations are served by the bank's private banking staff and benefit from services that are tailored to the needs of this target group.

In addition, the bank uses and promotes digital distribution channels such as internet and mobile banking not only to meet the increasing importance of digital banking, but also to actively shape the digital future. George, Erste Group's digital platform, is already available in six core markets: Austria, the Czech Republic, Slovakia, Romania, Croatia and Hungary. The roll-out in Serbia already started after year-end 2025 and will be completed in 2026.

Retail banking is attractive to Erste Group for a number of reasons: It offers a compelling business case that is built on market leadership, an attractive risk-reward profile and the principle of self-funding. In addition, it benefits from a comprehensive range of products that are simple and easy to understand and provide substantial cross-selling potential. Erste Group takes advantage of these factors in all core markets and makes best use of its resulting position of strength by pursuing a hybrid business model. Erste Group's integrated-channel approach integrates the various sales and communication channels. Customers decide on how, when and where they do their banking business. Contact centers serve as interfaces between digital banking and traditional branch business. These contact centers offer advice and sales, thus going far beyond the traditional help desk function.

In addition to the expansion of digital sales channels, the branch network remains an important component of the business strategy. Only a retail bank that offers modern digital services and operates an extensive distribution network is able to offer tailor-made solutions and fund loans in local currency mainly from deposits made in the same currency. In short, Erste Group's retail banking model supports sustainable and deposit-funded growth even in economically more challenging times. Another positive factor is the diversification of the retail business across countries that are at differing stages of economic development, which is the case across the seven banking markets in which Erste Group has a direct presence.

Corporate business

The second main business line, which contributes significantly to Erste Group's earnings, is business with small and medium-sized enterprises, regional and multi-national groups, commercial real estate and public sector companies. Erste Group's corporate strategy is based on a universal service approach, following an organic growth strategy aimed at increasing the number of primary clients and share of wallet across all corporate sub-segments.

Erste Group strives to be the bank of choice for outstanding service, encompassing financial health and sustainable business practices. Based on the specific needs of its clients, Erste Group serves small and medium-sized enterprises through local branches or dedicated commercial centers, while larger and multinational groups are supported by specialized Large Corporates, Commercial Real Estate, or Public Sector units. In addition, the Group maintains a focused approach to large multinational clients, which are served centrally from the Holding through Group Large Corporates or related specialized units. Digital channels are also gaining increasing importance for corporate clients, particularly within the small and medium-sized enterprise segment.

The outlined approach enables Erste Group to integrate its industry-specific and product expertise with a strong understanding of regional needs and preferences, supported by the combined experience of local and central customer relationship managers as well as modern data supported technology and intelligence .

Capital markets business

Client-driven capital markets activities are also part of the comprehensive portfolio of products and services that Erste Group offers to its retail and corporate customers. The strategic significance of the bank's centrally governed and locally rooted capital markets operations consists in supporting all other business areas in their dealings with the capital markets and, hence, in providing the bank's customers with professional access to the financial markets. Erste Group, therefore, views its capital markets business as a link between financial markets and its customers. As a key capital markets player in the region, Erste Group also performs important functions such as market making, capital market research and product structuring.

The capital markets business serves the needs of Erste Group's retail and corporate customers, as well as those of banks and non-bank financial institutions. On account of Erste Group's strong network in the eastern part of the European Union, the bank has a thorough understanding of local markets and customer needs. In Erste Group's capital markets business, too, the bank concentrates on core markets of the Retail, SME, Large corporate, Corporate Real Estate and Public Sector business.

For institutional customers, specialized teams have been established in Germany and Poland, as well as in Hong Kong and New York, that offer these customers a tailor-made range of products.

In many countries where Erste Group operates, the local capital markets are not yet as highly developed as in Western Europe or in the United States of America. That means Erste Group's banking subsidiaries are pioneers in some of these markets. Therefore, building more efficient capital markets in the region is another strategic objective of Erste Group's capital markets activities.

Customer Experience Index

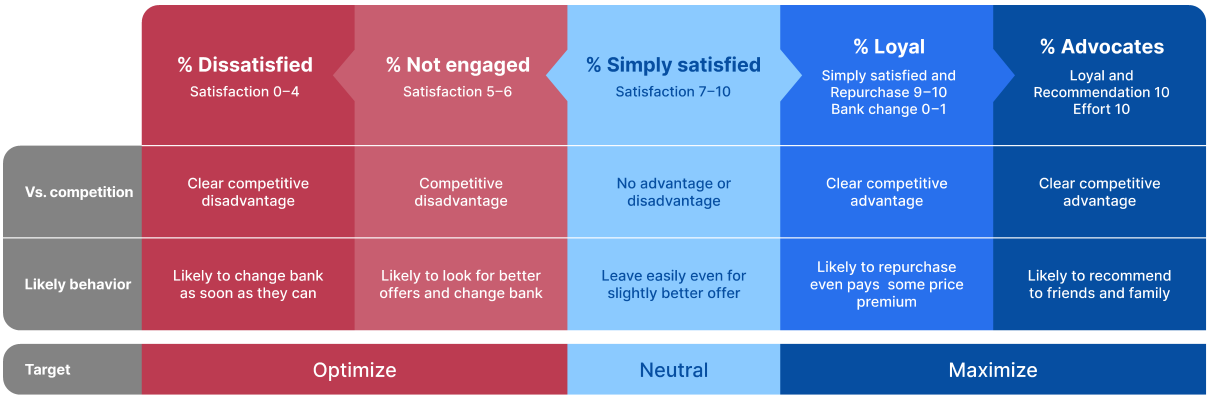
As a profit-driven enterprise, Erste Group has a strong interest in its customers' future behaviour and loyalty to the bank. The CXI is an index that measures such loyalty and is derived from the evaluation of satisfaction ratings, referrals, readiness to switch to another bank, customer effort score and the repurchase rate of the main customers of the individual banks

It thus reflects all conscious and unconscious experiences and decisions that Erste Group's customers make with its bank in the courses of their lives and that have an impact on the Group's customers' relations with Erste Group.

MEASURING CUSTOMER SATISFACTION

The Customer Experience Index (CXI) is determined by Group Customer Experience, which is part of Group Brand Management & Communications, which in turn reports to the CEO. In the retail segment, a representative survey called the Banking Market Monitor is carried out on a quarterly basis. 2,400 telephone interviews (with customers and non-customers) are conducted annually across Erste Group's markets. In the corporate customer segment, an extensive survey with at least 1,500 companies per country is carried out once a year. These analyses are conducted by an external market research institute and provide data for a performance comparison both within Erste Group and with its most important competitors. Based on these surveys, Erste Group's customer relations are rated in five categories (advocate, loyal, simply satisfied, non-engaged and dissatisfied) and successful improvement of customer service is measured using the CXI (Customer Experience Index).

Based on these categories Erste Group calculates the CXI as follows:
% advocates + % loyal customers + 0.5 x% simply satisfied -% non-engaged - % dissatisfied. The CXI rating therefore ranges on a scale from -100 to +100. This value is put in relation to the Top 3 competitors in each country and in each segment and is used to identify the strengths and weaknesses of the local banks as compared to the market leaders.



The CXI is of great relevance for Erste Group as it is also used as input in the bonus assessment for members of the Management Board of Erste Group, local banks and all employees. Targets for bonus evaluation purposes are set jointly by Group People & Culture, Group Customer Experience and relevant business lines.

DETAILED RESULTS

The table shows the relative difference to the Top 3 competitors in the market and the ranking of the bank in the respective market:

Differences in relation to the top 3 competitors

	PI		Micro		SME		Total	
	2024	2025	2024	2025	2024	2025	2024	2025
Erste Group	2.4	6.0	-0.9	0.4	2.9	3.9	1.9	4.8
Erste Bank Oesterreich	18.6	16.9	3.2	1.3	-2.0	3.7	12.0	11.9
Erste Bank Hungary	1.5	16.1	2.2	4.9	0.0	1.8	1.3	11.7
Česká spořitelna	-2.3	-2.0	-15.0	-11.5	0.9	4.4	-3.7	-2.5
Slovenská sporiteľňa	1.0	4.5	6.1	6.3	4.7	4.2	1.8	4.6
Banca Comercială Română	-0.4	5.5	1.5	1.8	1.6	1.5	0.3	4.3
Erste Bank Croatia	13.2	12.9	6.8	11.0	9.3	10.1	11.1	12.0
Erste Bank Serbia	4.1	7.4	-3.0	-2.4	-0.8	2.7	2.1	4.7

number 1 in the respective market

In 2025, the Erste Group once again succeeded in maintaining – or even improving – the excellent customer satisfaction levels achieved in the previous year.

CXI Privates (PI)

In the segment of private customers not only Erste Bank Oesterreich and Erste Bank Croatia achieved the best values in their respective countries this year, but also Erste Bank Hungary, Erste Bank Serbia, and Banca Comercială Română.
Compared to the Top 3 competitors, Erste Bank Hungary, Erste Bank Serbia, Slovenská sporiteľňa, and Banca Comercială Română were able to improve their results, while the other banks remained stable.

CXI Micro segment

In the Micro segment, the subsidiary Slovenská sporiteľňa, Banca Comercială Română, and Erste Bank Croatia succeeded in taking the leading position in their respective banking markets. Compared to the Top 3 competitors, Česká spořitelna and Erste Bank Croatia improved their performance, while the development of all other banks remained stable.

CXI SME segment

In the SME segment, Česká spořitelna, Slovenská sporiteľňa, Banca Comercială Română, Erste Bank Croatia, and Erste Bank Serbia demonstrated leading performance in their respective markets.The development in this segment was generally stable to positive in all markets when compared to the Top 3 competitors. Erste Bank Oesterreich, Česká spořitelna, and Erste Bank Serbia showed positive developments.

Erste Group's strategy

Erste Group has devised a comprehensive and forward-looking strategy to secure its position as a leading financial institution in the eastern part of the EU while addressing the challenges of rapidly changing market dynamics. Erste Group's strategy addresses significant global developments, including economic shifts, demographic changes, technological advancements, geopolitical fragmentation and climate change, to ensure sustainable growth and resilience even in the event of a different future.

The political landscape in Europe and globally is changing rapidly, with rising populism, sentiments and measures hostile to the European idea and potential political interventions in such forms as tariffs and new or expanded taxes posing challenges to some or all of the bank's core markets and to Europe more broadly. These challenges increase pressure on the continent's politicians, often leading to more interventionist policies and a distancing from the norms and practices that have so far shaped the EU. Monitoring and appropriately responding to these developments on both global and CEE-specific levels is crucial for a large publicly-listed firm with a prominent presence across the region.

Technological advancements, including AI, virtual/augmented reality, tokenized finance and quantum technology, are evolving quickly. For Erste Group, data science and AI are expected to impact business operations and customer interactions, further enabling high-quality and highly individualized digital advice and driving the demand for such advice on the part of the bank's clients.

The continuing convergence potential of CEE countries with the EU-27 remains a core principle of the bank's business model. However, rising wages and the end of cheap energy in Europe present growth challenges for the CEE economies, necessitating adaptations to their long-term growth strategy.

The demographic shifts apparent across Europe will also impact the bank's core markets, leading to shrinking workforces, intensifying competition for talent and increasing wage pressures. Addressing these challenges through digitalization and AI to improve workforce productivity is essential. Against the backdrop of ageing populations, Erste Group's mission to provide access to financial health across all age groups and customer segments takes on even more importance.

Environmental risks are also becoming increasingly significant. Projections indicate that five of the top ten global risks in the next decade are likely to be environmental, such as extreme weather events and biodiversity loss. Erste Group is dedicated to sustainability and aims to support social inclusion and is actively taking steps to support the net-zero transition being pursued by its customers and region.

Erste Group's strategy centers on five overarching objectives, designed to drive sustainable growth, improve customer experience and strengthen operational excellence. These objectives emphasize the need for transformation, innovation and efficiency while integrating principles of sustainability to ensure the bank remains competitive and relevant in a rapidly changing financial landscape.

BUILDING A DISTINCTIVE BRAND IDENTITY

At the heart of Erste Group's strategic goals is the creation of a unique and highly recognizable brand identity that resonates across its markets. Erste Group seeks to differentiate itself from competition in the financial sector that is increasingly becoming commoditized. This involves positioning Erste Group as more than just a bank, focusing instead on being a trusted partner that understands and meets the needs of its customers at every stage of their financial journey.

To achieve this, Erste Group is committed to developing innovative and tailored products and services that cater to the specific demands of regional markets and address the needs and interests of its customers at an individual level. This customer-first approach is not only designed to foster customer-loyalty, but also to build long-term relationships by providing value that extends beyond conventional banking. The group's strong branding initiatives also seek to reinforce its reputation as a forward-thinking and customer-focused financial institution.

PROVIDING EVERYONE WITH ACCESS TO FINANCIAL EXPERTISE AND FINANCIAL ADVICE

Erste Group proactively empowers every customer to improve their financial health. Modern technologies, particularly artificial intelligence (AI) are at the core of Erste Group's strategic objective to provide everyone with access to financial advice. The bank aims to make high-quality financial expertise accessible to a much broader customer base by applying AI and data-driven solutions. This represents a significant shift from traditional models, where personalized financial advice was often limited only to higher-income clients.

Erste Group's use of technology enables customized insights and recommendations tailored to individual financial needs. Whether customers are seeking advice on investments, savings or retirement planning, this approach ensures they receive relevant information and product offers in an easy-to-understand format to improve their financial health. Importantly, these technological advancements will complement but not replace human interaction, ensuring that customers can still benefit from face-to-face or conversation-based support when needed.

Through these efforts, Erste Group aims to bridge the gap between technology and personal service, creating a seamless, hybrid advisory model that enhances the customer experience. Erste Group is also committed to integrate sustainability and ESG principles and to improve financial literacy across its markets as a means of fostering informed decision-making on the part of its clients.

DRIVING EFFICIENCY THROUGH DIGITALIZATION

A critical element of Erste Group's transformation is its commitment to comprehensive digitalization. The bank plans to digitalize all key processes across its operations, from customer-facing interactions to internal workflows, creating a more efficient and agile organization. This focus on end-to-end digital solutions will not only enhance the speed and convenience of banking for customers but also deliver significant cost savings and reduce operational risk through lowering the share of manual processes and improving operational efficiency.

Digitalization efforts range from streamlining customer journeys, enabling seamless interactions through platforms such as Erste Group's flagship digital banking platform George, to digitalizing internal functions.

This ensures that customers can manage their banking needs independently while receiving a premium, user-friendly digital experience. By making banking faster, more intuitive and more accessible, Erste Group can free up resources, allowing employees to dedicate more time to high-value activities. This is essential for providing high-quality advisory services.

INNOVATIVE FINANCIAL HEALTH PROPOSITIONS

As part of its strategic focus, Erste Group is committed to developing innovative financial products and services that address the evolving needs of its customers. This includes broadening the bank's product offering in areas such as wealth management, as well as introducing insurance and pension schemes designed to improve customers' financial health and resilience. By aligning its product portfolio with the priorities of its customers, Erste Group ensures that it remains relevant in an increasingly competitive market.

By delivering value-driven and innovative solutions, Erste Group is positioning itself as a partner that genuinely cares about the prosperity of its clients.

EXPANDING THROUGH ORGANIC AND INORGANIC GROWTH

Erste Group continues to capitalize on the substantial growth potential within the CEE banking sector by advancing both its organic expansion initiatives and its long-term strategy of targeted inorganic growth. With a focus on strengthening its presence in existing markets and broadening its regional footprint, the Group has now taken a significant step toward consolidating its position as a leading financial institution in Central and Eastern Europe through its successful entry into Poland — the region's largest and fastest-growing economy, characterized by strong fundamentals and an underpenetrated banking sector.

A major milestone in this strategic expansion was the acquisition of Santander Bank Polska S.A. ('SPL Bank'). The transaction agreement was signed on 5 May 2025 and successfully closed on 9 January 2026, marking Erste Group's formal entry into the Polish market. The acquisition includes a 49% stake in SPL Bank as well as a 50% stake in Santander Towarzystwo Funduszy Inwestycyjnych S.A. ('TFI'- asset manager, further 50% are held directy by SPL Bank), both purchased from Banco Santander S.A., Spain. With the transaction now completed, Erste Group is positioned to accelerate operational integration and leverage the substantial opportunities offered by this new market.

Strategic mergers and acquisitions such as this one enable Erste Group to scale its operations more effectively, diversify its customer base, and unlock synergies across the Group's regional network. These advantages — combined with the Group's solid financial foundation — ensure that Erste Group remains well equipped to pursue high-value opportunities that align with its long-term strategic direction.

The rationale behind the acquisition is firmly anchored in Erste Group's objective to establish a meaningful and sustainable scale in each of its core markets. Poland's economic resilience, market size, and attractive growth dynamics make it a natural and strategically compelling extension of Erste Group's presence in the CEE region. With the acquisition now finalized and stepping into the integration phase, Erste Group is poised to deepen its regional influence and reinforce its growth trajectory in one of Europe's most promising banking markets.

SUSTAINABILITY AS A STRATEGIC DRIVER

Sustainability is an integral part of Erste Group's long-term vision to ensure future success by taking into account environmental, social and governance (ESG) factors. Erste Group's sustainability strategy is based on two main pillars: supporting the green transition and promoting social inclusion.

The Group supports the green transition in the CEE region by promoting a sustainable real estate sector and financing emission reductions in the energy sector, in line with Erste Group's net zero ambition. Erste Group offers sustainable financing, sustainable investment funds and advisory services to help businesses and private clients reduce their environmental footprint and positions itself as a preferred partner for sustainability-oriented clients.
Erste Group assists its corporate customers with ESG topics by facilitating their green transition. To align the retail business with the ESG strategy, Erste Group offers products and services that promote decarbonization aiming to enhance both financial health and environmental sustainability. These products are aimed at not only providing financial security, but also empowering customers to achieve their long-term goals.

Internally, Erste Group is reducing its carbon footprint by optimizing energy use and adopting environmentally friendly practices.

Social responsibility is embedded in Erste Group's DNA, with initiatives aimed at reducing inequality, increasing financial access and supporting community development. The bank also focuses on governance, ensuring transparency, ethical decision-making and accountability.

Innovation is key in this sphere too, with advanced technologies like AI and data analytics enhancing sustainability solutions. Erste Group's holistic approach to sustainability aligns its business goals with ESG principles, ensuring inclusive, responsible growth. This strategy combines customer-centric initiatives, technological innovation, operational efficiency and sustainable growth, positioning Erste Group as a trusted financial institution in the CEE region.
For more details regarding strategy please refer to the chapters '*SBM-1 - Strategy, Business model and value chain' in the sustainability statement*' and '*E1 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model*'.

Outlook statement

Erste Group's goal for 2026 is to achieve a return on tangible equity (ROTE) of about 19% and an increase in earnings per share of more than 20% based on 2025 net profit adjusted for one-off items compared to 2026 net profit adjusted for extraordinary items connected to the acquisition and first-time consolidation of Erste Bank Polska. This ambition is built on the following key assumptions:

Firstly Erste Group's business, as at year-end 2025 in seven core markets (Austria, Czech Republic, Slovakia, Romania, Hungary, Croatia and Serbia), is expected to perform well supported by an improved macro-economic environment, broadly stable interest rates, especially in the euro zone, stable margins and healthy loan volume growth of more than 5%. Operating performance as defined by operating result (operating income minus operating expenses) is expected to improve year-on-year, as net interest income is projected to grow by about 5%, fee and commission income continues to grow by more than 5%, net trading and fair result produces a similar revenue contribution as in 2025, and operating expenses grow in the order of 3%. Consequently, the cost/income ratio is expected to improve from the level of about 48% in 2025 to about 47% in 2026. Other operating result is expected to normalise following several positive one-offs in the amount of about EUR 270 million in 2025 and be more in line with the amount of banking levies also booked in this line item. Risk costs, at 20-25 basis points, are expected at a similarly benign level as in 2025.

Secondly, extraordinary effects due to the full consolidation of Erste Bank Polska are primarily expected in net interest income, operating expenses and risk costs. Net interest income will be negatively impacted by about EUR 170 million (equivalent to a net profit impact of approx. EUR -60 million) connected to the amortisation of positive fair value adjustments recognised on debt securities and derivatives. In addition, interest income earned on the purchase price in 2025 will not recur in 2026. Operating expenses will be affected by the amortisation of intangibles (customer stock and brand) and the booking of integration costs. Customer relationships will be amortised over 10 years in the amount of about EUR 210 million per annum (net profit impact of approx. EUR -70 million), while the brand will be fully written off following rebranding in 2026 (EUR 30 million gross or EUR ~10 million net). Remaining integration costs are forecast at EUR 180 million gross, mostly booked in 2026. The corresponding net impact will depend on the allocation of costs between the parent company and the local bank, which is still to be determined. Risk costs will be impacted by a EUR 300 million charge (net profit impact of about EUR -120 million) for expected credit losses of the Polish portfolio required under IFRS 9 following fair valuation of all assets and liabilities on first-time consolidation, in line with IFRS 3. This charge is not indicative of portfolio deterioration.

Consequently, taking into account organic underlying growth as well as the contribution from Erste Bank Polska including extraordinary effects from its first-time consolidation, Erste Group in its now eight core markets, in 2026, targets net interest income in excess of EUR 11 billion, fee income of approx. EUR 4 billion and operating expenses of about EUR 7 billion. Consequently, the cost/income ratio is projected to improve to about 45%. Risk costs are expected in the range of 25-30 basis points of average gross customer loans, as risk costs tend to be somewhat higher in Poland than in other CEE markets. This expectation is adjusted for the EUR 300 million one-off ECL provision mentioned above. Reported net profit for the combined entity is forecast somewhat below EUR 4 billion, net profit adjusted for extraordinary items related to first time consolidation of Erste Bank Polska is projected at somewhat above EUR 4 billion.

First-time consolidation of Erste Bank Polska is expected to result in a CET 1-ratio drawdown of approximately 460 basis points, and consequently, lead to a dip in the CET 1-ratio in the first quarter of 2026, albeit from a historic record level of 19.3% at the end of 2025. Thereafter, in line with the projected strong profit performance, the CET1 ratio is expected to increase in 2026, providing renewed capital return and/or M&A flexibility. Due to the full internal funding of the Erste Bank Polska acquisition, which required higher profit retention in 2025, Erste Group management will propose a reduced dividend payment of EUR 0.75 per share to the annual general meeting. This equals a payout ratio from 2025 net profit after deduction of AT1-dividends of 9.1%, in line with the 2025 dividend policy of limiting the payout ratio to 10%, announced at the time of acquisition.

Potential risks to the guidance include (geo)political and economic (including monetary and fiscal policy impacts) developments, regulatory measures as well as changes to the competitive environment. Current international (military) conflicts do not impact Erste Group directly, as it has no operating presence in regions involved. Indirect effects, such as financial markets volatility, sanctions-related knock-on effects, supply chain disruptions or the emergence of deposit insurance or resolution cases cannot be ruled out, though. Erste Group is moreover exposed to non-financial and legal risks that may materialise regardless of the economic environment. Worse than expected economic development may put goodwill at risk.

Risk management

With respect to the explanations on substantial financial risks at Erste Group as well as the goals and methods of risk management, Erste Group would like to draw the reader's attention to the information provided in *Note 32 Risk management* and in the *Notes 27*, *34* et seq, *44*, *45*, *46* and *54* of the consolidated financial statements.

Research and development

Digitalisation

Digitalisation and innovative technologies have fundamentally transformed the banking sector, with change unfolding at an ever faster pace. Digital technologies reshape not only consumer expectations. Erste Group is convinced that digital banking will further gain in relevance and will be essential for sustainable economic success in the long term and is therefore committed to digital innovation. Intra-group interdisciplinary teams are developing innovative solutions with the goal of offering everyone access to financial literacy and financial advice and helping the bank's customers to strengthen their financial health in a sustainable manner.

The centre-piece of Erste Group's digital strategy is the digital platform George, designed to provide customers access to personalised products of Erste Group. APIs support a wide range of co-operation arrangements with fintechs, start-ups and even across industries and can therefore help to open up new markets and attract new customers. George is available to retail customers in Austria, the Czech Republic, Slovakia, Romania, Croatia and Hungary.The roll-out in Serbia already started after year-end 2025 and will be completed in 2026. At present, George is being actively used by more than eleven million customers. The portfolio of digitally available products and services is being constantly expanded. Customers can activate applications via plug-ins and use them to manage their finances.

George Business was developed to provide excellent digital banking to corporate customers as well. It was implemented in Austria in 2022, in Romania in 2023, and in the Czech Republic in 2025. The roll-out in Slovakia will be completed in 2026. It is the aim to offer all customer segments across the group an outstanding digital user experience on a single platform.

Digital innovation such as artificial intelligence (AI) and deep customer data analysis are the key to success. Erste Group's holistic approach combines the broadening of financial expertise through the use of modern technologies ('AI-supported digital advisory') with the digitalisation of all relevant bank processes. One App for the account, cards, savings, loan and securities account.

In 2025, software development costs of EUR 27 million (EUR 25 million) were capitalised.

Reporting on material characteristics of the internal control and risk management system with regard to the accounting process

Internal Control System Framework Requirements

The internal control system (ICS) is an essential element of the corporate governance system of Erste Group contributing to the safeguarding of shareholders' investments and company's assets. Erste Group's ICS plays a key role in identifying risks associated with the respective internal processes.

The ICS Policy provides the framework conditions for the internal control system at Erste Group. It defines current standards concerning general tasks and responsibilities as well as minimum criteria for ICS documentation. In Erste Group, a top down, risk oriented, decentralised ICS approach is applied, designed based on the local process map, which promotes adequacy by focusing on all material risks. This means, that all material risks identified must be mitigated by key controls which are involved in the ICS process. The following criteria are applied for an adequate ICS:

- Completeness: The process landscape as well as policies and procedures issued within the Group Policy Framework ensure that all identified risks and potential risk scenarios are considered, regulated and managed, aiming to set up a comprehensive and integrated control environment throughout the entity. All material risks must be covered with key controls, to demonstrate the importance at local level.
- Effectiveness and traceability: The functionality of key controls are regularly checked, the optimal control environment is reviewed and challenged during monitoring activity of risk appetite/tolerance.
- Comprehensibility: The process landscape together with local policies and procedures constitute documentation of identified key controls, which ensures that relevant employees are aware of all key controls and their role in the internal control process is transparent and accountable within the entire local entity.

The risk profile, which includes the current and target situation, is monitored by each individual risk function unit and is illustrated in the framework of the consolidated risk reporting (GRR) for the management or relevant Risk Committee.

Control environment

The Code of Conduct provides orientation for all employees of Erste Group, defines mandatory rules for day-to-day business life, describes the corporate values, affirms the obligation to act responsibly as a company and ensures compliance with legal provisions and internal guidelines (compliance).

The awareness of potential compliance issues and a sustainable risk culture enable risks to be identified quickly and well-considered decision-making when dealing with existing regulations. The main component of the risk culture are internal guidelines and, above all, open communication in order to create the broadest possible awareness of all employees for all risks that Erste Group is confronted with.

The Management Board is responsible for the establishment, structure and application of an appropriate internal control and risk management system that meets the company's needs in its group accounting procedures.

Erste Group's IFRS Accounting Manual provides a comprehensive methodological basis for the preparation and submission of the monthly, quarterly and annual IFRS Group Reporting Packages by Erste Group's subsidiaries.

The management in each subsidiary is responsible for implementing group-wide instructions. Compliance with group rules is monitored as part of the audits performed by group and local auditors.

Group Accounting and Group Controlling are responsible for preparing the consolidated financial reporting. Both divisions are assigned to the CFO of Erste Group. The preparation of the consolidated financial statements is the responsibility of the Group Accounting department. The assignment of competencies, the process description and the necessary control procedures are defined in the working instructions.

Risk assessment and controls measures

The main risk in the financial reporting procedures is that errors or deliberate action (fraud) prevent facts from adequately reflecting the company's financial position and performance. This is the case if the data provided in the financial statements and notes is materially deviating from the correct figures, i.e. whenever, alone or in aggregate, they could influence the decisions made by the users of financial statements. Such a decision may incur serious damage, such as financial loss, the imposition of sanctions by the banking supervisor or reputational harm.
Furthermore, especially estimates for the determination of the fair value of financial instruments for which no reliable market value is available, estimates for the accounting of risk provisions for loans and advances and for provisions, complex measurement requirements for accounting as well as a volatile business environment bear the risk of significant financial reporting errors.

Erste Group issues group policies used for preparation of consolidated financial statements in accordance with IFRS. A summary description of the accounting process is provided in Erste Group's IFRS Accounting Manual. All transactions in subsidiaries have to be recorded, posted and accounted for in accordance with the accounting and measurement methods set out in this manual.

The basic components of the internal control system (ICS) within Erste Group are:
_ systemic, automatic control systems and measures in the formal procedure and structure, e.g. programmed controls during data processing,
_ principles of functional separation and checks performed by a second person (the four-eye principle),
_ Controlling as a permanent financial/business analysis (e.g. comparison of target and actual data between accounting and controlling) and control of the company and/or individual corporate divisions,
_ highly automated data validation in the group consolidation process.
_ The integrated Disclosure Management Tool ensures high audit readiness through clear documentation ('Single Source of truth').

The areas of responsibility assigned to the individual positions are documented and are continuously updated. Special attention is paid to a functioning deputy regulation in order not to jeopardize the ability to meet deadlines if one person is absent.

Group consolidation

The individual financial statements reported by the subsidiaries in the consolidation system are checked by the person responsible for the individual financial statements in Group Accounting as part of the data release process, which provides for extensive, largely automated check routines and - if necessary - adjustments to the individual financial statements are made in coordination with the individual entities or the auditors. The subsequent consolidation steps are then performed using the consolidation system. These include consolidation of capital, expense and income consolidation and debt consolidation, any intragroup gains are eliminated. At the end of the consolidation process, the notes to the consolidated financial statements are prepared in accordance with IFRS and BWG/UGB.

The consolidated financial statements and the group management report are reviewed by the Audit Committee of the Supervisory Board and are also presented to the Supervisory Board for approval. They are published as part of the annual report, on Erste Group's website and in the Official Journal of Wiener Zeitung and finally filed with the Commercial Register.

Information and communication

Throughout the year, the group produces consolidated monthly reports for group management. Statutory interim reports are produced that conform to the provisions of IAS 34 and are also published quarterly in accordance with the Austrian Stock Corporation Act. Before publication, the consolidated financial information is presented to senior managers and the CFO for final approval and then submitted to the Supervisory Board's Audit Committee.

Reporting is almost fully automated, based on source systems and automated interfaces and guarantees up-to-date data for controlling, segment reporting and other analyses. Accounting information is derived from the same data source and is reconciled monthly for reporting purposes. Close collaboration between accounting and controlling permits continual target/actual comparisons for control and reconciliation purposes. Monthly and quarterly reports to the Management Board and the Supervisory Board ensure a regular flow of financial information and monitoring of the internal control system.

In addition, when introducing new core banking systems and implementing new products, accounting is in contact with the relevant departments in order to provide information at an early stage on accounting-specific aspects and implications for new product launches.

Monitoring

In order to monitor and at the same time support strong governance and risk management, Erste Group applies three lines of defence to review the structures and processes that enable the achievement of the objectives for their effectiveness.

The first line of defence includes the business lines in which the department heads are responsible for monitoring including internal controls of their business areas. This line is in constant dialogue with the business areas and reports on planned, actual and expected results in connection with the goals of the organisation as well as on risks.

The role of the second line of defence is covered by specific areas of expertise, in addition to providing expertise, support, monitoring and risk management tasks. At Erste Group, these activities are carried out by the departments Risk Management, BWG Compliance, WAG Compliance, Anti Money Laundering Prevention, Group Data and Reporting Governance and Group Security. Above all, the departments should support the business lines in the control steps, validate the actual controls, bring state-of-the-art practices into the organisation and cover tasks related to risk management.

The third line of defence is responsible for providing independent and objective assurance and advice on the adequacy and effectiveness of governance and risk management. Internal Audit is in charge of auditing and evaluating all areas of the bank based on risk-oriented audit areas (according to the annual audit plan as approved by the Management Board and reported to the Audit Committee). The main focus of audit reviews is to monitor the completeness and functionality of the internal control system. Internal Audit has the duty of reporting its findings to the group's Management Board, Supervisory Board and Audit Committee several times within one year.

Internal Audit is according to section 42 Austrian Banking Act (BWG) a control body that is directly subordinate to the Management Board. Its sole purpose is to comprehensively verify the lawfulness, propriety and expediency of the banking business and banking operation on an on-going basis. The mandate of Internal Audit is therefore to support the Management Board in its efforts to secure the bank's assets and promote economic and operational performance and thus in the Management Board's pursuit of its business and operating policy. The activities of Internal Audit are governed in particular by the currently applicable Rules of Procedure, which were drawn up under the authority of all Management Board members and approved as well as implemented by them. The Rules of Procedure are reviewed on a regular basis and whenever required and adapted should the need arise.

Holdings, purchase and sale of own shares

The presentation of own shares as of trade date follows the disclosure requirements in accordance with the Austrian Stock Corporation Act (AktG).

Holdings of own shares

Number of shares	Dec 24	Dec 25
Erste Group Bank AG	-257,675	-106,551
Affiliates	761,329	551,329
thereof pledged	0	0

As of 31 December 2025, retained earnings include a short position in Erste Group Bank AG shares amounting to 106,551 units (prior year: short-position 257,675), which is covered by securities lending deals.

From the purchase and sale of its own shares in the long portfolio Erste Group Bank AG generated selling gains in course of securities trading in the amount of EUR 0 million (2024: EUR 1 million) which were recognized in the capital reserve and in course of the employee share program selling losses in the amount of EUR 1 million (2024: selling gains of EUR 1 million in the capital reserve) which recognized in other retained earnings .

Purchase of own shares

	Erste Group Bank AG				Affiliates of Erste Group Bank AG			
	Number of shares	Par value of the share capital EUR million	Purchase price in EUR million	Purpose of transaction	Number of shares	Par value of the share capital EUR million	Purchase price in EUR million	Purpose of transaction
January	186,435	0.37	11.27	trading				
February	224,829	0.45	14.60	trading				
March	326,721	0.65	21.72	trading				
March	23,253	0.05	1.59	employee share programm				
April	398,793	0.80	23.36	trading				
May	116,459	0.23	7.97	trading				
May	22,000	0.04	1.55	employee share programm				
June	94,700	0.19	6.72	trading				
June	432,000	0.86	30.74	employee share programm				
July	49,155	0.10	3.74	trading				
August	79,466	0.16	6.70	trading				
September	178,594	0.36	14.88	trading				
October	54,412	0.11	4.59	trading				
November	48,650	0.10	4.39	trading				
December	155,854	0.31	15.49	trading				
Total	**2,391,321**	**4.78**	**169.31**		**0**	**0.00**	**0.00**	

The purpose of securities trading was in particular 'market making' and hedging positions in the Austrian Stock Exchange Index (ATX).

For further details on the employee share program, Erste Group refers to *Note 62 Share-based payments*.

Sale of own shares

	Erste Group Bank AG			Affiliates of Erste Group Bank AG		
	Number of shares	Par value of the share capital EUR million	Selling price in EUR million	Number of shares	Par value of the share capital EUR million	Selling price in EUR million
January	158,249	0.32	9.60			
February	249,493	0.50	16.17			
March	173,905	0.35	11.56	210,000	0.42	14.20
April	361,592	0.72	21.74			
May	208,165	0.42	13.86			
June	719,873	1.44	50.53			
July	73,956	0.15	5.65			
August	57,357	0.11	4.83			
September	64,945	0.13	5.39			
October	65,251	0.13	5.58			
November	53,637	0.11	4.88			
December	53,774	0.11	5.32			
Total	**2,240,197**	**4.48**	**155.11**	**210,000**	**0.42**	**14.20**

Capital, share, voting and control rights and associated agreements

For details in respect of capital structure, class of shares and treasury shares please refer to *Note 55 Total equity* of the consolidated financial statements. The mandatory disclosure requirements of Section 243a (1) UGB are met as follows:

1. Capital structure and class of shares

As of 31 December 2025, together with its syndicate partners (savings banks, share management savings banks – 'Anteilsverwaltungs-sparkassen' and savings bank foundations – 'Sparkassenstiftungen'), DIE ERSTE oesterreichische Spar-Casse Privatstiftung ('ERSTE Stiftung'), a foundation, controls 25.52% (prior year: 25.41%) of the shares in Erste Group Bank AG and with 18.59% (prior year: 18,48%) is the main shareholder. The ERSTE Stiftung holds 6% (prior year: 5.94%) of the shares directly; the indirect participation of the ERSTE Stiftung amounts to 12.59% (prior year: 12,54%) of the shares held by Sparkassen Beteiligungs GmbH & Co KG, which is an affiliated undertaking of the ERSTE Stiftung. 2.66% (prior year: 2.66%) are held directly by savings bank foundations, savings banks and the Erste employee share participation foundation (Erste Mitarbeiterbeteiligungsstiftung), acting together with the ERSTE Stiftung. 4.27% (prior year: 4.27%) are held by a syndicate partner, Wiener Städtische Versicherungsverein.

The Erste Group Bank AG forms a joint liability scheme (Haftungsverbund), together with the Austrian savings banks, in accordance with article 4 (1) Z 127 CRR as well as an institutional protection scheme (IPS) approved by the supervisory authority pursuant to article 113(7) CRR. The required individual services of the individual members of the scheme are in case of an occasion subject to an individual and general ceiling. The applicable amounts are determined by joint liability scheme's steering company and made known to the paying members.

The payments of the individual members in the IPS Ex-Ante Fund established for support measures are recognised in the financial statements as a share in IPS GesbR, which manages the ex-ante fund and are accounted for as retained earnings. Due to the contractual terms, these retained earnings represent a blocked reserve. The release of this blocked reserve may only take place as a result of the utilisation of the ex-ante fund due to a claim. This reserve can therefore not be utilised internally to cover losses and on member level does not qualify as own funds according to the CRR; on a consolidated level, the ex-ante fund does qualify, however. For details, please refer to the section scope of consolidation and Note 33.

Erste Group Bank AG is the central institution for the associated Austrian savings banks and together they form a cash pool pursuant to section 27a Austrian Banking Act (BWG). Where necessary, Erste Group Bank AG must supply liquidity to an associated savings bank in accordance with legal and contractual provisions.

2. Restrictions of voting rights and of the transfer of shares

The Articles of Association do not contain any restrictions affecting voting rights or the transfer of shares.

In shareholder agreements ERSTE Stiftung - which, together with its syndicate partners, held 25.52% capital shares as at 31 December 2025 (previous year: 25.41%) agreed the following: concerning the appointment of the members of the Supervisory Board the partners are obliged to vote as required by ERSTE Stiftung. The partners can dispose of shares according to a predefined sale procedure and can purchase shares only within the quotas agreed with ERSTE Stiftung (of a maximum of 3% per calendar year); with this regulation an unwanted creeping-in according to takeover law shall be prevented. In addition, the partners have committed themselves not to make a hostile takeover bid, nor to participate in a hostile takeover bid nor to act together with a hostile bidder in any other way.

3. Direct or indirect shareholdings amounting at least 10%

Apart from ERSTE Foundation, the Management Board is not aware of any other direct or indirect shareholdings that amount to at least 10%.

4. Special rights of control associated with holding shares

There are no shareholders with special control rights.

5. Voting rights control in the case of capital participation of employees

The voting rights of shares held by Erste Mitarbeiterbeteiligung Privatstiftung in trust or by proxy for the employees of employer companies participating in employee share programs according to section 4d (5) (1) Income Tax Act (EStG) are exercised by the Board of Directors of Erste Mitarbeiterbeteiligung Privatstiftung. The members of the Board of Directors are appointed and dismissed by the Advisory Board through resolution with simple majority, whereby the delegation rights of Erste Group Bank AG as well as the existing statutory employee representatives of Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG shall be taken into account. A further member of the Board of Directors to be appointed by the Advisory Board shall

be a former member of the Management Board or a former (freelance) employee of an employer company pursuant to section 4d (5) (1) Income Tax Act (EStG). The Advisory Board of Erste Mitarbeiterbeteiligung Privatstiftung consists of up to five members.

6. Special control rights, bodies and amendments of the articles of association

This concerns:

- Art. 15.1 of the Articles of Association, which provides that ERSTE Stiftung will be granted the right to nominate up to one third of the members of the Supervisory Board to be elected by the shareholders' meeting, as long as ERSTE Stiftung is liable for all present and future liabilities of the company in the case of its insolvency pursuant to Section 92 (9) Banking Act,
- Art. 15.4 of the Articles of Association, which provides that a three-quarter majority of valid votes cast and a three-quarter majority of the subscribed capital represented at the meeting considering the proposal are required to pass a motion for removal of Supervisory Board members and
- Art. 19.9 of the Articles of Association, which provides that amendments to the Articles of Association, in so far as they do not alter the business purpose, may be passed by simple majority of votes cast and simple majority of the subscribed capital represented at the shareholders meeting considering the amendment. Where higher majority votes are required by individual provisions of the Articles of Association, these provisions can only be amended with the same higher majority vote. Moreover, amendments to Art. 19.9 require a three-quarter majority of the votes cast and a three-quarter majority of the subscribed capital represented at the meeting considering the proposal.

7. Powers of the Management Board to issue and repurchase shares

As per decision of the General Meeting of 21 May 2025:

- The Management Board is entitled to purchase up to 10% of the share capital in own shares for the purpose of securities trading according to section 65 (1) (7) Austrian Stock Corporation Act (AktG). However, the trading volume of shares acquired may not exceed 5% of the share capital at the end of each day. The consideration may not be more than 50% below or above the closing price of the share on the Vienna Stock Exchange on the last trading day prior to the acquisition. This authorization is valid for a period of 30 months from the date of the resolution, i.e. until 21 November 2027.
- The Management Board is entitled, pursuant to section 65 (1) (8) as well as (1a) and (1b) Stock Corporation Act and for a period of 30 months from the date of the resolution, i.e. until 21 November 2027, to acquire own shares in the amount of up to 10% of the share capital, subject to approval by the Supervisory Board and without any further resolution of the General Meeting at a lowest consideration of EUR 2.00 per share and a highest consideration not exceeding 50% above the average Vienna Stock Exchange price, weighted according to trading volumes, of the last 20 trading days prior to the respective acquisition of the shares; in the case of a public offer, the cut-off date for the end of the calculation period shall be the day on which the intention to make a public offer is announced (sec 5 (2) and (3) Austrian Takeover Act [ÜbG]). The acquisition may, at the discretion of the Management Board and with the consent of the Supervisory Board, be effected on the stock exchange or by means of a public offer or in any other legally permissible and expedient manner, in particular also off the stock exchange and/or from individual shareholders and excluding the pro rata tender right (reverse subscription right). The authorization may be exercised in whole or in part or in several partial amounts and in pursuit of one or more purposes by the Company, its affiliated companies (sec. 189a (8) Commercial Code [UGB]) or for their account by third parties. Pursuant to section 65 (1b) Stock Corporation Act, the Management Board is authorized for a period of five years from the date of the resolution, i.e. until 21 May 2030, with the consent of the Supervisory Board, to sell or dispose the company's own shares, also in a way other than via the stock exchange or by means of a public offer for any legally permissible purpose, to determine the terms and conditions of the sale and to decide on the exclusion of the shareholders' subscription rights. These authorizations include the sale of own shares in particular for the following purposes: (i) in order to be able to sell the shares for a consideration other than cash, provided that this serves the purpose of acquiring (also indirectly) companies, businesses, parts of businesses, shares in one or more companies domestically or abroad; (ii) to transfer shares free of charge or at a reduced price to employees, executives and members of the Management Board of the Company or of an affiliated company (sec 189a (8) Commercial Code [UGB]) or of any other company within the meaning of sec 4d (5) (1) Austrian Income Tax Act (EStG), as well as to Erste Mitarbeiterbeteiligung Privatstiftung and its beneficiaries; and (iii) to resell own shares with partial or full exclusion of the subscription rights in any manner permitted by law, including over-the-counter. The authorizations in this resolution may be exercised once or several times, in whole or in part, individually or jointly.
- The Management Board is authorized to redeem shares without further resolution at the General Meeting with the approval of the Supervisory Board.

All sales and purchases were carried out as authorized at the General Meeting.

According to section 8.3 of the Articles of Association, the Management Board is authorized to issue until 18 May 2027, with the consent of the Supervisory Board, convertible bonds (including Contingent Convertible Bonds according to section 26 Austrian Banking Act), which have the conversion or subscription right for shares of the Company, observing or excluding the subscription

rights of the shareholders. The terms and conditions may, in addition or instead of a conversion or subscription right, also provide for the mandatory conversion at the end of the term or at any other time. The issuance of convertible bonds is limited to the extent that all conversion or subscription rights and in case of a mandatory conversion stipulated in the terms and conditions, the mandatory conversion, are covered by conditional capital. Section 5.3 shall apply to the issue of convertible bonds without subscription rights. The issue amount, the terms and conditions of the issue of the convertible bonds and the exclusion of the subscription rights for the shareholders will be determined by the Management Board with the consent of the Supervisory Board.

8. Significant agreements which become effective, are amended or are rendered ineffective when there is a change in the control of the company and their effects

CROSS-GUARANTEE SCHEME AGREEMENT

The agreement in principle of the cross-guarantee scheme (Haftungsverbund) provides for the possibility of early cancellation for good cause. Good cause, allowing the respective other contracting parties to cancel the agreement, is deemed to exist if:

_ one contracting party grossly harms the duties resulting from the present agreement,
_ the ownership structure of a party to the contract changes in such a way – particularly by transfer or capital increase – that one or more third parties from outside the savings bank sector directly and/or indirectly gain a majority of the equity capital or voting rights in the contracting party or
_ one contracting party resigns from the savings bank sector irrespective of the reason.

The cross-guarantee scheme's agreement in principle and supplementary agreements expire if and as soon as any entity that is not a member of the savings bank sector association acquires more than 25% of the voting power or equity capital of Erste Group Bank AG in any manner whatsoever and a member savings bank notifies the cross-guarantee scheme's steering company and Erste Group Bank AG by registered letter within twelve weeks from the change of control that it intends to withdraw from the cross-guarantee scheme.

DIRECTORS & OFFICERS-INSURANCE

In the event that any of the following transactions or processes occur during the term of the insurance policy (each constituting a 'change in control') in respect of the insured:

_ the insured ceases to exist as a result of a merger or consolidation, unless the merger or consolidation occurs between two insured parties, or
_ another company, person or group of companies or persons acting in consent, who are not insured parties, acquire more than 50% of the insured's outstanding equity or more than 50% of its voting power (resulting in the right to control the voting power represented by the shares and the right to appoint the Management Board members of the insured),

then the insurance cover under this policy remains in full force and effect for claims relating to unlawful acts committed or alleged to have been committed before this change in control took effect. However, no insurance cover is provided for claims relating to unlawful acts committed or allegedly committed after that time (unless the insured and insurer agree otherwise). The premium for this insurance cover is deemed to be completely earned.

In the event that a subsidiary ceases to be a subsidiary during the insurance period, the insurance cover under this policy shall remain in full force and effect for that entity for the remainder of the insurance period or (if applicable) until the end of the extended discovery period, but only in respect of claims brought against an insured in relation to unlawful acts committed or alleged to have been committed by the insured during the existence of this entity as a subsidiary. No insurance cover is provided for claims brought against an insured in relation to unlawful acts committed or allegedly committed after this entity ceased to exist.

COOPERATION BETWEEN ERSTE GROUP BANK AG AND VIENNA INSURANCE GROUP (VIG)

Erste Group Bank AG and Vienna Insurance Group AG Wiener Versicherung Gruppe (VIG) are parties to a general distribution agreement (the Agreement) concerning the framework of the cooperation of Erste Group and VIG in Austria and CEE with respect to bank and insurance products. Originally concluded in 2008 (between Erste Bank der österreichischen Sparkassen AG and Vienna Insurance Group der WIENER STÄDTISCHE Versicherung AG), the Agreement was renewed and extended in 2018 until the end of 2033. The objective for the renewal and extension in particular was to adapt the Agreement to the corporate restructuring of the original parties, to amend some commercial parameters and to align the Agreement with recent developments in the legal framework. Already in the original Agreement the parties stipulated that both parties have the right to terminate the Agreement in case of a change of control of one of the parties. In case of change of control of Erste Group Bank AG, VIG has the right to terminate the Agreement. In case of change of control of VIG, Erste Group Bank AG has the reciprocal right. A change of control is defined, with respect to Erste Group Bank AG, as the acquisition of Erste Group Bank AG by any person/entity other than DIE ERSTE österreichische Spar-Casse Privatstiftung or Austrian savings banks of 50% plus one share of Erste Group Bank

AG's shares or voting rights. In respect to VIG, the aforementioned provisions apply analogously, except for share purchases by Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group.

Apart from this regulation on the termination of the Agreement, the parties agreed in the renewal and extension of the Agreement for an additional termination for cause if based on new legal or regulatory provisions, the continuation of the Agreement is unreasonable for each or both of the parties.

Erste Group Bank AG and VIG are furthermore parties to an asset management agreement, pursuant to which Erste Group undertakes to manage certain parts of VIG's and its group companies' securities assets. In case of a change of control (as described above), each party has the termination right. The asset management agreement has been renewed and extended until 2033 concurrently with the renewal and extension of the Agreement outlined above.

9. Indemnification agreements

In the event of a public takeover offer, there are no compensation agreements between Erste Group Bank AG and its Executive Board and Supervisory Board members or employees.

(Consolidated) Non-financial statement

Basis of preparation

Erste Group applies the provisions of the Austrian Commercial Code (UGB) in accordance with § 908 (2b) UGB in the version applicable before the entry into force of the Sustainability Reporting Act (NaBeG, BGBl I Nr.6/2026). Pursuant to § 243b and § 267a (previous version) of the Austrian Commercial Code (UGB), Erste Group Bank AG is required to include a (consolidated) non-financial statement in its consolidated management report as of 31 December 2025.

Erste Group Bank AG relies, in accordance with § 267a (5) UGB (previous version), on the European Sustainability Reporting Standards (ESRS) as a Union-based framework for the preparation of its (consolidated) non-financial statement for the 2025 financial year, and therefore includes a sustainability statement in its consolidated non-financial statement within the consolidated management report. This also includes the disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy).

Any additional information required by §§ 243b, 267a (previous version) of the Austrian Commercial Code (UGB) which is not covered by the sustainability statement is presented in the chapter 'Additional information pursuant to §§ 243b, 267a of the Austrian Commercial Code (UGB) (previous version)'; this specifically comprises selected information and KPIs referring to Erste Group Bank AG on a non-consolidated basis as presented in previous years.

Additional information pursuant to §§ 243b, 267a of the Austrian Commercial Code (UGB) (previous version)

Matters not covered by the Sustainability Statement

As ESRS reporting follows the double materiality assessment, certain matters required to be reported in the non-financial statement are not covered by the sustainability statement.

Selected information and KPIs referring to Erste Group Bank AG on a non-consolidated basis

Whereas sustainability matters related to Erste Group Bank AG are fully reflected in the sustainability statement, information in the sustainability statement is, in accordance with ESRS 1.54, disaggregated at entity level only if required for a proper understanding of material impacts, risks and opportunities.

The following KPIs relating to social and employee matters, presented in previous years under GRI 2021, relate to Erste Group Bank AG on a stand-alone basis:

Workforce by age group

	Total			<30 years		30-50 years		>50 years	
2025	Women	Men	Others	Number	in %	Number	in %	Number	in %
EGB	1,010	1,073	0	307	14.70%	1,101	52.90%	675	32.40%

	Total			<30 years		30-50 years		>50 years	
2024	Women	Men	Others	Number	in %	Number	in %	Number	in %
EGB	991	1,065	0	289	14.10%	1,161	56.40%	606	29.50%

Sick leave days per employee

	2024	2025
EGB	4	5

Sustainability Statement

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General information

Basis for preparation

BP-1 – GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENT

This sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) and the requirements of Article 8 of EU Regulation 2020/852 (EU Taxonomy).

The scope of consolidation of the sustainability statement corresponds to the scope of consolidation of the financial statements, which are prepared in accordance with the International Financial Reporting Standards (IFRS) and presented in *Note 70* of the 2025 consolidated financial statements. The information in this statement relates to entities within this consolidation scope. Metrics provided include information on the upstream and downstream value chain, as appropriate and specified in the respective text.

To ensure that all material sustainability matters are addressed, Erste Group Bank AG (hereinafter 'Erste Group' or 'the Group') conducted a value chain assessment as part of the double materiality assessment (DMA). This materiality analysis helped Erste Group to identify and assess impacts, risks and opportunities (IROs) across the value chain. Further information on the value chain and its assessment can be found in the chapter '*SBM-1 – Strategy, Business Model and Value Chain*.'

Erste Group did not make use of the option to exclude information on intellectual property, know-how or innovation results, as there is no such information that requires disclosure.

BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES, TIME HORIZONS AND DATA METHODOLOGY FOR REPORTING

Estimation uncertainty and assumptions

Certain disclosed metrics have been calculated using estimates and assumptions. Information on the estimates and data sources, including potential measurement uncertainties and assumptions, where applicable, is provided in the respective chapters. Erste Group discloses metrics that incorporate value chain information which has either been sourced directly from counterparties or derived indirectly through third-party data providers or industry-specific proxies.

A high level of measurement uncertainty due to limitations in data and methodologies relate to the disclosure of GHG emissions. In Erste Group's analysis and climate target-setting, estimates have been made using the recognised frameworks available at the time. Detailed descriptions of the methodological approaches can be found in sections *E1-4* and *E1-6*.

The presentation of EU Taxonomy reporting is subject to uncertainty due to limitations to the availability of information and the use of third-party data. See the '*Reporting methodology and underlying assumptions and interpretations*' section within the *EU Taxonomy Disclosures* chapter for a description of limitations in data and data quality for EU Taxonomy reporting.

The limitations in the availability of environmental data from Erste Group's corporate clients and other business relationships may also have impacted the results of its impact materiality assessment.

Climate-related target setting, alongside the respective actions and policies, require forward-looking parameters over a long-term horizon. Erste Group's parameters are based on expectations, projections and estimations, which inherently involve a degree of uncertainty and risk. This is due to factors such as evolving methodologies, fluctuating market conditions, technological advancements and challenges in data availability, accuracy, as well as potential regulatory changes. These assessments are subject to change and should not be considered reliable indicators of future performance. To address these limitations, Erste Group has implemented an ESG Data Strategy, approved by the Management Board, which defines structured short- and medium-term actions to enhance ESG data availability. The strategy focuses in particular on strengthening client-level ESG data collection. Progress against these actions is regularly monitored through internal governance frameworks with the objective of progressively reducing estimation uncertainty over time.

Transitional provisions and phase-in options

_ Erste Group has used the phase-in option under ESRS 1 Appendix C with respect to anticipated financial effects of material risks and opportunities identified on Erste Group's financial position and financial performance in future years (SBM-3).
_ Erste Group has used the phase-in option under ESRS 1 Appendix C with respect to anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9).
_ Erste Group has set GHG intensity reduction targets and, correspondingly, reports progress against these relative targets. Erste Group does not report associated absolute values for the target years in accordance with ESRS 1.133 (transitional provision regarding value chain information).

Time horizons

Erste Group uses the following time horizons in accordance with ESRS:

_ short-term: up to 1 year,
_ medium-term: 1 to 5 years,
_ long-term: over 5 years.

Where applicable, any deviations from these time horizons are noted, for example when internal risk processes foresee different time horizons.

Governance

GOV-1 – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Organisational structure for sustainability topics

Management Board

The Management Board of Erste Group Bank AG (Management Board) has overarching responsibility for managing the organisation and defining the sustainability strategy, framework, goals and priorities. This includes ensuring the implementation of the sustainability strategy by allocating adequate resources and controls and preparing the sustainability statement. The Management Board is also responsible for the process of identifying and managing impacts, risks and opportunities (IROs) and is periodically informed on the status and milestones achieved.

In 2025, the Management Board was briefed six times on material environmental matters (sustainable financing, climate change mitigation, Responsible Financing Policy) in the context of board meetings by experts from CEO, CFO and CRO divisions. For social topics the gender pay gap was presented to the Management Board and the Remuneration Committee of the Supervisory Board. The CRO was briefed quarterly on data privacy issues and receives regular reports. There are also ad-hoc meetings with other board members on these matters.

The Management Board, the Audit Committee and the Strategy and Sustainability Committee of the Supervisory Board were informed four times about the status and results of the updated double materiality assessment (DMA) by experts from the CEO, CFO and CRO divisions. The DMA was then acknowledged by the Management Board and presented to the Audit Committee.

Supervisory Board

The Supervisory Board is responsible for overseeing the implementation of the sustainability strategy and for approving fundamental decisions on strategy. To facilitate this, the Supervisory Board has established its own Strategy and Sustainability Committee. The Supervisory Board and the Audit Committee are tasked with reviewing the Management Report, which comprises the Sustainability Statement prepared by the Management Board. The Supervisory Board was briefed on material IROs and informed and consulted in the process of setting, reviewing and adapting targets towards material IROs. The Audit Committee and the Strategy and Sustainability Committee were briefed eight times on climate related IROs by experts from CEO, CFO and CRO divisions in 2025.

ESG Governance

ESG is a shared responsibility that spans the entire organisation. ESG governance is led by the CEO, CFO and CRO, ensuring it is firmly embedded in daily operations. This structure fosters close collaboration with individual business units and facilitates ongoing dialogue with key stakeholders across the Group. Respective responsible B-1 ensure organisational and functional alignment on the topics regarding ESG. Experts across various departments contribute to the development of the sustainability strategy and ensure its consistent implementation throughout the organisation. The ESG organisational set-up and governance structures are subject to regular review to ensure ongoing compliance with applicable legal and regulatory requirements.

Local management boards

The management boards (of CSRD-reporting obligated entities) discuss environmental, social and governance IROs within their board meetings. They ensure the local adoption of sustainability-related strategies and develop a tailored catalogue of measures to implement these strategies, taking into account regional specifics. The management boards further support and implement activities to achieve the sustainability targets that have been set, including approving a dedicated local budget for sustainability matters when necessary. Discussions between the local and the Group management boards also occur on a regular basis, at least once a year.

Composition of the bodies, skills and expertise

Management Board

The Management Board of Erste Group Bank AG consists of five members. For 2025, the average ratio of female to male Management Board members is 20.00% (2024: 18.33%).

Peter Bosek, the Chief Executive Officer (CEO) and Chief Retail Officer (CRetO), has led various departments focused on real estate, housing and retail business. He served on the Management Board of Erste Bank der oesterreichischen Sparkassen AG and Erste Group Bank AG until December 2020. Before his appointment as CEO and CRetO of Erste Group Bank AG, he was CEO of

Luminor Bank AS in Estonia, focusing on business development, profitability, brand building, governance and technology modernisation.

Stefan Dörfler, the Chief Financial Officer (CFO), has held various leadership positions, including the role as Head of Group Markets and Capital Markets. He served as CEO of Erste Bank der oesterreichischen Sparkassen AG from 2016 to June 2019 and was responsible for corporate business, commercial real estate, social banking and the public sector. He is also a member of the Expert Council at AfB, a charitable organisation dedicated to creating jobs for people with disabilities.

Alexandra Habeler-Drabek, the Chief Risk Officer (CRO), has held various leadership roles in credit risk, restructuring and workout at Creditanstalt (later UniCredit Bank Austria AG). At Erste Group, her positions included CRO of Erste Bank der oesterreichischen Sparkassen AG, Head of Group Enterprise-Wide Risk Management at Erste Group Bank AG and CRO at Slovenská sporiteľňa, a.s. She is also a member of the Presidium at UNICEF Austria.

Ingo Bleier, the Chief Corporates and Markets Officer (CCMO), has held various leadership roles in corporate banking, project finance and loan syndication at Creditanstalt and later at UniCredit Bank Austria AG. Since 2008, he has held management positions at Erste Group Bank AG, overseeing corporate and acquisition finance, investment banking and group corporates. He is responsible for the customer segments large corporate, commercial real estate (CRE), small and medium-sized enterprises (SME), financial institutions and the public sector.

Maurizio Poletto, the Chief Platform Officer (CPO) and Chief Operating Officer (COO), initially gained experience as a designer and art director before successfully founding and leading his own company as creative director. At Erste Group, Maurizio Poletto founded the in-house fintech George Labs GmbH and has been actively involved in the development and expansion of George for about 10 years. Through his roles, he contributes to the strategic direction and oversight of this institution, ensuring adherence to high standards of governance, while his efforts in promoting innovation and technology support social development by enhancing financial services and accessibility.

Supervisory Board

The Supervisory Board of Erste Group Bank AG consists of 18 members. Six members are employee representatives delegated by the employees' council, ensuring active participation in the employer's supervisory bodies. For 2025, the average ratio of female to male Supervisory Board members is 55.34% (2024: 55.09%). In accordance with the definition of independence as stated in the Austrian Corporate Governance Code, the average ratio of independent members is 91.60% (2024: 91.72%).

The Supervisory Board members are carefully evaluated for their suitability before appointment, based on the requirements applicable to credit institutions. When appointing members to the Supervisory Board, care is taken to ensure that the Supervisory Board as a collective body possesses, in its entirety, the necessary knowledge, skills and professional experience required for the proper performance of its duties, including Erste Group's sustainability matters and their associated IROs.

Sustainability-related expertise

The Management Board and the Supervisory Board have access to various sources of specialist expertise from all the bank's specialist areas, for example through ongoing external and internal training courses in which they participate. The boards also have access to the relevant expertise through their representation in the Risk Committee and Strategy and Sustainability Committee. In 2025, a mandatory web-based ESG training was rolled out across the Group to all employees, including board members, strengthening the overall sustainability competence within Erste Group. The individual members of the Management Board are briefed through direct reporting lines from senior management as well as through regular board meetings. In addition to the specialist expertise within Erste Group, external consultants may be engaged for specific topics to provide additional support and further enhance the governance and strategic oversight within Erste Group.

Due to the professional background and experience of the individual members, the Supervisory Board has in-depth knowledge of key sustainability issues such as sustainable investments, the legal framework and legal developments on sustainability issues, employee concerns, corporate governance and sustainability reporting. The Supervisory Board continually updates and expands its professional expertise in this area through ongoing further education and training as well as exchanges with experts. This includes the training course on 'Implementing the EBA Guidelines on the Management of ESG Risks'. The members of the Management and Supervisory Board also completed the 2025 FMA webinar on sustainable finance for management and supervisory bodies.

For further details on how specific IROs are overseen and managed within the Group, please refer to chapter '*GOV-2 – Information and sustainability aspects dealt with by the company's administrative, management and supervisory bodies*'. For more general information on the composition and working procedures of the corporate bodies and the expertise of the Supervisory Board members, please refer to the related chapters in the separate Corporate Governance Report of Erste Group.

Gender diversity targets

Erste Group is committed to constantly progress towards a gender-balanced management on all levels. The Nomination Committee of Erste Group Bank AG has set a minimum target of 30% by 2028 for the underrepresented gender for the Management Board and Supervisory Board of Erste Group Bank AG as the holding entity (separately). While not falling below this minimum, the gender targets for local bank subsidiaries shall be adapted to local regulatory requirements and shall be approved by the respective Nomination Committee or Supervisory Board. Currently, all local banks in Erste Group's core markets approved a harmonised target of 30% for the underrepresented gender until 2028 for the local management boards and the local supervisory boards.

GOV-2 – INFORMATION AND SUSTAINABILITY ASPECTS DEALT WITH BY THE COMPANY'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

To ensure continuous progress and transparency in sustainability, Erste Group has developed an ESG KPI Dashboard that enables regular monthly performance monitoring of key sustainability metrics. This includes sustainable financing volumes across various business lines, financing activities and GHG emissions and decarbonisation KPIs on a group level. The Management Board is informed at least quarterly about environmental IROs, through the ESG KPI Dashboard. For other IROs, such as those for Own Workforce, Consumers & End-users and Business Conduct, information is provided to the management on demand.

Key insights and findings are further reported through the Sustainable Financing Report, provided monthly via an online reporting platform to all bank internal ESG stakeholders including local board members. This reporting structure ensures alignment with decarbonisation targets and supports decision-making at all organisational levels. Additionally, quarterly reviews and signoffs of decarbonisation figures are conducted. Detailed reviews are also regularly performed in the Corporates & Markets board, where progress toward targets and the development of transactions that are still in progress are thoroughly assessed.

All IROs identified as material in the DMA were discussed with and acknowledged by the Management Board and presented to the Audit Committee. For a list of all material IROs, please refer to the list in chapter '*SBM-3 – Material impacts, risks and opportunities and their interaction with Erste Group's strategy and business model*'.

Policy governance

The CEO is responsible for central functions, including sustainability matters related to the Own Workforce. The CFO oversees finance, while the COO handles IT and banking services. Risk management, including environmental risks, falls under the CRO's responsibility. The respective functions give rise to responsibilities for policies, which are described in the following chapters in connection with the key sustainability matters and their related IROs. Although the Group Management Board holds overall responsibility for a unified strategy and framework, each local management board is tasked with implementing these policies, taking into account their specific circumstances.

Erste Group has procedures in place to manage IROs and integrate them into the company's structure. The following examples show how IROs are managed within the group.

Policy governance for the identified climate change mitigation IROs

As a leading financial institution in Central and Eastern Europe, Erste Group plays a pivotal role in accelerating the real economy's transition. Achieving a low-carbon future requires coordinated action across the financial system and industry, and Erste Group is committed to driving this transformation by steering capital toward climate-positive solutions and supporting clients in decarbonising their business models. Through this approach, we actively enable climate-change mitigation across the region. The reduction of financed CO_2-emissions is a shared responsibility and lies with the CRO, CCMO and CRetO.

Erste Group's Group Responsible Financing Policy establishes industry-specific ESG exclusion and phase-out criteria that prioritise climate-change mitigation, setting clear thresholds and guidelines to determine transaction eligibility in carbon-intensive sectors. By directing financing away from high-emission activities and toward lower-carbon alternatives, the Policy reduces ESG-related credit and reputational risks while supporting the transition to a net-zero economy. It also defines non-financial risk profiles that trigger enhanced risk management support, and outlines sector-specific assessment procedures to ensure informed decision-making aligned with Erste Group's commitment to responsible, climate-aligned financing. Responsibility for this policy lies within Credit Portfolio Steering (CRP).

CRP, a division within the CRO area of Erste Group Bank AG, establishes the framework and provides guidance to all entities covered by the Group Responsible Financing Policy. The policy was most recently updated in 2025 and approved by the Management Board in October 2025.

Local boards are responsible for the implementation of the policy on subsidiary level. At Holding Level, the Policy Owner is represented by the ESG Function within Credit Risk Portfolio, which is also responsible for the Policy's content and alignment with

Erste Group's financing principles. At Local Level, the Policy Owner is represented by the respective local ESG function. Regular communication between Group and Local Policy Owners ensures a mutual understanding and operationalisation of the Policy across Erste Group.

Policy governance for the identified gender equality IRO

Group Diversity Management (GDM) supports the implementation of the overall strategy by developing a comprehensive communication strategy for Erste Group's diversity impact and by serving as a source of expertise for both Erste Group's management and local Diversity Management (LDM) teams. In addition, GDM provides support and guidance to diversity-related Employee Resource Groups (e.g., Erste Women's Hub, Erste Colours, Erste Ability).

GDM is organised as a Group function within the CEO division of Erste Group Bank AG. GDM provides a framework and guidance to all entities within the scope of the Group Diversity & Inclusion Policy. Embedded in the Group People & Culture division, GDM collects group-wide diversity data, identifies key focus areas and develops a diversity strategy in close collaboration with relevant stakeholders (such as LDM and Group Communications & Corporate Affairs). GDM develops diversity targets and provides diversity data for reports, rating agencies and communication on Group level. The Management Board engages in active dialogue with GDM on Erste Group's diversity impact and supports implementation of group-wide activities to promote diversity and inclusion.

LDM acts as a focal point for the diversity impact of each bank subsidiary. While GDM defines the diversity strategy, LDM adapts measures, trainings and the Group Diversity & Inclusion Policy to suit local circumstances. Regular communication between GDM and LDM ensures a mutual understanding of the diversity impact across Erste Group.

The Management Board discusses the progress of diversity targets with local management boards in Erste Group's core markets on a regular basis - at least annually - and also monitors the Group's overall diversity targets. The local management boards are responsible for the implementation of the policy on a subsidiary level.

GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Erste Group is committed to a remuneration system that integrates sustainability matters. The Group Remuneration Policy for Erste Group Bank AG outlines the structure and criteria for compensating members of the Management Board and Supervisory Board. No variable remuneration is paid to members of the Supervisory Board.

For the Management Board, variable remuneration is capped relative to the amount of fixed remuneration with a maximum of 100% (bonus cap). This variable remuneration is granted and paid based on specific, measurable performance criteria that align with Erste Group's business strategy and long-term development. These criteria are annually assessed by the Remuneration Committee of the Supervisory Board of Erste Group Bank AG.

Variable remuneration is structured to include both upfront and deferred payments. For amounts exceeding EUR 150,000, 60% of the variable remuneration is deferred, while for amounts below this threshold, 40% is deferred. At least half of both the upfront and deferred remuneration is delivered in the form of non-cash instruments, such as shares (Performance Share Units, PSUs), with the remaining portion paid in cash. The Group Remuneration Policy also includes malus and clawback provisions in accordance with EBA guidelines.

Components of the remuneration of the members of the Management Board

Type/components	Elements	Method of payment	Features
Fixed remuneration			
Base salary		Cash	– Consideration of the area of responsibility of the respective board member – Promoting cooperation within the board
Other remuneration	Pension fund	Assumption of contributions by the company	– Defined contribution pension plan via an external pension fund – Severance fund (Mitarbeitervorsorgekasse)
	Insurances	Assumption of contributions by the company	– Risk insurance against occupational disability and in case of death – Risk accident insurance
	Other	Cash or benefits in kind	– Any annual leave payments – Possible one-time sign-on bonus – Benefits in kind, e.g. company car incl. driver, employee shares

Type/components	Elements	Method of payment	Features
Variable remuneration			
Upfront remuneration (40%)	Upfront cash payments (50% of the upfront portion)	Cash payment in the subsequent fiscal year	– Alignment with the fulfillment of certain comprehensible performance criteria in line with business strategy and long-term development of Erste Group – Consideration of targets at group and/or individual institution level and – Consideration of individual targets
	Upfront non-cash component (50% of the upfront portion)	Equity settlement with consideration of the retention period	
Deferrals (60%) For variable remuneration amounts exceeding EUR 150,000	Deferred cash payments (50% of the deferrals)	Cash payment from the third following fiscal year in 3 annual tranches	
	Deferred non-cash component (50% of the deferral)	Equity settlement with consideration of deferral and retention periods	

ESG related targets are in line with the main pillars of the sustainability strategy of Erste Group. Erste Group's primary impact on the environment and biodiversity lies in its lending activities and the resulting financed emissions. As a financial institution, it is therefore its role to contribute to the transition towards a low-carbon economy by engaging with its clients and supporting them along their decarbonisation pathway. Measurable ESG targets, aligned with Erste Group's objectives, are suggested by experts of the CEO, CFO and CRO division and approved by the Supervisory Board (in accordance with legal requirements, Supervisory Board's resolutions on remuneration are prepared by the Supervisory Board's independent Remuneration Committee). These targets are translated into individual Management Board member targets forming a significant part of the variable remuneration system of the Management Board.

In 2025, 15% (2024: 15%) of the relevant Management Board members' variable remuneration was based on ESG criteria (including 10% ESG targets out of which 1/3 to 2/3 with climate related considerations).

Performance on ESG related targets is assessed on a 5-point rating scale, which experts of CEO, CFO and CRO division then evaluate at the end of the performance period. The results of this evaluation are reviewed and approved by the Remuneration Committee, who subsequently informs the Supervisory Board.

ESG targets for Management Board members may include, but are not limited to, maintaining a strong ESG performance, supporting the sustainable transition i.e. Sustainable financing and Net Zero transition.

In 2025, the ESG targets (10%) for Management Board members included two overarching targets, which are not directly linked to any specific sustainability matter:
_ Maintaining a good ESG performance for Erste Group is shared by the CEO/CRetO, CFO, CRO and CCMO and is assessed by external ESG ratings (MSCI, ISS ESG, SUSTAINALYTICS, CDP). Except for CDP, which focuses on climate impact, the other three ESG rating agencies measure the environmental, social as well as governance related performance of companies as well as their ability to manage ESG risks.
_ Implementation of the ECB ESG Action Plan is assigned to the CRO.

Further, the following ESG targets, which will be explained in more detail in the relevant chapters were assigned to Management Board members:
_ Supporting the portfolio net zero transition (net zero target setting) is shared by CFO and CCMO (see chapter *E1-4*).
_ Strategic sustainability agenda, climate strategy and targets of Erste Group are assigned to the CEO.
_ CSRD sustainability reporting is assigned to the CFO.
_ Increasing sustainable retail mortgages (target volume of new sustainable retail mortgages) is assigned to the CRetO (see chapter *E1-4*).
_ Increasing sustainable corporate financing (target volume of new sustainable corporate financing) is assigned to the CCMO (see chapter *E1-4*).
_ Increasing zero-carbon electricity sourcing is assigned to the CFO (see chapter *E1-4*).

In addition, all Management Board members have a diversity target with 5% weight which is part of the leadership evaluation.

Note: Erste Group's target volume of Sustainable Financing and retail mortgages are determined according to the criteria described in *E1-4* and must not be confused with the Green Asset Ratio (GAR) KPI under the EU Taxonomy.

GOV-4 – STATEMENT ON DUE DILIGENCE

Erste Group's Code of Conduct illustrates how its policies and processes are aligned with international instruments that respect human rights, with reference to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises as a basis. Through the Code of Conduct, these international instruments are also incorporated into Erste Group's policies and processes to ensure that all Erste Group operations are undertaken with the highest standards of ethical behaviour and respect for human rights.

Erste Group has firmly embedded the concept of sustainability into its business strategy, relying on sustainable, value-driven and responsible practices to generate stable long-term returns for all stakeholders. As a financial institution operating across diverse sectors, Erste Group recognises that its activities impact the environment or society. To address these impacts, Erste Group applied continuous due diligence processes throughout the Double Materiality Assessment to identify actual and potential negative impacts on the environment and society, as well as in the policies and processes to prevent, mitigate and manage them.

The table below provides a mapping that addresses the core elements of Erste Group's due diligence process and explains how and where its application of the main aspects and steps of the due diligence process are reflected in the sustainability statement. Those core elements include embedding due diligence in governance, strategy and business model, engaging with affected stakeholders, identifying and assessing adverse impacts, taking actions to address those adverse impacts and tracking the effectiveness of those efforts and communicating. This allows the actual due diligence practices of the undertaking to be depicted.

Core elements of due diligence

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 – Information and sustainability aspects dealt with by the company's administrative, management and supervisory bodies
	ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with Erste Group's strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 – Information and sustainability aspects dealt with by the company's administrative, management and supervisory bodies
	ESRS 2 SBM-2 – Interests and views of stakeholders
	ESRS 2 IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities
	E1-2 – Policies and transition measures for climate change mitigation and adaptation
	S1-1 – Policies related to own workforce
	S1-2 – Processes for engaging with own workforce and workers' representatives about impacts
	S3-1 – Policies related to affected communities
	S3-2 – Processes for engaging with affected communities about impacts
	S4-1 – Policies related to consumers and end-users
	S4-2 – Processes for engaging with consumers and end-users about impacts
	G1-1 – Business conduct policies and corporate culture
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities
d) Taking actions to address those adverse impacts	E1-3 – Actions and resources in relation to climate change mitigation and adaptation
	S1-4 – Taking action on material impacts on own workforce and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions
	S3-4 – Taking action on material impacts on affected communities and managing the effectiveness of those actions
	S4-4 – Taking action on material impacts on consumers and end-users and effectiveness of those actions
e) Tracking the effectiveness of these efforts and communicating	E1-4 – Targets related to climate change mitigation and adaptation
	S1-5 – Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities
	S3-5 – Targets related to advancing positive impacts
	S4-5 – Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

GOV-5 – RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY STATEMENT

The three main risks in the sustainability reporting process are 1) including errors in reporting, such as inaccuracies in both quantitative and qualitative data, 2) reporting on irrelevant information, such as including non-material information that does not significantly impact stakeholders, as well as 3) omitting relevant information, such as failing to disclose material information that is important for stakeholders. These risks are also valid for value chain data.

To mitigate against these risks, Erste Group implements four main mitigation measures. The first measure involves internal controls for quantitative data. Many of the same internal controls and processes used for financial reporting are also applied to quantitative data in sustainability reporting. This includes the 4-eyes principle and data validation to minimise errors.

The second measure includes internal controls for qualitative data, including the 4-eyes principle which also applies to quantitative data. Further, the review steps outlined in the the first measure ensure the accuracy and relevance of qualitative data. This includes multiple internal feedback loops, a management review and external consulting to continuously improve the assessment of qualitative data.

The third mitigation measure is the Double Materiality Assessment (DMA). This comprehensive assessment was carried out in collaboration with an external consultant to ensure that the information presented is relevant and material. This helps in avoiding the reporting of irrelevant information and ensures that all significant aspects are covered. Further information regarding the DMA can be found in chapter '*IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities*'.

The fourth mitigation measure is the relevance analysis. This analysis is based on the results of the DMA and identifies the mandatory and material disclosure requirements and data points following the ESRS that are subsequently disclosed in the sustainability statement.

In 2025, Erste Group implemented a new disclosure management tool to further improve the reporting process for the sustainability statement, as well as mitigating the aforementioned risks. These improvements in control measures result in increased efficiency and control of the reporting process that include:
_ granular user rights and permissions that can be granted per section/chapter,
_ clear documentation of changes,
_ approval of tracked changes being restricted to document owners.

Furthermore, there is improved data integration from various sources that are directly uploaded to the disclosure management tool as well as dynamic linking. This dynamic linking means that once the data has been uploaded, it refreshes across the entire document to ensure consistency and accuracy.

Future considerations will result from risk management and the internal control system and be used to continuously improve the sustainability reporting process. This means refining internal controls, enhancing data validation procedures and conducting regular assessments to ensure the relevance and accuracy of reported information. Furthermore, feedback from internal reviews, external consultants and auditors will be incorporated into future reporting cycles to address any identified gaps or areas for improvement.

The Management Board and Audit Committee are informed of the findings of the risk assessment for sustainability reporting on an annual basis. The sustainability statement is presented to the Supervisory Board for approval.

Strategy

SBM-1 – STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Erste Group's business model

Erste Group has an extensive market presence in Austria, Czechia, Slovakia, Romania, Hungary, Croatia and Serbia. Erste Group's business model centres around retail and corporate banking, encompassing a wide array of services from lending, deposits and investments to current accounts and credit cards. With a customer base exceeding 16 million across its markets, the bank caters to various costumer groups, providing tailored services to meet the specific needs of its clients.

Erste Group's position in its markets makes it one of the major providers of finance to local businesses, including large companies, real estate companies and to the public sector. While Erste Group's roots are in the retail small & medium-sized enterprises (SME) business, Erste Group has taken account of its role and responsibility and has firmly embraced corporate and public sector lending as part of its business model.

For further information on the business segments of Erste Group refer to *Note 1* in the consolidated financial statement. For further information on the headcount of employees by geographical area of Erste Group refer to chapter '*S1-6 - Characteristics of the undertaking's employees*'.

Erste Group's sustainability strategy

Since its foundation Erste Group has been pursuing the goal defined in the Statement of Purpose, namely, to promote and secure prosperity for all people throughout the region. This is why Erste Group has incorporated key ESG themes into the business strategy. Erste Group believes that this is the only way to be successful over the long term, working towards a fairer and more inclusive society.

Erste Group's sustainability strategy centres on two main pillars, supporting the green transition and promoting social inclusion:

Supporting the green transition

Erste Group's primary impact on the environment lies in its lending activities and more precisely, the resulting financed emissions. As a financial institution, it is therefore its role to contribute to the transition towards a low-carbon economy by engaging with its clients and supporting them along their decarbonisation pathway while facing evolving challenges, such as policy uncertainty, both on country and European level. Erste Group believes this to be the most important lever to help fostering a green transition.

As part of the environmental pillar of its sustainability strategy, Erste Group:
_ has the ambition to achieve a net-zero status of Erste Group's portfolio by 2050,
_ wants to achieve a net-zero status in banking operations by 2030 and
_ maintains a strong role in sustainable financing across CEE by funding climate action and adaptation.

Promoting social inclusion

Erste Group's social impact involves its interactions with employees, customers and the broader community while establishing and maintaining good ethical compliance for building trust with stakeholders and ensuring long-term organisational stability.

As part of the social pillar of its sustainability strategy, Erste Group:
_ boosts financial inclusion with social banking, bringing communities closer together and strengthening social cohesion,
_ helps customers gain financial health and literacy,
_ promotes diversity, including gender diversity and
_ fosters good ethical conduct and compliance, e.g. through extensive corruption and bribery prevention and detection trainings.

Significant markets and customer groups

Erste Group's sustainability strategy is focused on its significant markets and customer groups and has detailed approaches customised for each of them. More information on the set targets relating to the strategic priorities can be found in the respective chapters.

Retail

In the Retail segment, most of the environmental impact stems from the buildings sector, which includes energy used for constructing, heating, cooling and lighting homes and businesses, as well as the appliances and equipment installed in them. These factors account for over one third of global energy consumption and emissions. Within Erste Group and particularly in Austria, retail mortgages contribute a large share of total assets. Erste Group has adopted an ambition that supports the decarbonisation of

the housing sector while safeguarding affordability, inclusion and access to finance. As regulatory frameworks evolve and government incentives strengthen, the Group will reassess its ambition level to ensure continued alignment with the broader transition of the real estate sector.

For achieving the decarbonisation targets for the retail mortgage portfolio, Erste Group will adopt the following approach:

Technological possibilities to decarbonise. A significant part of the buildings stock in the Erste Group region is not yet 'climate-proof' due to old age of the buildings and poor insulation. An improvement can only be achieved through changes in customer behaviour, which can be influenced in the short-term by cost considerations and in the mid and long-term through regulations and availability of government subsidies across all countries Erste Group is active in, which will foster further investments and improvements.

Product offering. In the retail mortgages segment, sustainable mortgage loans have been developed and new products for renovation projects have been designed to improve the energy efficiency of buildings. Erste Group actively offers locally available subsidized loans for renovation purposes in all countries. To help customers meet the challenges involved in building renovation, Erste Group has developed various measures in Austria, Czechia and Croatia such as digital renovation and energy calculators, as well as an in-house team of experts to assist and advise customers on a wide variety of matters relevant to building renovation projects.

Insurance linked services, either bundled with financing products or standalone, will be part of Erste Group's overall ESG proposition. Cooperation with the Vienna Insurance Group contributes to closing the gap of insurance coverage for certain natural hazard risks, such as river floods.

Corporates

Each of Erste Group's four business lines (SME, Large Corporates, Public Sector and Commercial Real Estate (CRE)) covers a distinct customer type with unique needs and preferences and hence specific sales and service models.

Approach for decarbonisation. The implemented approach for corporate business is designed to support the achievement of Erste Group's ambition to achieve a net zero status of its portfolio by 2050, as it consists of performing an initial client transition readiness assessment via an ESG Assessment Questionnaire and an in-depth client engagement process with identified clients while evaluating financing needs. Erste Group understands its diverse customer base and is determined to help customers find a tailored approach, fitting to their needs.

Product offering. Erste Group's ambition includes helping clients to realise the benefits of decarbonisation by supporting cost-effective action. Erste Group offers specific purpose financing and advisory services focused on climate solutions, including renewable energy projects, high-efficiency buildings in commercial real estate and sustainable transportation solutions.

Erste Group wants to be the bank that provides financing across CEE to enable the net zero transition. Therefore, Erste Group is constantly in touch with its customer base as the main stakeholder, to better understand their needs. For further information on the stakeholder engagement, please refer to chapter '*SBM-2 - Interests and views of stakeholders*'.

Erste Group's value chain composition

As a bank, Erste Group's value chain encompasses the inflow and outflow of money, facilitating payments and transactions. The bank transforms clients' savings and investments by making the cash available as loans while simultaneously managing the associated risks. Key business actors include Erste Group's clients, both private individuals and corporations, who benefit from Erste Group's services offered through digital and direct distribution channels.

For the value chain assessment, Erste Group aims to reflect the interests and views of affected stakeholders, as well as users of sustainability statement which are further described in chapter '*SBM-2 - Interests and views of stakeholders*'. Moreover, for the identification and assessment of impacts, risks and opportunities (IROs), special consideration was given on the upstream and downstream value chain to ensure completeness of the relevant IROs. In this context, Erste Group analysed the flow of activities, processes and value creation within the organisation.

In the context of the double materiality assessment (DMA), Erste Group is currently limited in considering all aspects of the value chain due to data availability constraints. Therefore, the focus has been on the direct business relationships. With the implementation of EU legislation (e.g., CSRD reporting, CSDDD), Erste Group expects these limitations to be addressed, leading to more detailed value chain information in the future.

Upstream

The upstream value chain includes the goods and services procured by Erste Group, such as IT services, office supplies, property and infrastructure, consultancy and other external services that support the bank's operations. Erste Group conducted an in-depth review of the costs related to purchased goods and services in the year prior to the DMA. The total expenditures were categorised by sourcing categories from Erste Group's procurement system, with main expenditures considered for detailed assessment. These categories included IT services, infrastructure software, marketing, property management, consulting and personnel management expenditures. For each expenditure category, Erste Group assessed the potential sustainability matters and IROs. For example, IT services were included in the assessment for Climate Change (E1) due to their high energy consumption, while consulting services were considered in the assessment of Workers in the Value Chain (S2). The insights from these assessments were included in the overall evaluation.

Own operations

The assessment of Erste Group's own operational activities, including workforce management and office branches, was based on the full scope of consolidated entities under IFRS. Additionally, it was evaluated whether Erste Group has operational control over not fully consolidated entities. All aspects of own operations were considered in the assessment. While environmental impacts from own operations were few, material IROs were identified in the areas of Own workforce (S1), Consumers and end-users (S4) and Business conduct (G1). To ensure completeness and accuracy of these impacts, Erste Group closely aligned with the responsible departments to reflect these effects adequately in the reporting.

Downstream (Portfolio)

Erste Group finances and invests in a diverse range of clients, including corporate and retail customers, institutional investors and stakeholders involved in its sustainability initiatives. The downstream value chain is subsequently referred to as the portfolio, as all of Erste Group's downstream material impacts are linked to it. These conclusions are derived from IROs assessed following the DMA process and an in-depth portfolio analysis. This analysis was based on the breakdown of credit exposure and the calculation of financed emissions. The IROs related to the financed sectors are directly reflected in the materiality assessment. For example, the highest individual sectoral exposure (real estate) is reflected in the identified material negative impact relating to financed CO_2 emissions of Erste Group.

SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

Erste Group has gathered relevant information to reflect the interests and perspectives of its stakeholders both in business processes and in the Double Materiality Assessment (DMA) for the sustainability statement.

As part of the DMA, Erste Group classified its stakeholders into two categories: affected stakeholders and users of the sustainability statement. These groups are defined as follows:

- affected stakeholders: retail customers, corporate clients, employees, suppliers and nature,
- users of the sustainability statement: investors, analysts, rating agencies, supervisory and regulatory authorities, NGOs, potential future employees and other readers.

For each stakeholder group, at least one internal contact person was identified. These individuals are in regular exchange with the respective stakeholders, are familiar with their concerns and viewpoints and are able to provide informed insights.

Through individual interviews, the topics relevant to each stakeholder group were identified and systematically documented. This approach ensured that both the potential and the actual impacts of Erste Group's business activities on stakeholders, as well as the risks and opportunities identified by stakeholders of Erste Group, were appropriately considered in the materiality assessment.

The involvement of internal experts who maintain ongoing contact with the respective stakeholder groups proved particularly valuable in defining the Impacts, Risks and Opportunities (IROs) within the DMA. For instance, the IROs for S1 (Own Workforce) were defined with employee representatives and the Group People & Culture department.

For further details on the type of engagement, its purpose, implementation and the topics discussed with stakeholder groups, please refer to the table '*Key stakeholder engagement*' below.

Key stakeholder engagement

Key Stakeholders	Why Erste Group engages	How Erste Group engages	Interests and views of key stakeholders	Actions / results of engagement
Customers	Strong engagement with customers enables Erste Group to understand their needs, anticipate market trends and consequently adjust services.	– advisory sessions – conferences and seminars – website – customer experience programme	– improve customer experience – enhance products and services – accelerate innovation and drive digitalisation	Erste Group's engagement enables a regular assessment of how customer needs can be met through product and service offerings.
Employees	Erste Group engages with employees to foster an environment of open dialogue and provide them with continuously improving opportunities for growth and development.	– employee surveys – Intranet – training, coaching and mentorship – Employee Resource Groups – annual feedback and professional development talks – engagement with works council	– invest in people development – foster diversity, equity and inclusion – promote employee health and work-life balance – increase employee involvement	Erste Group's engagement enables the targeted adaptation of the people and culture strategy.
Suppliers	Erste Group engages with suppliers to ensure high standards of quality, integrity and compliance throughout the procurement process.	– supplier feedback questionnaire	– smooth and efficient cooperation – simple and streamlined business processes – effective and trustworthy communication	Erste Group's engagement enables a regular assessment of how supplier expectations are addressed in procurement processes and collaboration.
Nature, represented by academic institutions, environmental and social NGOs	Erste Group conducts content-driven debates with academic institutions as well as environmental and social NGOs (non-government organisations).	– conferences and events – bilateral meetings	– accelerate climate action – mitigate global physical and transition risks – protect biodiversity	Erste Group's engagement enables identification of current and future priorities from the academic society and reflect them early in the strategic planning.
Investors, analysts and rating agencies	Through engaging with investors and analysts Erste Group aims to foster a clear understanding of company performance and strategy.	– investor presentations and webcasts – bilateral talks – roadshows – conferences	– drive performance and execute strategy for sustainable growth – accelerate climate action – foster diversity, equity and inclusion – enhance risk management to ensure resilience – increase transparency	Erste Group's engagement increases the level of transparency in external reporting to ensure a clear understanding of the company's performance and strategy.
Supervisory and regulatory authorities	Erste Group conducts a permanent, pro-active dialogue with national and European supervisory and regulatory authorities to understand supervisory expectations.	– supervisory dialogues	– drive performance and execute strategy for sustainable growth – accelerate climate action – foster diversity, equity and inclusion – enhance risk management to ensure resilience – increase transparency	Erste Group's engagement enables it to adapt processes and increase the level of transparency to fulfil supervisory expectations.

The key interests of Erste Group's stakeholders, identified through ongoing engagement, inform and shape the business model. It is however, often impossible to attribute amendments to the strategy exclusively to stakeholder views without considering other factors, such as business needs.

A key consideration for Erste Group's stakeholder engagement is the respect and promotion of human rights. Erste Group does not tolerate any form of discrimination, such as discrimination on the basis of gender, age, marital status, family obligations, religion, political conviction, sexual orientation, race, nationality, social or ethnic background, disability, physical appearance or any other aspects unrelated to the business.

The Management Board is responsible for managing the organisation to the benefit of the company, considering the interests of the shareholders and the employees as well as the public. Information on the outcomes of engagement with all stakeholder groups is provided to the Management Board both informally through meetings with internal stakeholder representatives as well as formally in board meetings. The Supervisory Board is similarly informed about engagement with key stakeholder groups in dedicated agenda items in Supervisory Board meetings with internal stakeholder representatives.

SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH ERSTE GROUP'S STRATEGY AND BUSINESS MODEL

This chapter gives an overview of Erste Group's material IROs, resulting from the DMA (see *IRO-1*). In the table below, all material IROs are listed, based on the sustainability matter they relate to, the type of IRO, the position in the value chain and the time horizon the materiality has been detected in. Additional information regarding the material IROs and their interaction with Erste Group's strategy and business model can be found in the respective topical chapters.

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
E1-Climate change adaptation	Risk	Erste Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.	Portfolio	Medium- to long-term
	Opportunity	For Erste Group, additional financial opportunities arise from the financing of and investments into companies that offer solutions for adapting to climate change and the funding of adaptation solutions in the real estate market (residential and commercial real estate).	Portfolio	All time horizons
E1-Climate change mitigation	Risk	Erste Group faces a higher credit risk as climate-related transition events (e.g. carbon pricing and regulatory interventions) can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.	Portfolio	All time horizons
E1-Energy	Actual positive impact	By financing renewable energy and energy grid infrastructure, Erste Group promotes CO_2e-neutral power and supports energy security as well as the transition to a sustainable economy.	Portfolio	All time horizons
	Risk	Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for Erste Group, impacting P&L as well as own funds.	Portfolio	All time horizons
E1-Climate change mitigation and energy	Actual negative impact	Erste Group's Scope 1, 2 and 3 CO_2e emissions (from upstream value chain, own operations and financed emissions) contribute to climate change and thus to global warming.	Upstream, Own operations, Portfolio	All time horizons
	Opportunity	Erste Group can gain financial opportunities by investing in and financing clients that support decarbonization, transition to sustainability and renewable energy projects (e.g., pumped storage plants, green hydrogen) that support CO_2e-neutral energy production.	Portfolio	All time horizons
E4-Soil sealing	Actual negative impact	Financing real estate and public infrastructure projects can have a negative impact on biodiversity as soil is sealed and land is degraded, thus causing increased flooding risks, climate change exacerbation and possible health issues caused by decreased air and water quality.	Portfolio	All time horizons
S1-Gender equality and equal pay for work of equal value	Actual negative impact	The current gender pay gap which is mainly caused by gender disparity at different job levels at Erste Group disadvantages female employees.	Own operations	All time horizons
S1-Training and skills development	Opportunity	Tailored trainings and further education with regards to technology and AI improve employee's professional skills and qualifications and increases productivity and innovation.	Own operations	All time horizons
S1-Diversity	Actual positive impact	Diversity initiatives, such as employee networks that target demographics that would otherwise experience potential exclusion, have a positive impact on Erste Group employees by fostering an inclusive corporate culture. These efforts create an open environment where support is prioritized, allowing employees to feel valued and empowered.	Own operations	Short- to medium-term
	Potential negative impact	Workplace discrimination can profoundly impact vulnerable groups of employees by fostering a hostile and unsafe work environment. These issues can lead to heightened stress and anxiety, making these employees feel unsupported and excluded and might affect their mental and physical health.	Own operations	All time horizons
S3-Social Banking (entity specific)	Actual positive impact	By ensuring that financial education programmes, as well as all banking products and services are accessible to marginalized individuals as well as underserved starting enterprises and social organisations/projects, Erste Group promotes their autonomy, social and professional integration and active participation in community life.	Downstream	All time horizons

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
S4-Privacy	Potential negative impact	Data breaches or cyberattacks could lead to compromised sense of security and privacy for individuals, leaking private and financial data of affected customers.	Portfolio	All time horizons
S4-Financial Health (entity specific)	Actual positive impact	Through educational programs, financial advice and tools Erste Group has a positive impact on the financial health of customers contributing to customers overall economic stability, leading to a better quality of life.	Portfolio	All time horizons
G1-Protection of whistleblowers	Potential negative impact	The potential lack of protection for whistle-blowers interferes with freedom of expression, potentially leading to retaliation and reprisal, social exclusion and psychological stress for whistle-blowers.	Own operations	All time horizons
G1-Corruption and Bribery - Prevention and detection including training	Potential negative impact	A lack of awareness and internal measures could potentially lead to corruption or bribery incidents with legal consequences including labour law sanctions as well as civil and criminal proceedings for employees. (also material for Incidents of corruption or bribery)	Own operations	All time horizons

For entity-specific topics, Erste Group follows the same disclosure requirements as prescribed by the respective ESRS for sustainability matters. Therefore, disclosures for entity-specific topics include information regarding policies, actions and targets, if available. The following disclosures in this sustainability statement are not covered by the ESRS and are entity-specific:
_ Adjusted Gender Pay Gap (for more information see *S1-16*)
_ Social Banking Performance Indicators (for more information see *S3-5* and *S4-5*)

Information regarding the methodology of considering ESG risks in the existing risk appetite statement can be found in note 32. Financial risk management, Risk appetite. As described in IRO-1, the process for evaluating the IROs was adjusted compared to last year. Accordingly, several refinements and modifications were made during the course of the assessment, resulting from increased guidance and benchmarking in 2025. These changes are outlined below.

E1 - Climate change adaptation
For 'E1 - Climate Change Adaptation', the positive impact of climate change adaptation financing was reassessed as not material.

E1 - Climate change mitigation
For 'E1 - Climate Change Mitigation', the two negative impacts that were considered in last year's assessment - the CO_2 emissions from Erste Group's own operations and upstream value chain contributing to climate change and global warming and the financed CO_2 emissions contributing to climate change and global warming - were consolidated into one material negative impact in this year's evaluation.

E1 - Energy
For 'E1 - Energy', the two negative impacts that were assessed as material last year - the CO_2 emissions resulting from Erste Group's own energy mix (electricity, fuel and heating) and the investments in and financing of energy-intensive companies still relying on fossil fuels - were consolidated and are now reflected under the material negative impact of Climate Change Mitigation. This means that the material negative impact identified under Climate Change Mitigation equally applies to Energy.

The same approach applies to the opportunity: the previously material opportunity under Energy has been integrated into the material opportunity under Climate Change Mitigation and therefore applies to both topics. No separate material opportunity is assessed for Energy this year.

S1 - Own workforce
For 'S1 - Own Workforce', the positive impact identified under Work-life balance last year has not exceeded the materiality threshold in the reassessment. The same applies to the positive impact under Health and Safety. Regarding the topic of Diversity an additional potential negative impact was identified.

S3 - Social Banking (entity specific)
For 'S3 - Affected Communities' the entity specific positive impact related to Social Banking has been identified as material in this year's evaluation (2024 in S4).

S4 - Consumers and end-users
For 'S4 - Consumers and End Users', last year both a positive impact and an opportunity related to Financial Health were assessed as material. While the opportunity was not considered as material in this year's assessment, the positive impact remains the same. Regarding the topic of Privacy the associated risk is no longer considered material. The topic Access to Products and Services is no longer assessed as material for S4 this year. However, as noted earlier, a new positive impact under 'S3 – Social Banking' has been identified.

G1 - Business Conduct

For ‘G1 - Business Conduct’, last year a material positive impact was identified under Protection of Whistleblowers and a potential positive impact under Corruption and bribery – Prevention and Detection, including Training. In this year’s assessment, both topics are instead assessed as having a material potential negative impact.

After conducting the materiality assessment, the material IROs were evaluated to understand their potential impact on, or the need to adjust, Erste Group’s business model, value chain and strategy. Currently, no changes to Erste Group’s business model based on the material IROs have been made, however due to the important role that these IROs play for Erste Group, any potential impacts on strategy and business are currently being reviewed and will be adjusted as appropriate.

Impact, risk and opportunity management

IRO-1 – DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

For the compilation of this year's sustainability statement Erste Group has performed the annual double materiality assessment (DMA) in accordance with the requirements of ESRS 1 and 2. Consequently, the performed assessment covered the identification and assessment of impacts, risks and opportunities (IROs) under the IFRS consolidation scope. Furthermore, other participations, which are not fully consolidated, were analysed regarding potential IROs and operational control. The outcomes of the assessment are the basis for the scope of topics reported and data points included in this statement.

In 2025, the DMA process was conducted for the second time according to the ESRS. It deviates from the materiality assessment from last year by introducing a Portfolio Analysis to identify impacts from the credit risk portfolio, adjusting the scoring process and stakeholder engagement by building cross-functional scoring teams, who scored each time horizon separately.

Identification of impacts, risks and opportunities

The DMA was performed under the lead of Group Accounting and Group Corporate Affairs & Stakeholder Management, considering inputs from Group Investor Relations, Group People & Culture, Group Procurement, Risk Management and Corporates & Markets.

Double materiality assessment process

The process to identify the material impacts, risks and opportunities (IROs) was conducted in four steps. As a first step a relevance analysis of all sustainability matters listed in ESRS 1 Appendix A AR 16 was conducted. Additionally, this list was enriched with the entity specific topics such as financial health and social banking. A topic may be relevant if it is connected to the Group's core business, strategic priorities or value chain. Relevance can also arise from the extent to which stakeholders are affected. If a sustainability matter was assessed as relevant, the respective IROs assigned to the topic were subsequently subject to an impact and financial materiality assessment. The final step was to validate and approve the outcome of the DMA, where the final scoring per IRO was quality assured by a central expert jury. Subsequent to these steps the results were visualised in a matrix, summarised in an executive presentation and acknowledged by Erste Group's Management Board.

To gain a deep understanding of the circumstances Erste Group is operating in, various data was collected for the identification of IROs. Inputs for the DMA included:
_ guidance documents and peer benchmarking,
_ analysis of the group strategy and related business activities,
_ engagement with internal experts and use of studies,
_ integration of Erste Group Risk Materiality Assessment results,
_ mapping of sectoral credit exposures and financed emissions (Portfolio Analysis),
_ spend for purchased goods and services (Upstream),
_ consultation with internal expert jury.

Portfolio Analysis

The results of the portfolio analysis also inform the identification of impacts in the downstream value chain and their materiality status. Using an Excel-based tool considering input data by UNEP FI and ENCORE, Erste Group assessed ESG impacts across its portfolio and linked them to ESRS requirements for the DMA. To run the analysis, Erste Group provided portfolio data, including loan details, exposure values, associated industries using NACE codes and countries of operation. Each loan is then assigned ESG impact scores based on its sector and country, which are weighted by exposure to create a portfolio-wide ESG impact profile and aggregated by sector to show which industries contribute most to ESG impacts. UNEP FI impact categories are mapped to ESRS sub-topics and topics are flagged as relevant if their impact score exceeded the 90th percentile threshold. These flagged topics were then reviewed and validated by internal experts to determine whether they represent material impacts for Erste Group. The portfolio analysis replaces the previous manual assessment approach by establishing materiality through a structured, data-driven process.

Throughout the DMA, a Top-Down approach was used to identify the material IROs. This was done by assessing the IROs centrally for the group with a continuous validation against the DMA results from the subsidiaries consolidated under IFRS. Consequently,

in order to assure the completeness and accuracy of the DMA within Erste Group, constant communication with the subsidiaries was necessary. This was to identify and assess potentially relevant IROs at both the group and entity levels. This was achieved by:
_ weekly AT/CEE calls,
_ ad hoc meetings on a 1:1 basis (Erste Group and subsidiaries),
_ workshops.

The outcome of the DMA is the list of material IROs that is shown in SBM-3 and lays the foundation for this report.

Stakeholder Engagement

The DMA was informed by internal experts from various business units, e.g People & Culture, Carbon Calculation & Targeting, Data Protection Legal etc. and the Employees Council. Erste Group had no other direct consultations with other affected stakeholders in the DMA. Results were validated by the Expert Jury. The Expert Jury are individuals representing Group Accounting and Group Corporate Affairs & Stakeholder Management.

Value Chain Assessment

For the DMA, Erste Group aimed to reflect the interests and views of affected stakeholders the sustainability statement as described in '*SBM-2 - Interests and views of stakeholders*'. Moreover, for the identification and assessment of IROs, special consideration was given to the upstream and downstream value chain to ensure completeness of the relevant IROs. In this context, Erste Group analysed the flow of activities, processes and value creation within the organisation.

Further information on Erste Group's value chain composition and the respective implications on the DMA can be found in chapter '*SBM-1 - Strategy, business model and value chain*'.

Impact Materiality Assessment

The assessment was based on the following central assumptions:
_ The value chain relevance and the time horizon of their assumed occurrence were identified per impact.
_ Impacts were defined as either positive or negative. If multiple but deviating impacts (i.e. positive and negative) were identified towards a sustainability matter, each impact was evaluated separately.
_ For a sustainability matter to be deemed as material, only one material impact is sufficient, regardless of the count of additional immaterial impacts, its state as actual or potential, its allocated time horizon or value chain relevance.
_ The severity and the likelihood were evaluated for each impact. An impact is classified as actual if it has already occurred and is therefore observable or verifiable in the present. Conversely, an impact is classified as potential if its occurrence is only possible in the future and thus based solely on a plausible expectation or projected development. Whether an impact is to be classified as actual or potential is determined by the responsible internal experts. For actual impacts the likelihood was consistently set to 100%. For potential impacts the likelihood was assessed on a scale from 0-5 with each scale having a corresponding probability weight.
_ The scoring of severity included the three parameters of scale, scope and - only for negative impacts - irremediability. Each evaluation parameter was assessed individually on a scale from 0-5. Their values were averaged, and the resulting score was then multiplied by the likelihood.
_ Subsequent impacts and human rights impacts were considered. For human rights impacts severity took precedence over likelihood with a weight of 100%.
_ Impacts with a total score above 2.5 on a scale from 0 to 5 were considered material. Using this as the threshold ensures that only impacts with at least an upper-medium level of severity are classified as material. This approach prevents low-severity impacts from being considered material, maintaining focus on the most significant topics.
_ Impact evaluations were conducted per time horizon by cross-functional scoring teams holding group functions setting scores based on evidence and/or expert opinion.
_ The material impacts were aligned with the outcome of the financial materiality assessment for sustainability matters whereby financial materiality would be triggered by impact materiality.
_ The final scoring per impact was quality assured by a central expert jury.

The executed assessment process did not comprise an explicit step of engaging with external stakeholders. Information concerning affected stakeholders was considered implicitly via the above-mentioned in-house experts and their regular exchanges with externals (i.e. customers, NGOs, rating agencies, investors). For more information on stakeholder groups and engagement, please refer to chapter '*SBM-2 - Interests and views of stakeholders*'.

Impacts relating to E1 Climate change

The whole value chain was considered and assessed in the context of climate change. As described in section '*SBM-1 - Strategy, business model and value chain*', some sectors with high emissions, such as IT-services, are part of Erste Group's upstream value chain. These were assessed alongside emissions from Erste Group's own operations. The assessment was carried out in alignment with the process outlined above, incorporating both the Portfolio Analysis and expert evaluations. Together, the impact was considered material, especially due to the high score considering the scope of CO_2 emissions, which were considered to have a global impact, as well as the irremediability, as CO_2 emissions are very difficult to be reversed.

However, a major part of Erste Group's overall emissions stem from the financed emissions in the portfolio, which are part of its downstream value chain. As such, these are closely monitored. During Erste Group's DMA, the current total carbon footprint based on end of year 2024 values was used as input. Erste Group is calculating and reporting GHG emissions for both its banking operations (scope 1, 2 and 3) as well as its financed portfolio (financed scope 3 emissions). The used methodologies are in line with the GHG Protocol Corporate Accounting and Reporting Standard and the PCAF methodology. Details regarding the computations and calculation scope can be found in chapter *E1-6* of this statement.

For the subtopic of climate change mitigation a negative impact was identified, which, due to its actual and global nature, received the highest notch evaluation and hence was deemed material. This negative impact is equally applicable to the subtopic of energy, but is only listed as a single negative impact applicable to both subtopics.

Erste Group already finances renewable energy projects supporting the transition to an economic system within the planetary boundaries. It does so based on its Responsible Financing Policy, which sets out financing exclusions for high emitting sectors, as well as its Sustainable Finance Methodology which pursues targets in sustainable financing. Based on the actual and global nature this positive portfolio related impact was assessed as material.

Impacts relating to E4 Biodiversity and ecosystems

In the upstream value chain, no material impacts in connection to biodiversity and ecosystems were identified. Nevertheless, Erste Group is aware that biodiversity and ecosystems is a topic of increasing importance and is closely monitoring all parts of its value chain to ensure that potential impacts are adequately managed.

Erste Group has no sites (own premises) located in or near biodiversity-sensitive areas and no material impacts were identified related to Erste Group's own operations affecting any biodiversity-sensitive areas.

Concerning downstream impacts, Erste Group's focus on financing real estate and public infrastructure projects was assessed to have an actual negative impact on biodiversity, as soil is sealed and land is degraded, causing increased flooding risks, climate change exacerbation and possible health issues due to decreased air and water quality. Potential other impact drivers, such as dependencies on ecosystems for certain financed sectors (such as tourism), have been considered, but were not considered material due to the comparatively low exposure share. The evaluation was based on expert judgement and supported by portfolio analysis data using ENCORE and UNEP FI data. Information with regards to affected communities are covered through the aforementioned data bases and portfolio analysis. The material actual impact of biodiversity and ecosystem matters are restricted to the financed portfolio.

Impacts relating to S1 Own Workforce

Erste Group places great importance on the development and support of its own employees, as they are a key factor in the company's success. Topics such as gender equality and equal pay for equal work, as well as diversity were identified as material for Erste Group. A comprehensive analysis was conducted, taking into account existing People & Culture strategies and internal policies. The assessment was based on the evaluations of internal experts and the results of existing employee surveys as well as external studies.

Impacts relating to S3 Affected Communities

Erste Group interacts in many ways with surrounding communities, which is why a positive impact was identified and the topic of Social Banking was classified as material. The assessment was aligned with the Social Banking strategy, expert evaluations and stakeholder feedback. Key impacts include ensuring access to products and services for financially vulnerable people and promoting financial inclusion.

Impacts relating to S4 Consumers and End Users

As a financial services provider, Erste Group places great importance on its responsibility towards customers and end users. The assessment of potential impacts related to the topics in this chapter - *consumers and end users* - was therefore carried out with particular care. Topics such as financial health and privacy were identified as material to Erste. The assessment focused on the direct impact on customers and end users, with a strong emphasis on the overall customer experience and the protection of their interests. A detailed assessment was conducted, taking into account existing customer policies and data protection measures. This

assessment was based on evaluations of internal experts and feedback from customer satisfaction surveys. For example, financial well-being was given high priority.

Impacts relating to G1 Business conduct

All G1 subtopics were deemed in general as relevant for Erste Group's own operations. An analysis was performed taking Erste Group's existing governance setup and compliance status as well as its role as a tightly supervised and regulated financial institution and financial services provider into account. This influenced the evaluation of the impacts. For example, the impact connected to the prevention and detection including training regarding corruption and bribery was deemed to have the lowest likelihood, as Erste Group already has rigorous practices and trainings in place. The evaluation of the impacts was performed based on Erste Group's internal expert judgment, leading to two material potential negative impacts in connection to the protection of whistleblowers and the prevention of corruption and bribery (see table in *SBM-3*).

Financial Materiality Assessment

The financial materiality assessment was based on the following central assumptions:

- For the assessment of financial materiality, risks and opportunities arising from future legislation, reputational considerations and related uncertainties are taken into account. The process is linked to existing internal risk assessments and Erste Group's strategic positioning to capture emerging business opportunities. As part of this process, internal experts were briefed on the methodological requirements of the DMA, including the interdependences between impact and financial materiality, with particular emphasis on recognising financial materiality that results from impacts and dependencies.
- The identification and evaluation of risks for this year's DMA result considers information stemming out of Erste Group's annual risk materiality assessment, in which ESG risks and risk drivers were already included and evaluated. For more information on the RMA, see the section below '*Risk Materiality Assessment (RMA)*'.
- The value chain relevance and the time horizon of their assumed occurrence were identified per risk and opportunity.
- For a sustainability matter to be deemed as material, only one material risk or opportunity is sufficient, regardless of the count of additional immaterial risks or opportunities, its allocated time horizon or value chain relevance.
- Identified risks and opportunities were evaluated in terms of the magnitude of their financial effect on a scale from 0-3 and subsequently multiplied by the probability of occurrence on a scale from 0-5, with each scale having a corresponding probability weight.
- Risks and opportunities with a total score above 1.5 on a scale from 0 to 3 were considered material. Using this as the threshold ensures that only risks and opportunities with at least medium scale of magnitude of financial effect are classified as material. This approach prevents low-scaled risks and opportunities from being considered material, maintaining focus on the most significant topics.
- Risks and opportunities were defined and evaluated per time horizon separately by cross-functional scoring teams holding group functions setting scores based on evidence and/or expert opinion.
- The final scoring per risk and opportunity was quality assured by a central expert jury.

Risk Materiality Assessment (RMA)

The Business Environment Scan (BES) identifies climate and environmental risks and opportunities, serving as input for the RMA to narrow down relevant topics. While the RMA provides the foundation for identifying material environmental risks, opportunities subject to the environment are derived directly from the BES. Identified risks are then analysed by internal experts to determine physical and transition risks, which are assessed across risk types (credit, market, operational, strategic, reputational, liquidity) and time horizons (short-, medium-, long-term) for materiality and are mapped to the ESRS longlist topics, linked to prior DMA risks or added as new ones. If any of those risks is material, the entire associated risk or topic is deemed material. The RMA replaces manual expert assessments by defining materiality systematically.

RISKS AND OPPORTUNITIES RELATING TO E1 CLIMATE CHANGE

Physical risks

For the means of the DMA physical risks are identified and assessed under the subtopic of climate change adaptation. Physical risks can arise at various locations throughout the value chain, such as:

- Erste Group's own fixed assets,
- fixed assets of suppliers (e.g. data centres),
- fixed assets of customers and as a specific category thereof
- those customer fixed assets that serve as collateral.

Due to its essential importance for Erste Group as a credit institution, the assessment focused on the financed portfolio and the transmission channels leading to credit risk. A transmission channel is the mechanism through which a physical risk (e.g., a flood) translates into a financial risk for the bank (e.g., credit risk). While physical risks also affect the upstream value chain and Erste Group's own assets, their impact was assessed as minor compared to the downstream value chain. Acute physical risks can damage

collateral, and together with chronic physical risks, can impair the viability of business models. These dynamics act as transmission channels that ultimately materialises as credit risk for Erste Group.

The assessment of the portfolio was guided by multiple inputs. The results of Erste Group's risk materiality assessment, taking into account the results of the comprehensive stress-testing exercise, including a flood risk scenario, as well as the results of a portfolio screening based on MunichRe Location Risk Intelligence data were used as the basis for the materiality assessment. More information can be found in chapter *E1 SBM-3*.

Erste Group applies the RCP 4.5 scenario, assuming moderate emission reductions with a peak around 2040 followed by a gradual decline. The assessment uses 2050 as the central reference year, corresponding to the typical remaining economic life of financed real estate assets (20–40 years). Physical risks are expected to affect collateral values mainly from mid-century onward through reduced marketability and higher operational and adaptation costs.

Physical risks across the portfolio and own assets are assessed at geocoordinate level, enabling precise location-based scoring beyond the regional aggregation required for CSRD (NUTS-3). This approach captures local differences in exposure across core markets more accurately.

For collateral assessment, Erste Group applies a bottom-up methodology, evaluating climate-related hazards for each financed property or real estate collateral. This includes quantifying potential market value impacts associated with risks such as flooding or extreme weather. Properties located in very high-risk areas typically undergo on-site inspections to document mitigations, which may influence valuations. These property-level findings are then aggregated to determine overall physical risk exposure for the real estate portfolio.

Physical risk – own assets

Out of Erste Group's own assets across countries, EUR 876.9 million, or approximately 0.24% of total assets (2024: EUR 927.8 million, or approximately 0.26% of total assets) are exposed to material physical risks considering short, medium and long-term horizon. Hence, Erste Group's own assets do not show material physical risk. Geographically, Austria represents the largest part of own assets exposed to material physical risks, followed by Romania and Hungary. Most exposures subject to material physical risk are classified as facing acute physical risks.

Physical risk – real estate taken as collateral

The carrying amounts of the Group's real estate taken as collateral include a portion of assets identified as being exposed to material physical risks. An asset is considered materially exposed when MunichRe assigns a high or very high location-specific risk score.

The analysis of Erste Group's financed asset portfolio indicates a single-digit percentage exposure to material physical climate risks (7.55% (2024: 7.40%) of total assets as stated in the IFRS balance sheet).

Geographically, Austria stands out as the area with the highest share of exposure exposed to material physical risk, which is attributed to the operational focus of Erste Group's operations in this region, followed by Romania and Slovakia. From a risk categorisation perspective, 97.00% (2024: 94.44%) of assets exposed across countries exposed to material physical risk are impacted by acute physical risks (fire weather, river flooding, earthquakes, drought). The above exposure is primarily concentrated in long-term maturities, which account for 76.83% or EUR 21.38 billion (2024: 74,54% or EUR 19.50 billion) of the total assets (EUR 27.82 billion) exposed to material physical risk.

Transition risks and opportunities

Due to its essential importance to Erste Group as a credit institution, the focus of the identification and assessment of transition risks and opportunities was centred on the financed portfolio and the impact on credit risk, as transition events such as policy changes can impact the viability and profitability of customers' business models. While risks and opportunities can arise in the upstream value chain and Erste Group's own operations, they have been assessed to be minor compared with the financed portfolio.

Transition Risk

In line with the EBA Guidelines on the management of environmental, social and governance risks (EBA/GL/2025/01), Erste Group defined a central scenario reflecting its latest expectations on the development of its environment. Against the backdrop of the current political and economic state of the world, the baseline is a combination of the NGFS scenarios Below 2°C and Fragmented World. This hybrid scenario reflects a world where the European Union (EU) pursues a coordinated climate policy path by implementing gradual but increasingly stringent climate policies (Below 2°C), while the rest of the world follows a more fragmented trajectory, marked by delayed, uncoordinated and uneven climate actions across regions (Fragmented World).

Assets at material transition risk

Based on the described baseline scenario and its impact expressed in terms of additional expected credit loss Erste Group conducted an additional assessment to gain valuable information about the portion of the credit portfolio currently exposed to material transition risk. For this purpose, the gross impact (i.e. without consideration of any mitigating actions like decarbonization) was calculated on client level and subsequently compared to a dedicated materiality threshold. This allows for a (im)materiality-classification of all clients with emission calculation in Erste Group's portfolio.

The following table provides information on the share of assets at material transition risk as percentage of total assets in scope of the conducted transition risk scenario analysis. The scenario analysis allows for a materiality classification of assets worth EUR 227,101 million (2024: EUR 179,826 million) as of year end 2025. Based on each client's individual deal maturity, the data is further broken down by maturity buckets in line with the pre-defined time horizons. The figures published last year are also displayed, although those are based on an adverse scenario (delayed transition) and therefore do not allow for a direct comparison.

Assets at material transition risk in baseline scenario

Date	Item	Gross carrying amount (in EUR million)		of which assets at material transition risks			
					Breakdown by maturity bucket		
					Short-term	Medium-term	Long-term
31.12.2025	Assets covered by scenario analysis	227,101	absolute	51,225	10,213	15,342	25,670
			%	22.6%	4.5%	6.8%	11.3%
30.06.2024	Assets covered by scenario analysis	179,826	absolute	58,543	20,578	21,378	16,588
			%	32.6%	11.4%	11.9%	9.2%

While 22.6% (2024: 32.6%) of the assets are considered subject to material transition risk, it is important to emphasize that this figure does not represent an expected loss. Assets identified as being at material transition risk are rather a potential source of additional credit losses with any such losses being quantified in accordance with the existing methodology for determining credit loss allowances (CLA).

With the implementation of a dedicated decarbonisation strategy for focus sectors, Erste Group can cover more than 43% (2024: 41%) of assets materially exposed to transition risk, thereby effectively reducing the associated credit risk and strengthening Erste Group's resilience towards transition risk. Erste Group is well aware that the necessary economic adjustments will continue to have indirect macroeconomic effects on its business model. Nonetheless, mitigation measures can substantially reduce the impact and allow management to contain the risk in line with the ambition level of the defined targets.

The gross carrying amount of financial assets at fair value through other comprehensive income, financial assets at amortised cost, trade and other receivables, non-trading financial assets at fair value through profit or loss and finance lease receivables with credit institutions, other financial corporations, non-financial corporations and households respectively amount to EUR 238,095 million (2024: EUR 226,521 million) according to the notes *16*, *17*, *19*, *23* and *50* amount of the consolidated financial statements. The assets covered by the scenario analysis amount to EUR 227,101 million (2024: EUR 179,826 million). The difference results primarily from unsecured positions towards private households (consumer loans).

Real estate-related assets by their energy efficiency levels

Beyond counterparty-level transition risk, collaterals may also be exposed, as buildings could prove to be energy-inefficient and therefore face potential market value declines. Hence, the evaluation of transition risks is taking into account the current distribution of the portfolio based on its carbon-intensity and the Energy Performance Certificate (EPC) across the commercial and residential real estate portfolio. Energy-inefficient buildings may trigger higher energy or renovation-related costs, increasing the financial strain on owners or occupants, ultimately leading to a potential deterioration in clients' credit quality.

One of the key metrics are Energy Performance Certificate (EPC) Labels, which classify assets based on their energy efficiency rating from A (highest efficiency) to G (lowest efficiency). Energy efficiency data coverage is increasing across the Group, with EPC labels availability representing 34% of total assets (2024: 29%) excluding estimated labels. Among these collected EPC Labels, a significant share of exposure falls within high energy efficiency buckets (A–C), representing 82% of total assets (2024: 82%). Overall, the increasing share of energy-efficient collateral - especially in EU area – is expected to support the mitigation of transition risk impacts, thereby contributing to Erste Group's strategic resilience.

Transition opportunities

The evaluation of transition opportunities is taking into account the current distribution of the portfolio and the potential financial benefits of identified opportunities. This includes opportunities from financing companies investing into the decarbonisation of their own business models and clients offering climate change adaptation solutions, for example in the real estate sector.

Non-material sustainability matters

Erste Group examined various topics, including pollution, water and marine resources, resource use and circular economy. In all these areas, no material IROs were identified. The assessment considered Erste Group's business model as a financial institution and its up- and downstream value chain. The assessments indicated that the potential IROs were considered minor and non-material due to Erste Group's non-manufacturing business model and the structure of its portfolio.

E2 Pollution

The upstream value chain, such as IT-providers, as well as Erste Group's own operations and downstream value chain were considered in the assessment of pollution matters. A portfolio analysis was performed to identify impacts linked to the typical risk profiles of the industries (see chapter *IRO-1 – Impact Materiality Assessment* for further details). The industries with the highest impacts were identified as agriculture, mining, manufacturing, construction and transportation. Due to the high standards and strict regulations on pollution matters that are in place to limit impacts on the environment within these industries, no material impact was determined. Risks and opportunities relating to pollution were analysed based on the current business strategy and portfolio structure in combination with the results of Erste Group's risk materiality assessment and underlying ESG sector risk heatmap. No material risks or opportunities were identified, primarily because the industries evaluated as high-risk within the scope of pollution matters had a low exposure share.

E3 Water and marine resources

Potential impacts relating to water and marine resources in the upstream value chain, such as water cooling connected to IT services were assessed. A portfolio analysis was used to identify impact drivers in the downstream value chain. The impacts, when weighted by exposure to the relevant industries, did not indicate materiality. The assessment of risks and opportunities was conducted based on the current business strategy and portfolio structure, supplemented by insights from Erste Group's risk materiality assessment and its ESG sector risk heatmap. No material risks or opportunities were identified, primarily because the industries evaluated as high-risk within the scope of water and marine resource matters had a low exposure share.

E5 Resource use and circular economy

Erste Group's own operations and upstream value chain were assessed, along with impacts related to the financed portfolio, using a portfolio analysis. The highest impacts were identified in industries such as agriculture, mining, manufacturing, construction and real estate. Following high standards and strict regulations on resource use and circular economy matters that are in place to limit impacts on the environment within these industries, no material impact was determined. The assessment of risks and opportunities associated with resource use and the circular economy was carried out based on the current business strategy and portfolio structure, complemented by insights from Erste Group's risk materiality assessment and its ESG sector risk heatmap. No material risks or opportunities were identified, primarily because the exposure share of industries affected by the main risk driver of a potential ban of environmentally damaging materials or chemicals is not significant.

IRO-2 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

List of disclosure requirements

After the completion of the DMA the respective material sustainability matters were allocated to the relevant disclosure requirements and data points by using the EFRAG Guidance. Additionally, Erste Group discloses entity specific information following the policy, action and target structure for the sustainability matters of social banking and financial health. Metrics were disclosed where required.

The list of disclosure requirements and their location in the statement can be found below.

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List of data points in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27), Annex II		Material	25
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	25
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	30
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	84
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g) and Article 12.2		Material	84
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	93
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	103

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	103
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material	
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	105
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	105
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Material	Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Material	Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Material	Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material	Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water consumption in m 3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Material	115
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Material	115
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Material	115
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material	
ESRS S1-1 Human rights Policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	120
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	120
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Material	120
ESRS S1-1 Workplace Accident Prevention Policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Material	120
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	125
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Not material	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	135
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material	135

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Material	137
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	137
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material	
ESRS S2-1 Human rights Policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material	
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material	
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S3-1 Human rights Policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Material	144
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	144
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Material	147
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Material	152
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material	152
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Material	155
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	155

Environmental information

EU Taxonomy Disclosures

Legal framework at EU level

The EU Commission's Delegated Regulation (EU) 2026/73 (further referred to as 'revised EU Taxonomy DDA') amending the EU Commission's Delegated Regulation (EU) 2021/2178 (further referred to as 'unrevised EU Taxonomy DDA') as regards the simplification of the content and presentation of information to be disclosed concerning environmentally sustainable activities addresses the requirement of the EU Taxonomy's Article 8 by specifying the accordingly revised content and presentation of information to be disclosed concerning environmentally sustainable economic activities and specifying the accordingly revised methodology to comply with that disclosure obligation.

The revised EU Taxonomy DDA has been published in EU's Official Journal on 8th of January 2026, with applicability from 1st of January 2026 for the financial year 2025. The necessity of such a revision stem from the experience with the first year of reporting by financial undertakings and the two consecutive years of reporting by non-financial undertakings, which was found to provide a sufficient basis for the EU Commission (EC) to introduce certain targeted simplification measures to streamline reporting obligations and thereby reduce administrative burden on reporting undertakings, while not losing relevant and material data from the Taxonomy reporting framework. These measures, in a draft form open for comments, were issued in February 2025, as part of the so-called 'Sustainability Omnibus Proposal' (hereafter referred to as 'Omnibus'), then further refined and issued on the 4th of July 2025 in the form of an EC Delegated Regulation. In parallel, Omnibus' 'stop the clock' proposal - that is, applying year-end 2024's scope of undertakings subject to CSRD (hence: to EU Taxonomy disclosures as well) until further re-assessment of scope's previously enacted gradual widening across the years 2025-2028 - was fast-tracked for immediate enacting at EU level.

As mandated by its Article 4, Erste Group initially applies the revised EU Taxonomy DDA for the reporting year ending on 31 December 2025. Therefore, Group's EU Taxonomy disclosures as of 31 December 2025 hereafter included, as well as the number, the content and the structure of the related templates have been adapted to fully reflect the requirements of the revised EU Taxonomy DDA, notably the amendments to the Annex VI to the unrevised EU Taxonomy DDA (providing the updated layouts of the currently required templates 0-5) and the deletion of the Annex XII to the unrevised EU Taxonomy DDA (previously integrating the requirements of the Delegated Regulation 2022/1214 and the related previously applicable templates dedicated to direct and indirect applicable exposures towards the nuclear & fossil gas energy sectors).

Erste Group's application of revised EU Taxonomy DDA's provisions prompting reporting credit institutions to make own reporting choices

10% de minimis threshold applicable to UoP (Use of proceeds) assets with respect to sustainability assessment

In accordance with the revised EU Taxonomy DDA, up to 10% of credit institution's on-balance 'use of proceeds known' assets or off-balance items considered into the denominator of the related Taxonomy KPI of the credit institution can be omitted from such an assessment and reported instead as non-assessed exposures in a newly available dedicated section of the related EU Taxonomy templates. For the year ending on 31 December 2025, being also the first year of application of the revised EU Taxonomy DDA by Erste Group (and, inherently, by any other CSRD obligated undertaking), the Group opted for not making use of the above described 10% de minimis threshold. Consequently, the newly introduced columnar section 'Non-assessed exposures' is reported empty across all rows in all related EU Taxonomy simplified templates of the Group as of 31 December 2025.

10% net turnover de minimis threshold applicable to reporting credit institutions's EU Taxonomy KPIs to be disclosed

Another key change brought by the revised EU Taxonomy DDA relates to the possibility for reporting credit institutions to not report a given EU Taxonomy KPI provided that the related assets or off-balance items contribute by 10% or less to institution's net turnover, as defined by the applicable regulatory requirements. On this basis, Erste Group has proceeded with determining the relative contribution of Group's asset management fees, as reported in Group's consolidated statement of comprehensive income for the financial year ending on 31 December 2024 and concluded that this contribution did not reach the mentioned de minimis threshold of 10%. Consequently, Erste Group does not disclose its AuM KPI as of 31 December 2025 in any of the applicable views.

Consequently, the related rows of the Templates 1 and 5 for 31 December 2025, as presented below, (all applicable views) are not populated.

Option to include selected assets towards CSRD non-obligated undertakings into the GAR calculation

In accordance with the revised EU Taxonomy DDA as well, the applicable taxonomy KPIs can be either mandatorily or voluntarily disclosed by the related undertakings. However, in the latter case and provided that the reporting credit institution opts for considering exposures to such undertakings into its Green Asset Ratio (GAR), the applicable general-purpose exposures and the calculated amounts arising from the above mentioned weighing shall be distinctly disclosed into a newly available dedicated section of the related EU Taxonomy templates, along any specific-purpose applicable exposures towards CSRD non-obligated undertakings that the credit institution may voluntarily include into the assets covered by the GAR calculation (hence: assess the specifically financed activities accordingly). For year-end 2025 EU Taxonomy reporting purposes, Erste Group opted for including into its assets covered by the GAR calculation neither applicable general-purpose exposures to undertakings having voluntarily disclosed their taxonomy KPIs nor applicable specific-purpose exposure towards CSRD non-obligated undertakings (whether they voluntarily disclosed any taxonomy KPIs or not). Therefore, the newly included linear section 'Exposures included on a voluntary basis' is reported empty across all columns in all related EU Taxonomy simplified templates of the Group as of 31 December 2025.

Revised EU Taxonomy DDA's approach to GAR calculation and its implementation in Erste Group

The GAR is the proportion of taxonomy aligned assets or economic activities financed by Erste Group compared to the total 'GAR assets'. The revised EU Taxonomy DDA has introduced a key change in the composition of GAR's denominator, aimed at achieving GAR's 'symmetry' in the sense of ensuring a full overlap with respect to the categories of assets and counterparts falling in the respective scopes of GAR's numerator and denominator. This means that:

- Non-trading non-derivative financial assets towards CSRD non-obligated undertakings, previously included in GAR's denominator's only, have been fully excluded from the assets covered by the GAR calculation, unless the reporting credit institution would opt to include them on a voluntary basis, which, as mentioned above, is not the case of Erste Group for 31 December 2025;
- Other categories of financial assets previously included in GAR's denominator only, such as hedging derivatives, on demand inter-bank loans, cash and cash related assets, have been fully excluded from the assets covered by the GAR calculation;
- Other categories of assets, such as goodwill and other non-financial assets, previously included in GAR's denominator only, have been fully excluded from the assets covered by the GAR calculation.

As a direct result of the newly adopted 'symmetrical' approach to the GAR calculation, Erste Group further proceeded with the following two reallocations out of the 'GAR assets' into the category of assets not covered for the GAR calculation:

- Loans to Households other than those identified as EU taxonomy eligible (that means: other than those collateralized by residential real estate or building renovation loans or motor vehicle loans granted starting with 2022), previously considered as a category of assets covered in both the numerator and the denominator of the GAR (although inherently not eligible for contributing to GAR's numerator), have been fully excluded from the assets covered by the GAR calculation and considered instead within the GAR-excluded category 'Undertakings and entities not subject to CSRD' within the related Taxonomy templates as per the revised EU Taxonomy DDA;
- similarly, general or sundry financings of Local Governments, previously considered as a category of assets covered in both the numerator and the denominator of the GAR (although inherently not eligible for contributing to GAR's numerator), have been fully excluded from the assets covered by the GAR calculation and considered instead within the GAR-excluded category 'Undertakings and entities not subject to CSRD' within the related Taxonomy templates as per the revised EU Taxonomy DDA.

Non-trading non-derivative financial assets having CSRD-obligated undertakings as counterparts are mandatorily included in the GAR calculation. Considering the 'stop the clock' decision of the EU Commission in respect to the CSRD scope of obligated undertakings (as also referred to above), the criteria applied at year-end 2024 for identification of the CSRD-obligated undertakings continue to apply in full at year-end 2025 as well. Thus, all undertakings considered to be of public interest and employing more than 500 employees either as individual entities or at the related group level are deemed required to comply with Article 8, Paragraph 1 of Regulation (EU) 2020/852 and hence identified as CSRD-obligated, even when such an obligation does not apply at related undertaking's individual level, provided that the related undertaking is identified as subsidiary of a parent undertaking CSRD-obligated at consolidated level only.

The assets covered in the GAR calculation due to having financial or non-financial undertakings identified as CSRD-obligated as counterparts are further considered in the GAR numerator as follows:

- in full, if the purpose of the financing is known (use of proceeds known) and the financed economic activities demonstrably meet all technical screening criteria of the classification system (e.g. project financing) and are MS compliant, or
- weighed by the counterpart's (or, if unavailable, by the counterpart's group) most recently published taxonomy alignment KPI, if the purpose of the financing is unknown ('general purpose financing', e.g. working capital loans).

'Use of proceeds known' non-trading non-derivative financial assets that have households or local governments as counterparts (namely, public authority bodies or agencies other than those directly run by related country's central government, e.g. municipalities or local councils) are also covered in the GAR calculation, if the financed economic activities demonstrably meet all the applicable technical screening criteria.

Financial assets previously already fully excluded from the GAR calculation, namely those towards central governments, supranational issuers and central banks, as well as all trading assets, have continued to remain so.

Ensuing implications on the Eligibility KPI

Another significant KPI is the taxonomy eligibility KPI. This KPI puts the assets covered in the GAR calculation that are classified as taxonomy eligible in relation to the total assets covered in the GAR calculation. Similarly to the GAR, covered financial assets towards financial or non-financial undertakings are considered in both the numerator and the denominator of the eligibility KPI provided that the related counterparts are themselves CSRD-obligated at either individual or consolidated level or belong to a group headed by an CSRD-obligated undertaking or are included by the reporting credit institution on a voluntary basis (not the case for Erste Group for year-end 2025, as mentioned above). Such financial assets (if they are neither held for trading nor derivative assets) are further considered in the numerator of the taxonomy eligibility KPI as follows:

- in full, if the purpose of the financing is known and the economic activities financed are found as taxonomy eligible by corresponding to the activities described in the classification system, regardless of whether all technical criteria are met (e.g. project financings), or
- weighed by counterpart's (or, if unavailable, by counterpart's group) most recently published taxonomy eligibility KPI, if the purpose of the financing is unknown ('general purpose financing' e.g. working capital loans).

Additionally, 'use of proceeds known' non-trading non-derivative financial assets that have households or local governments as counterparts are also included in the numerator of the taxonomy eligibility KPI, if the financed economic activities demonstrably are found as taxonomy eligible by corresponding to the activities described in the classification system, regardless of whether all technical criteria are met.

Derived KPIs ('proportions') additionally introduced by the revised EU Taxonomy DDA

Aside the GAR and the Eligibility KPI, the revised EU Taxonomy DDA has introduced within the GAR KPI stock and flow templates a new columnar section named 'Proportion of Taxonomy aligned in Taxonomy eligible', where the ratio of taxonomy-aligned assets into the taxonomy-eligible assets, as already referred to by the Annex V of the unrevised EU Taxonomy DDA as 'second step' KPIs, has to be distinctly disclosed.

Overview of Erste Group's Taxonomy disclosures and KPIs

SCOPE OF THE PUBLISHED EU TAXONOMY REPORTING TEMPLATES

Erste Group has prepared the EU Taxonomy disclosures on a consolidated basis, in accordance with the CRR consolidation scope, which is insignificantly different from Group's IFRS scope of consolidation (as disclosed in the related Annex to this Annual Report), notably in terms of impact in the consolidated taxonomy disclosures based on Group's total consolidated assets. Therefore, whilst Erste Group's total consolidated assets as at 31 December 2025 in accordance with the IFRS consolidation scope amount to EUR 368.57 billion (31 December 2024: EUR 353.74 billion), they amount to EUR 368.28 billion (31 December 2024: EUR 353.71 billion) according to the CRR consolidation scope, net of related credit loss allowances in amount of EUR 4.02 billion (31 December 2024: EUR 4.14 billion), which are grossed-up for EU Taxonomy reporting purposes along adjustments to other balance-sheet items as further detailed in the sub-chapter '*Reporting methodology and underlying assumptions and interpretations*' below). This slight difference is due to a few entities qualifying as subsidiaries under the IFRS scope of consolidation only.

For year-end 2025, unlike for year-end 2024, Erste Group, as a credit institution, applies Annex V and VI of the EU Taxonomy Disclosures Regulation, as modified by the revised EU Taxonomy DDA. Inherently, this legislative update impacts therefore the year-on-year comparability of some of Erste Group's Taxonomy KPIs. Had the methodological changes brought by the revised EU Taxonomy DDA been applied for year-end 2024 as well, the related Taxonomy KPIs of the Group had been different as further detailed in the sub-chapter '*Summary of the revised EU Taxonomy DDA's effects on the comparative information as of year-end 2024*' below.

Based on CSRD, all Erste Group's sub-groups in scope of sustainability reporting as of 31 December 2025 are publishing separate (consolidated) sustainability statements. Erste Group did not identify any material differences between the KPIs for the group as a whole and any of its subsidiaries that would justify or require a separate presentation of their KPIs, which is in line with expectations driven by the limitations of the prudential scope of consolidation, only comprising institutions, financial institutions and, if consolidated supervision is required, ancillary service undertakings.

SUMMARY OF THE PUBLISHED EU TAXONOMY REPORTING TEMPLATES ACCOMPANIED BY CONSIDERATIONS ON SELECTED YEAR-ON-YEAR DEVELOPMENTS

This paragraph provides a concise description of the EU Taxonomy reporting templates published by Erste Group as of 31 December 2025, simultaneously addressing the requirements of Annex XI to the EU Taxonomy Disclosures regulation with regards to qualitative explanations addressing significant developments in the main taxonomy KPIs, starting with the second year of implementation.

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

Template 0 provides a summary of key amounts and most significant taxonomy KPIs, as further disclosed in the Templates 1, 3 or 5 (see below). According to Annex VI to the EU Taxonomy Disclosures Regulation as modified by the revised EU Taxonomy DDA, Template 0 does not feature a comparative ('T-1') section. Therefore, Erste Group does not create a comparative Template 0 for 31 December 2024. However, the significant year-on-year developments in the quantitative information featured in Template 0 are further outlined below.

Total environmentally sustainable assets / activities (turnover view)

As of 31 December 2025, Erste Group discloses in Template 0 total taxonomy aligned assets ('stock') in amount of EUR 2.92 billion (31 December 2024: EUR 1.59 billion) in 'turnover' view and respectively EUR 3.41 billion (31 December 2024: EUR 2.60 billion) in 'CapEx' view. Out of them, those having been initially recognised during the current year ('flow') amount to EUR 0.70 billion (2024: EUR 0.68 billion) in 'turnover' view and respectively EUR 0.80 billion (2024: 1.00 billion) in 'CapEx' view. The 'turnover' view indicates that – as far as general-purpose financings to CSRD-obligated clients or issuers having published Taxonomy KPIs are concerned – the related exposures have been weighted by their respective taxonomy KPIs in connection to their revenue-generating activities (non-financial undertakings) or financings thereof (financial undertakings). The 'Capex' view indicates that – as far as general-purpose financings to CSRD-obligated clients or issuers having published Taxonomy KPIs are concerned – the related exposures have been weighted by their respective taxonomy KPIs in connection to their capital expenditure activities (non-financial undertakings) or financings thereof (financial undertakings).

The significant year-on-year increase in the taxonomy aligned financings is mainly attributable to mortgage loans to Households that could be assessed as taxonomy-aligned for the first time at year-end 2025, thanks to improvements in the completeness and quality of the underlying data with respect to both the energy performance of the financed real estate collaterals and the applicable physical risks scorings in the geo-locations of those collaterals, as modelled across the required time horizons and RCP scenarios. Thus, taxonomy-aligned loans to Households increased from EUR 0.0 billion at 31 December 2024 to EUR 1.20 billion at 31 December 2025. Further methodological details are provided in the sub-chapter '*Retail lending*' within the chapter '*Removal of GAR structural constraints and developments in data availability*' below.

On the other hand, taxonomy aligned financings to financial undertakings and respectively CSRD-obligated non-financial have remained relatively stable on a year-on-year basis:

	Turnover view (stock)		CapEx view (stock)	
in EUR billion	Dec 24	Dec 25	Dec 24	Dec 25
Financial undertakings	0.39	0.34	0.62	0.43
Non-financial undertakings	1.20	1.38	1.97	1.78

Total environmentally sustainable assets are further detailed, notably per categories of assets and related counterparts, but also per eligibility and alignment towards each of the 6 environmental objectives within **Template 1 'Assets for the calculation of GAR'**, disclosed in both the turnover view and the CapEx view and, as newly required by the revised EU Taxonomy DDA, as both stock and flow as well. Template 1 does no longer feature a 'T-1' comparative section.

Total GAR Stock and Flow (turnover view and CapEx view)

The below considerations addressing the year-on-year development (31 December 2025 vs 31 December 2024) in Group's GAR Stock and Flow (turnover and CapEx views) are based on year-end 31 December 2024's related GAR ratios having been recalculated by retrospectively applying the changes in GAR's calculation approach induced by the revised EU Taxonomy DDA, as outlined in the preceding sub-chapter above and further summarized (in terms of quantitative impact) in the sub-chapter '*Summary of the revised EU Taxonomy DDA's effects on the comparative information as of year-end 2024*' effects on the comparative information as of year-end 2024 below. Such retrospective recalculation has the purpose of ensuring 'like with like' comparability of the GAR ratios as at 31 December 2025 vs 31 December 2024, thus ensuring the adequacy of the below considerations by reference to Annex XI's related requirements.

Erste Group's total GAR (turnover view) acknowledges a development from 1.48% as at 31 December 2024 to 2.52% as at 31 December 2025 (stock) and respectively from 3.59% as at 31 December 2024 to 3.10% as of 31 December 2025 (flow). GAR's

significantly favourable change for stock results essentially from the above described year-on-year positive development in total taxonomy aligned mortgage and building renovation loans to Households, most of them originated in prior years (and therefore having an insignificant impact on 'flow').

In the CapEx view, the corresponding development is as follows: from 2.42% as of 31 December 2024 to 2.94% as of 31 December 2025 (stock) and respectively from 5.27% as of 31 December 2024 to 3.55% as of 31 December 2025 (flow).

Erste Group's GAR Stock as of 31 December 2025 remains nevertheless significantly limited by the inherent difficulties in fully assessing, beyond any reasonable doubt, the taxonomy alignment of Group's mortgage loans to Households, in particular with regards to the DNSH criterion and notably when the identification of high or very high particular physical risk(s) in financed collateral's geolocation would have prompted an asset level vulnerability assessment by reference to any related asset-level adaptation measures for mitigating those material physical risks, others than those that can be deemed factored into the applied scoring methodology for the related particular physical risk (further details in the sub-chapter '*Developments in data availability*' below). None of such mortgage loans could therefore be reported as taxonomy aligned, although for some of them the SC criterion would have been found as satisfied. In addition, the consistent application of relative performance benchmarks, such as the Top 15% criterion, is constrained by the availability of locally accepted, comparable and standardised building stock data in certain markets. Therefore, as of 31 December 2025, out of Erste Group's consolidated mortgage and building renovation loans to Households amounting to EUR 79.63 billion, only a relatively small fraction of 1.20 billion could be reported as taxonomy aligned, despite most of this volume (EUR 75.80 billion) being assessed and reported as taxonomy eligible.

GAR Stock and GAR Flow are further detailed, notably per categories of assets and related counterparts, but also per combined eligibility (across all six environmental objectives) and alignment towards each environmental objective within **Template 3 'GAR KPI Stock'** and **Template 4 'GAR KPI Flow'** respectively. These templates are disclosed in both the turnover view and the CapEx view, with no 'T-1' comparative sections, in accordance with the Annex VI as modified by the revised EU Taxonomy DDA. In accordance with the revised EU Taxonomy DDA, both these templates newly include columnar sections respectively dedicated to disclosing the proportion of aligned assets into the related eligible assets, as well as the proportion of non-assessed assets into the related total assets covered by the GAR calculation.

FinGuar KPI Stock (turnover view and CapEx view)

Whilst the GAR refers to credit institution's on-balance assets, the FinGuar KPI focuses on credit institution's off-balance exposures. Unlike the GAR, Erste Group's FinGuar Stock KPI has acknowledged a relative stability on a year-on-year basis: from 14.20% as of 31 December 2024 to 13.33% as of 31 December 2025 (turnover view) and respectively from 16.94% as of 31 December 2024 to 15.66% as of 31 December 2025 (CapEx view). This development can be plausibly explained by the limited year-on-year change in the specific population of underlying CSRD-obligated counterparts and the related taxonomy KPIs applied, but it has been also slightly adversely influenced by local governments becoming a relevant counterpart sub-category for this KPI in accordance with the revised EU Taxonomy DDA, along CSRD-obligated undertakings, taking into account that the aforementioned year-end 2024 comparatives were not recalculated in this respect.

FinGuar KPI Stock and FinGuar KPI Flow are further detailed, notably per categories of assets and related counterparts, but also per combined eligibility across all 6 environmental objectives and alignment towards each environmental objective within **Template 5 'KPI Off balance-sheet exposures'**. These templates are disclosed in both the turnover view and the CapEx view, as well as in both stock and flow views, with no comparative section included. The template also discloses the proportion of any non-assessed exposures into the total amount of related off-balance sheet exposures covered by Taxonomy.

Template 2 GAR sector information

This template provides, in both stock turnover view and stock CapEx view, a breakdown per the applicable NACE codes of all the eligible and aligned amounts featured in Template 1 as assets covered in the GAR calculation, limited to the first 10 NACE codes in terms of materiality of the related gross carrying amounts. Template 2 features two additional rows dedicated to the on-balance banking book exposures covered by the EU Taxonomy and fully (specific-purpose) or partly (general-purpose) attributable to the Nuclear and respectively Fossil Gas energy sectors, either directly (CSRD-obligated non-financial undertakings primarily active in the mentioned energy sectors) or indirectly (CSRD-obligated financial undertakings exposed in their turn to CSRD-obligated non-financial undertakings primarily active in the mentioned energy sectors).

The taxonomy-eligible and respectively taxonomy-aligned amounts disclosed in the above mentioned nuclear and respectively fossil gas related additional two rows of Template 2, when expressed as respective proportions into Group's total assets covered by the GAR calculation, are as follows:

GAR Stock (turnover view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.13%	0.14%	0.21%	0.40%
Alignment proportion	0.13%	0.14%	0.00%	0.00%

GAR Stock (CapEx view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.18%	0.09%	0.26%	0.30%
Alignment proportion	0.18%	0.09%	0.00%	0.04%

GAR Flow (turnover view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.14%	0.48%	0.48%	0.81%
Alignment proportion	0.14%	0.48%	0.01%	0.01%

GAR Flow (CapEx view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.20%	0.33%	0.59%	0.79%
Alignment proportion	0.20%	0.32%	0.01%	0.18%

*) retrospectively calculated for comparability purposes only, using as numerators the relevant amounts reported at 31 December 2024 in the formerly required Nuclear & Fossil Gas related templates 2 and 4 in relation to GAR and as denominators the total assets covered by the GAR calculation as at 31 December 2024, recalculated consistently to 31 December 2025, i.e. based on the 'symmetrical' approach to the GAR calculation as required by the revised EU Taxonomy DDA.

Group's similar proportions in respect of financial guarantee off-balance sheet exposures covered by the EU Taxonomy are additionally summarized below:

FinGuar Stock (turnover view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.13%	0.12%	0.80%	0.97%
Alignment proportion	0.11%	0.10%	0.03%	0.00%

FinGuar Stock (CapEx view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.22%	0.13%	0.59%	0.73%
Alignment proportion	0.21%	0.11%	0.02%	0.04%

FinGuar Flow (turnover view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.05%	0.06%	0.33%	0.71%
Alignment proportion	0.05%	0.04%	0.00%	0.00%

FinGuar Flow (CapEx view)

	Nuclear energy activities		Fossil gas activities	
	Dec 24*	Dec 25	Dec 24*	Dec 25
Eligibility proportion	0.00%	0.05%	0.27%	0.36%
Alignment proportion	0.00%	0.04%	0.00%	0.00%

*) retrospectively calculated for comparability purposes only, using as numerators the relevant amounts reported at 31 December 2024 in the formerly required Nuclear & Fossil Gas related templates 2 and 4 in relation to FinGuar KPI and as denominators the total financial guarantee off-balance sheet exposures covered by the EU Taxonomy as at 31 December 2024.

As mentioned above, Erste Group does not disclose its AuM KPI as of 31 December 2025 in any of the applicable views, due to applying the 'de minimis' provision of the revised EU Taxonomy DDA with respect to the credit institution's main Taxonomy KPIs covering assets or off-balance sheet items contributing by less than 10% to institution's net annual turnover. Therefore, the related proportions in respect of the taxonomy-eligible and respectively taxonomy-aligned amounts attributable to the nuclear energy and respectively fossil gas activities, as presented above with regards to GAR (all views) and respectively FinGuar (all views) have not been determined and are therefore not available and not disclosed with regards to AuM KPI.

According to the revised EU Taxonomy DDA, Template 2 does not feature a 'T-1' comparative section and is provided as both stock and flow, in both turnover and CapEx view.

Revised EU Taxonomy DDA's brought forward disclosures on financings of Nuclear and Fossil Gas related economic activities

According to the revised EU Taxonomy DDA, such disclosures are limited to those already captured in Template 2, as described above. Following the deletion of Annex XII to the EU Taxonomy Disclosures Regulation, the Nuclear and Fossil Gas additional templates formerly required and consequently published by Erste Group for the year-ends 2024 and 2023 are no longer featured in Erste Group's EU Taxonomy disclosures as at 31 December 2025.

SELECTED KPIS' OVERVIEW

As of 31 December 2025, Erste Group's total eligibility KPI and total GAR can be summarized as follows:

Turnover view

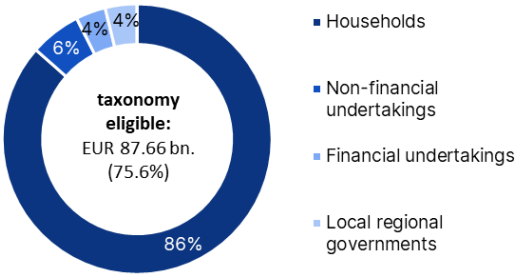
_ Group's consolidated taxonomy eligible assets amount to EUR 87.66 billion (2024: EUR 82.66 billion), representing 75.6% (2024 as formerly reported 32.4% and as recalculated 76.9%) of the total covered assets.
_ Group's consolidated taxonomy aligned assets amount to EUR 2.92 billion (2024: EUR 1.59 billion), representing 2.52% (2024 as formerly reported: 0.62% and as recalculated 1.48%) of the total covered assets.

Capex view

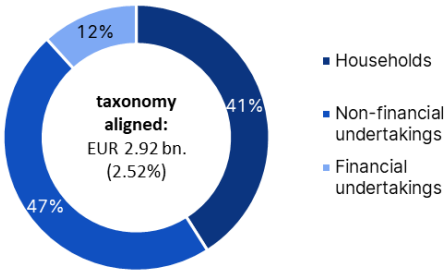
_ The Group's taxonomy eligible assets amount to EUR 89.16 billion (2024: EUR 83.89 billion), representing 76.9% (2024 as formerly reported 32.9% and as recalculated 78.06%) of the total covered assets.
_ The Group's taxonomy aligned assets amount to EUR 3.41 billion (2024: EUR 2.60 billion), representing 2.94% (2024 as formerly reported 1.02% and as recalculated 2.42%) of the total covered assets.

In the turnover view, the total eligibility KPI and total GAR as of 31 December 2025 are further comparatively analysed and presented in the charts below:

Eligible on-balance exposure per economic sector of the counterparty



Aligned on-balance exposure per economic sector of the counterparty



Therefore, as of 31 December 2025, Erste Group's total taxonomy eligibility KPI consists of the following main components:
_ Financing to private households to the amount of EUR 75.8 billion (2024: EUR 70.5 billion), the purpose of which corresponds to taxonomy eligible activities in the real estate and the automotive sector.
_ Use of proceeds known and unknown financing to non-financial undertakings to the amount of EUR 5.4 billion (2024: EUR 4.9 billion) and to financial undertakings to the amount of EUR 3.1 billion (2024: EUR 3.8 billion), the use of proceeds unknown financing having been classified proportionately as taxonomy eligible based on the eligibility KPIs published by the respective counterparties.
_ Financing to local and regional governments to the amount of EUR 3.3 billion (2024: EUR 3.4 billion), the purpose of which corresponds to taxonomy eligible activities.

The first two categories of taxonomy-eligible assets mentioned above further contribute to Group's GAR as at 31 December 2025, as follows:

- Use of proceeds known mortgage and building renovation loans to private households to the amount of EUR 1.20 billion (2024: EUR 0.00 billion).
- Use of proceeds known and unknown financing to financial and respectively non-financial undertakings to the amount of EUR 0.34 billion (2024: EUR 0.39 billion) and respectively EUR 1.38 billion (2024: EUR 1.20 billion), with 89.9% (2024: 89.0%) of the combined aligned amount resulting from use of proceeds unknown financing that were classified proportionately as taxonomy aligned, based on the alignment KPIs published by the respective counterparties.

Removal of GAR structural constraints and developments in data availability

Up to 31 December 2024, the taxonomy disclosures and KPIs of Erste Group as of 31 December 2025, as well as their year-on-year development as outlined above, have been inherently influenced by both structural constraints arising from both the legal design of the GAR and the restricted scope of the CSRD, as well as by various other data availability limitations. Such constraints and limitations have considerably reduced in terms of their adverse GAR impact, as further described below.

Removal of GAR structural constraints

Due to the extensive information required to evaluate the applicable taxonomy alignment technical criteria (SC, DNSH), as well as the MS compliance, the scope of application of the EU Taxonomy Disclosures Regulation is limited by legislation (at EU level: CSRD), as far as qualifying exposures to undertakings are concerned, to those that are CSRD-obligated as at the current reporting year-end, as well as to any subsidiaries thereof. For Erste Group as a universal bank, this meant, for both year-ends 2024 and 2023, namely before the issuance of the revised EU Taxonomy DDA and their first time application by Erste Group as at 31 December 2025, that a significant part of the portfolio (small and medium-sized enterprises not CSRD-obligated or part of such a group) could be considered in the numerators of the taxonomy eligibility KPI and the GAR, with most of them were qualifying for the respective denominators only ('GAR structural asymmetry').

As outlined above in the introductory part of this chapter, the revised EU Taxonomy DDA removed GAR's structural asymmetry by ensuring the scopes of assets covered in the numerator and respectively the denominator of the GAR are the same, with the direct consequence of assets previously falling in the scope of the GAR denominator only, notably the non-trading exposures towards CSRD non-obligated undertakings, being removed in full from the GAR calculation. Another consequence for Erste Group was that taxonomy inherently non-eligible exposures towards Households and respectively Local Governments, notably general or sundry purpose consumer loans to retail customers and general or sundry financings of Local Governments, previously deemed relevant for both GAR's numerator and denominator although inherently unable to make any contribution to the former, have been removed in full from the GAR calculation as well.

Whilst, on the one hand, the revised EU Taxonomy DDA have thus removed GAR's structural asymmetry, GAR's coverage, hence arguably GAR's representativeness of reporting credit institution's total assets has on the other hand contracted accordingly. Thus, as at 31.12.2024, the proportion of total covered assets into total assets, as previously reported by Erste Group, amounted to 71,27% for stock and 58,61% for flow. When, for comparability purposes only, they are retrospectively recalculated based on the revised EU Taxonomy DDA, they decrease to 30.04% and respectively 18.14%. At 31 December 2025, as featured in the Template 0 presented below, Group's GAR coverage amounts to 31.13% (stock) and respectively 19.42% (flow).

Developments in data availability

Retail lending - Climate Change Adaptation related DNSH assessment of taxonomy-eligible mortgage and building renovation loans to Households substantially contributing to the Climate Change Mitigation environmental objective.

Related to real estate and vehicle financing towards private households, as well as financing of housing or other taxonomy eligible specific purpose projects by local governments, for collateral which meets substantial contribution criteria of climate change mitigation (e.g. energy efficiency), an assessment of climate-related physical risks and vulnerabilities is performed to ensure compliance with the DNSH criterion on climate change adaptation. This assessment is based on recognized scientific sources, best-practice methodologies and available climate risk data, including external datasets and modelling where appropriate.

These efforts resulted in an enhanced methodology and more comprehensive underlying internal processes for assessing the DNSH criterion for Climate Change Adaptation with regards to the mortgage loans to Households financing building acquisition/ ownership or building renovation identified as substantially contributing to the Climate Change Mitigation based on the related financed real estate collateral being substantiated as highly energy efficient, by reference to the related building's Energy Performance Certificate as issued by the relevant local authority either bearing the Label A or - in the case of Czechia and Hungary - providing Primary Energy Demand (PED) among the top 15% most energy-efficient residential building stock, based on relevant PED thresholds, as determined from external regional technical studies to ensure national benchmarking.

In essence, for each such CCM substantially contributing loan to Households, the DNSH criterion had been deemed met for CCA provided that all 21 physical risks identified as relevant for the real estate sector and the countries where Erste Group activates as retail lender (out of the full list of 35 as per Annex 1 to the EU Taxonomy Regulation) have been determined as scoring lower than 'high' or, in the case of the risks of subsidence, drought and precipitations, 'very high' severity in the specific geolocation of the related real estate collateral, across all applicable statistically modelled RCP (representative concentration pathway) scenarios with regards to greenhouse gas concentration expectations and all available time horizons by reference to the generally accepted span of a residential building's economic life, hence irrespective of the expected remaining maturity of the related loans. The setting of the scoring threshold to 'very high' for the DNSH criterion to be deemed failed in the particular case of the above mentioned three physical risks reflects Erste Group's reasonable expectation that all due adaptation measures are by default embedded into the advanced design and construction of high-energy efficient buildings. Also, as far as the risk of floods is concerned, by factoring in the related 'defended risk' indices into the above described DNSH assessment approach, Erste Group has ensured that the due adaptation measures were considered in the retrieved scoring, hence in the applied 'high' scoring threshold below which the DNSH criterion was deemed met with respect to this particular physical risk.

All such CCM substantially contributing loans for which, based on the aforementioned approach, the DNSH criterion for CCA has been deemed met have been further classified as taxonomy-aligned, additionally based on the MS non-applicability as stemming from EU Taxonomy DDA's Annex V's definition of the numerator of the Retail lending's alignment KPI, further corroborated to Erste Group's interpretation that the FAQ 37 from EC's Third Commission Notice (indicating that the MS compliance assessment for retail lending should address the corporate manufacturers upstream retail client's supply chain with regards to the financed object) does not apply to buildings as far as the financed eligible activity is acquisition or ownership, rather than construction.

Environmental objectives 3-6

Erste Group's EU Taxonomy disclosures as of year-end 2024 have covered already the entire set of environmental objectives for the alignment figures for general purpose loans. As at 31 December 2025, the applied client alignment KPIs for the environmental objectives 3-6 continue to have, in general, relatively low values.

Furthermore, regarding both new and existing business with CSRD-obligated undertakings and local governments – despite considerable efforts to further advance the examination of individual transactions – in some cases there is still insufficient information and data basis on the customer side to determine whether these transactions can be classified as taxonomy-eligible with regards to the environmental objectives 3-6, which resulted in relatively infrequent 'use of proceeds known' financings having been classified as of 31 December 2025 as eligible by reference to these environmental objectives, none of them being further assessed as taxonomy-aligned for the related objective. In the same time, the Taxonomy templates as per the Annex VI as modified by the revised EU Taxonomy DDA do no longer require the breakdown of eligible exposures covered by Taxonomy per the six environmental objectives.

Reporting methodology and underlying assumptions and interpretations

(Gross) carrying amounts of assets

Regarding the (gross) carrying amounts of assets represented in Template 1, the following approach was taken:

- For all relevant financial assets at amortised cost and debt securities at FVOCI (Fair Value Through Other Comprehensive Income), the cost carried forward before adjustment of value adjustments was used - regardless of the counterparty type.
- For all other assets falling into lines 1-40 of Template 1, the gross carrying amount, i.e., the amount actually accounted for and used in the CRR-consolidated IFRS FINREP balance sheet, was used. This means:
  - For performing debt instruments at FVPL (Fair Value Through Profit or Loss), the gross carrying amount corresponds to the fair value. For non-performing debt instruments at FVPL, the gross carrying amount corresponds to the fair value after the accumulation of any accumulated negative changes in fair value due to credit risk.
  - For all investments in associated and joint ventures, the carrying value in accordance with IAS28/IFRS11 is used.
  - For all equity instruments at FVPL, the fair value is used.
  - For all non-financial assets ('collateral obtained by taking possession' or 'Other categories of assets'), the carrying amounts disclosed according to IFRS are used.

CSRD-obligated financial and non-financial undertakings and use of their KPIs

All companies considered to be public interest entities and employing more than 500 people at either individual or consolidated level have been obligated to report EU Taxonomy disclosures as of 31 December 2024 and continue to be so as of 31 December 2025 under the CSRD, taking into account EC's 'stop the clock' decision referred to in the opening part of this chapter. Financial and non-financial undertakings, that are parents of obligated groups, must publish their KPIs on a consolidated basis. These KPIs are used for the purpose of determining Erste Group's KPIs for qualifying exposures towards all subsidiaries of this group ('closest reporting parent'), unless KPIs are available for the specific single counterparty.

Flow

For the purpose of preparing the 'flow' views of the Templates 1, 2, 4 and 5, 'flow' has been defined as a sub-set of 'stock', limited to related asset deals' having been initially recognised during the current reporting date, with the exception of non-financial assets and financial assets not having the nature of loans and advances, debt securities or equity instruments, for which 'flow' has been deemed zero.

Significant notes for the consideration of assets in Template 1

Accepted for the numerator and the denominator of the GAR and therefore relevant for the taxonomy eligibility or alignment review are non-trading loans and advances, debt securities, equity instruments having CSRD-obligated financial or non-financial undertakings as counterparties (or subsidiaries thereof), as well as real estate and car financing to private households, use of proceeds known financing with local governments and real estate collateral obtained through taking possession. As outlined above, Erste Group chose to not consider any 'exposures included on a voluntary basis' into Group's GAR calculation as at 31 December 2025.

Financial and non-financial undertakings

- Qualifying assets in relation to financial and non-financial undertakings are included in the numerator of the GAR if the direct counterparty is CSRD-obligated or a subsidiary of a CSRD-obligated group.
- Financing to not CSRD-obligated financial and non-financial undertakings, which are not part of a CSRD-obligated group, were fully excluded from the GAR calculation, irrespective of their domicile (EU or Non-EU)
- Financing to Multilateral Development Banks listed in the paragraphs in Article 117(1), or Article 117(2) Regulation (EU) 575/2013 (CRR) are considered credit institutions according to the clarifications of the 'Environmental Act' and are allowed for the GAR numerator and denominator provided they are based in the EU.

Private households

- Financing to private households and subject to further assessment for taxonomy eligibility or alignment comprises only real estate-related financing or car loans (the latter from 1.1.2022). The remaining exposures to households (essentially: general-purpose financing) have been fully excluded from the GAR calculation, the related gross carrying amounts being therefore included in column a of Template's 1 row 25 'Undertakings and entities not subject to CSRD'.
- Financing of building renovation and collateralised by residential immovable property are solely included in the row 'of which building renovation loans' in order to avoid double counting.

Local & regional governments

Financing to local or regional governments and subject to further assessment for taxonomy eligibility or alignment comprises only financing where the respective use of proceeds is known. Financing without a known use of proceeds has been fully excluded from the GAR calculation, the related gross carrying amounts being therefore included in column a of Template's 1 row 25 'Undertakings and entities not subject to CSRD'.

Nuclear & fossil gas activities related new section of Template 2 'GAR sector information' (all views)

In the portfolio of Erste Group, there are no material 'use of proceeds known' financings related to the activities in the area of nuclear energy and fossil gas listed in the Commission Delegated Regulation (EU) 2022/1214. Consequently, populating the respective two additional rows newly required by the revised EU Taxonomy DDA within the Template 2 (all views) as at 31 December 2025 is essentially based on the KPIs published by the related counterparties (namely: CSRD-obligated energy companies or CSRD-obligated banks or insurances directly exposed to such energy companies) in their Nuclear & Fossil gas related templates 2 and 4 (related views), as reported at 31 December 2024 based on the requirements of the former Annex XII to the EU Taxonomy DDA, meanwhile deleted by the revised EU Taxonomy DDA.

Summary of the revised EU Taxonomy DDA's effects on the comparative information as of year-end 2024

In accordance with the Taxonomy templates's layouts as per the Annex VI to the EU Taxonomy DDA as modified by the revised EU Taxonomy DDA, no prior-year comparatives are featured in any of them. However, for comparability purposes only in the context of addressing Annex XI's requirement of providing qualitative disclosures around the year-on-year development in reporting institution's main Taxonomy KPIs, Erste Group is summarizing below prior year's Taxonomy KPIs and other related quantitative information as at 31 December 2024, both as previously published and as recalculated.

	As previously published	As recalculated
Template 0		
GAR% Stock – turnover	0.62%	1.48%
GAR% Stock – CapEx	1.02%	2.42%
% coverage over total assets - stock	71.27%	30.04%
GAR% Flow – turnover	1.11%	3.59%
GAR% Flow – CapEx	1.63%	5.27%
% coverage over total assets - flow	58.61%	18.14%
Template 3 turnover view, additional changes		
Eligibility KPI – Households	67.81%	94.72%
Eligibility KPI – Local Governments	51.03%	96.81%
Eligibility KPI – total	32.41%	76.91%
Template 3 CapEx view, additional changes		
Eligibility KPI – Households	67.81%	94.72%
Eligibility KPI – Local Governments	51.03%	96.81%
Eligibility KPI – total	32.90%	78.06%

The comparative figures that would have been impacted as detailed above are not presented once again accordingly in the respective views of the related templates, given that, according to the revised EU Taxonomy DDA, the related templates no longer feature a comparative 'T-1' section.

Consideration of EU Taxonomy in Erste Group's business strategies, product design processes and engagement with clients and counterparties

Erste Group informs its customers about possible cost advantages that can arise from taxonomy-aligned disclosure. The GAR is currently not integrated into the strategic board internal remuneration framework and should not be considered as performance-linked KPI for management incentives.

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

		Total exposure to Taxonomy-aligned activities (EUR million)		KPI	KPI	% coverage (over total assets)	non assessed exposures (% of covered assets)	non assessed exposures (% of covered assets)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	2,924	3,409	2.52%	2.94%	31.13%	0.00%	0.00%

		Total exposure to Taxonomy-aligned activities (EUR million)		KPI	KPI	% coverage (over total assets)	non assessed exposures (% of covered assets)	non assessed exposures (% of covered assets)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPI	GAR (flow)	698	798	3.10%	3.55%	19.42%	0.00%	0.00%
	Trading book	0	0	0.00%	0.00%	0.00%	0.00%	0.00%
	Financial guarantees	510	599	13.33%	15.66%	48.93%	0.00%	0.00%
	Assets under management	0	0	0.00%	0.00%	0.00%	0.00%	0.00%
	Fees and commissions income	0	0	0.00%	0.00%	0.00%	0.00%	0.00%

1.1. Assets for the calculation of GAR, stock turnover-based view

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	31 December 2025 in EUR million	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities or counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**																
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	115,879	87,650	2,924	2,900	12	2	9	3	0	1,374	215	731	0	0	0	0
3	**Financial undertakings**	15,543	3,143	343	330	8	0	6	0	0	0	37	112	0	0	0	0
4	Loans and advances	7,990	1,294	148	141	7	0	1	0	0	0	23	61	0	0	0	0
5	Debt securities, including UoP	7,310	1,803	188	183	0	0	5	0	0	0	14	51	0	0	0	0
6	Equity instruments	243	46	7	7	0	0	0	0	0	—	0	0	0	0	0	0
7	**Non-financial undertakings**	17,135	5,356	1,381	1,369	4	2	3	3	0	174	178	619	0	0	0	0
8	Loans and advances	15,435	4,789	1,227	1,217	4	1	2	3	0	174	158	557	0	0	0	0
9	Debt securities, including UoP	1,396	480	146	146	0	0	0	0	0	0	20	60	0	0	0	0
10	Equity instruments	304	87	7	7	0	0	0	0	0	—	0	3	0	0	0	0
11	**Households**	79,865	75,815	1,200	1,200	0	—	0	—	—	1,200	0	0	0	0	0	0
12	of which loans collateralised by residential immovable property	76,094	72,261	1,196	1,196	0	—	0	—	—	1,196	0	0	0	0	0	0
13	of which building renovation loans	3,539	3,539	4	4	0	—	0	—	—	4	0	0	0	0	0	0
14	of which motor vehicle loans	233	15	0	0	—	—	—	—	—	0	0	0	0	0	0	0
15	**Local governments financing**	3,336	3,336	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Housing financing	113	113	0	0	0	—	0	—	—	0	0	0	0	0	0	0
17	Other local government financing	3,224	3,224	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	9	6	0	0	0	—	0	—	—	0	0	0	0	0	0	0
19	**Exposures included on a voluntary basis**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	**Total GAR assets**	115,888	87,657	2,924	2,900	12	2	9	3	0	1,374	215	731	0	0	0	0
21	**Assets not covered for GAR calculation**	256,387	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	**Central governments and Supranational issuers**	59,621	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

23	**Central banks exposure**	36,330	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	**Trading book**	9,377	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	**Undertakings and entities not subject to CSRD**	138,098	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	92,516	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	Loans and advances	89,195	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	of which loans collateralised by commercial immovable property	33,675	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	of which building renovation loans	1,288	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Debt securities	1,350	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Equity instruments	1,971	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Non-EU country counterparties not subject to CSRD disclosure obligations	9,618	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	Loans and advances	8,358	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
34	Debt securities	1,247	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
35	Equity instruments	14	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
36	**Derivatives**	231	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
37	**On demand interbank loans**	1,526	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
38	**Cash and cash-related assets**	3,376	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	7,828	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	**Total assets**	372,275																
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																		
41	Financial guarantees	3,823	1,471	510	480	0	0	28	1	0	0	3	421	0	0	0	0	
42	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
43	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
44	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

1.2 Assets for the calculation of GAR, flow turnover-based view

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Financial year 2025 in EUR million	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities or counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**																
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	22,477	13,040	698	687	1	0	8	2	0	140	124	229	0	0	0	0
3	**Financial undertakings**	5,972	1,173	138	132	0	0	5	0	0	0	8	60	0	0	0	0
4	Loans and advances	4,013	561	67	66	0	0	0	0	0	0	5	32	0	0	0	0
5	Debt securities, including UoP	1,951	611	71	66	0	0	5	0	0	0	3	28	0	0	0	0
6	Equity instruments	8	1	0	0	0	0	0	0	0	—	0	0	0	0	0	0
7	**Non-financial undertakings**	5,180	1,219	419	414	1	0	2	2	0	0	116	168	0	0	0	0
8	Loans and advances	4,852	1,126	402	396	1	0	2	2	0	0	108	165	0	0	0	0
9	Debt securities, including UoP	198	67	17	17	0	0	0	0	0	0	8	3	0	0	0	0
10	Equity instruments	130	26	1	1	0	0	0	0	0	—	0	0	0	0	0	0
11	**Households**	10,944	10,267	140	140	0	—	0	—	—	140	0	0	0	0	0	0
12	of which loans collateralised by residential immovable property	10,352	9,774	140	140	0	—	0	—	—	140	0	0	0	0	0	0
13	of which building renovation loans	482	482	0	0	0	—	0	—	—	0	0	0	0	0	0	0
14	of which motor vehicle loans	110	11	0	0	—	—	—	—	—	0	0	0	0	0	0	0
15	**Local governments financing**	381	381	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Housing financing	0	0	0	0	0	—	0	—	—	0	0	0	0	0	0	0
17	Other local government financing	381	381	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	0	0	0	0	0	—	0	—	—	0	0	0	0	0	0	0
19	**Exposures included on a voluntary basis**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	**Total GAR assets**	22,477	13,040	698	687	1	0	8	2	0	140	124	229	0	0	0	0

21	**Assets not covered for GAR calculation**	93,288	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	**Central governments and Supranational issuers**	11,709	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	**Central banks exposure**	27,831	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	**Trading book**	8,201	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	**Undertakings and entities not subject to CSRD**	42,249	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	24,229	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	Loans and advances	23,627	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	of which loans collateralised by commercial immovable property	6,379	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	of which building renovation loans	155	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Debt securities	427	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Equity instruments	175	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Non-EU country counterparties not subject to CSRD disclosure obligations	5,626	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	Loans and advances	5,382	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
34	Debt securities	240	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
35	Equity instruments	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
36	**Derivatives**	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
37	**On demand interbank loans**	833	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
38	**Cash and cash-related assets**	2,465	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	**Total assets**	115,765																
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																		
41	Financial guarantees	1,206	421	145	127	0	0	18	0	0	0	1	121	0	0	0	0	
42	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
43	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
44	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

1.3 Assets for the calculation of GAR, CapEx-based view, stock

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	31 December 2025 in EUR million	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities or counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**																
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	115,879	89,150	3,409	3,382	9	0	15	3	0	1,374	191	1,068	0	0	0	0
3	**Financial undertakings**	15,543	3,439	427	421	3	0	3	0	0	0	35	165	0	0	0	0
4	Loans and advances	7,990	1,589	193	190	3	0	0	0	0	0	21	94	0	0	0	0
5	Debt securities, including UoP	7,310	1,804	227	224	0	0	2	0	0	0	13	71	0	0	0	0
6	Equity instruments	243	47	7	7	0	0	0	0	0	—	0	0	0	0	0	0
7	**Non-financial undertakings**	17,135	6,560	1,781	1,760	6	0	12	3	0	174	156	902	0	0	0	0
8	Loans and advances	15,435	5,807	1,573	1,555	5	0	10	3	0	174	126	773	0	0	0	0
9	Debt securities, including UoP	1,396	663	191	188	1	0	2	0	0	—	29	117	0	0	0	0
10	Equity instruments	304	90	17	17	0	0	0	0	0	—	1	12	0	0	0	0
11	**Households**	79,865	75,815	1,200	1,200	0	—	0	—	—	1,200	0	0	0	0	0	0
12	of which loans collateralised by residential immovable property	76,094	72,261	1,196	1,196	0	—	0	—	—	1,196	0	0	0	0	0	0
13	of which building renovation loans	3,539	3,539	4	4	0	—	0	—	—	4	0	0	0	0	0	0
14	of which motor vehicle loans	233	15	0	0	—	—	0	—	—	0	0	0	0	0	0	0
15	**Local governments financing**	3,336	3,336	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Housing financing	113	113	0	0	0	—	0	—	—	0	0	0	0	0	0	0
17	Other local government financing	3,224	3,224	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	9	6	0	0	0	—	0	—	—	0	0	0	0	0	0	0
19	**Exposures included on a voluntary basis**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	**Total GAR assets**	115,888	89,157	3,409	3,382	9	0	15	3	0	1,374	191	1,068	0	0	0	0
21	**Assets not covered for GAR calculation**	256,387	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	**Central governments and Supranational issuers**	59,621	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	**Central banks exposure**	36,330	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

24	**Trading book**	9,377	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	**Undertakings and entities not subject to CSRD**	138,098	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	92,516	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	Loans and advances	89,195	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	of which loans collateralised by commercial immovable property	33,675	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	of which building renovation loans	1,288	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Debt securities	1,350	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Equity instruments	1,971	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Non-EU country counterparties not subject to CSRD disclosure obligations	9,618	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	Loans and advances	8,358	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
34	Debt securities	1,247	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
35	Equity instruments	14	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
36	**Derivatives**	231	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
37	**On demand interbank loans**	1,526	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
38	**Cash and cash-related assets**	3,376	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	7,828	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	**Total assets**	372,275															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	3,823	1,637	599	585	1	0	13	0	0	0	20	398	0	0	0	0
42	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

1.4 Assets for the calculation of GAR, CapEx-based view, flow

	Financial year 2025 in EUR million	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities or counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**																
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	22,477	13,732	798	788	3	0	5	2	0	140	77	307	0	0	0	0
3	**Financial undertakings**	5,972	1,441	187	185	0	0	2	0	0	0	8	89	0	0	0	0
4	Loans and advances	4,013	812	97	97	0	0	0	0	0	0	5	53	0	0	0	0
5	Debt securities, including UoP	1,951	628	90	88	0	0	2	0	0	0	3	35	0	0	0	0
6	Equity instruments	8	1	0	0	0	0	0	0	0	—	0	0	0	0	0	0
7	**Non-financial undertakings**	5,180	1,644	470	463	3	0	3	2	0	0	69	218	0	0	0	0
8	Loans and advances	4,852	1,519	447	440	3	0	3	2	0	0	65	203	0	0	0	0
9	Debt securities, including UoP	198	98	22	22	0	0	0	0	0	0	4	14	0	0	0	0
10	Equity instruments	130	27	1	1	0	0	0	0	0	—	0	0	0	0	0	0
11	**Households**	10,944	10,267	140	140	0	—	0	—	—	140	0	0	0	0	0	0
12	of which loans collateralised by residential immovable property	10,352	9,774	140	140	0	—	0	—	—	140	0	0	0	0	0	0
13	of which building renovation loans	482	482	0	0	0	—	0	—	—	0	0	0	0	0	0	0
14	of which motor vehicle loans	110	11	0	0	0	—	0	—	—	0	0	0	0	0	0	0
15	**Local governments financing**	381	381	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Housing financing	0	0	0	0	0	—	0	—	—	0	0	0	0	0	0	0
17	Other local government financing	381	381	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	0	0	0	0	0	—	0	—	—	0	0	0	0	0	0	0
19	**Exposures included on a voluntary basis**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	**Total GAR assets**	22,477	13,732	798	788	3	0	5	2	0	140	77	307	0	0	0	0
21	**Assets not covered for GAR calculation**	93,288	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	**Central governments and Supranational issuers**	11,709	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

23	**Central banks exposure**	27,831	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	**Trading book**	8,201	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	**Undertakings and entities not subject to CSRD**	42,249	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	24,229	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	Loans and advances	23,627	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	of which loans collateralised by commercial immovable property	6,379	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	of which building renovation loans	155	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Debt securities	427	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Equity instruments	175	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Non-EU country counterparties not subject to CSRD disclosure obligations	5,626	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	Loans and advances	5,382	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
34	Debt securities	240	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
35	Equity instruments	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
36	**Derivatives**	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
37	**On demand interbank loans**	833	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
38	**Cash and cash-related assets**	2,465	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	**Total assets**	115,765																
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																		
41	Financial guarantees	1,206	460	155	147	0	0	8	0	0	0	5	81	0	0	0	0	
42	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
43	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
44	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

2.1 GAR sector information, stock, turnover-based view

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) 31 December 2025 in EUR million	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)
1	K64.19 Other monetary intermediation	12,834	2,310	190	189	1	0	0	0	0
2	O84.11 General public administration activities	7,373	3,367	0	0	0	0	0	0	0
3	L68.20 Renting and operating of own or leased real estate	4,727	2,312	116	109	7	0	0	0	0
4	D35.11 Production of electricity from non-renewable sources	1,112	566	453	451	0	1	0	0	0
5	T98.20 Undifferentiated service-producing activities of private households for own use	987	194	0	0	0	0	0	0	0
6	I55.10 Hotels and similar accommodation	817	270	0	0	0	0	0	0	0
7	Q86.22 Specialist medical practice activities	763	357	9	9	0	0	0	0	0
8	N77.11 Renting and leasing of motor vehicles	736	244	25	25	0	0	0	0	0
9	A01.50 Growing of tobacco	728	53	0	0	0	0	0	0	0
10	C29.32 Manufacture of other parts and accessories for motor vehicles	591	126	41	40	0	0	1	0	0
11	Nuclear activities	29,463	167	165	0	0	0	0	0	0
12	Fossil gas activities	29,463	462	4	0	0	0	0	0	0
13	Of which non-assessed exposures	0	0	0	0	0	0	0	0	0

2.2 GAR sector information, flow, turnover-based view

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) Financial year 2025 in EUR million	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)
1	K64.19 Other monetary intermediation	4,926	862	75	75	0	0	0	0	0
2	O84.11 General public administration activities	1,514	401	0	0	0	0	0	0	0
3	L68.20 Renting and operating of own or leased real estate	534	242	9	9	0	0	0	0	0
4	D35.11 Production of electricity	445	191	167	166	0	0	0	0	0
5	N77.11 Renting and leasing of cars and light motor vehicles	433	128	14	14	0	0	0	0	0
6	M70.10 Activities of head offices	278	30	3	3	0	0	0	0	0
7	G47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	242	2	0	0	0	0	0	0	0
8	J61.10 Wired telecommunications activities	239	4	0	0	0	0	0	0	0
9	C29.10 Manufacture of motor vehicles	228	175	17	17	0	0	0	0	0
10	Q86.22 Specialist medical practice activities	206	46	3	3	0	0	0	0	0
11	Nuclear activities	10,924	108	108	0	0	0	0	0	0
12	Fossil gas activities	10,924	182	3	0	0	0	0	0	0
13	Of which non-assessed exposures	0	0	0	0	0	0	0	0	0

2.3 GAR sector information, CapEx-based view, stock

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) 31 December 2025 in EUR million	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)
1	K64.19 Other monetary intermediation	12,834	2,253	224	223	1	0	0	0	0
2	O84.11 General public administration activities	7,373	3,370	0	0	0	0	0	0	0
3	L68.20 Renting and operating of own or leased real estate	4,727	2,340	83	81	3	0	0	0	0
4	D35.11 Production of electricity from non-renewable sources	1,112	537	435	434	0	0	0	0	0
5	T98.20 Undifferentiated service-producing activities of private households for own use	987	194	0	0	0	0	0	0	0
6	I55.10 Hotels and similar accommodation	817	231	0	0	0	0	0	0	0
7	Q86.22 Specialist medical practice activities	763	357	9	9	0	0	0	0	0
8	N77.11 Renting and leasing of motor vehicles	736	483	56	56	0	0	0	0	0
9	A01.50 Growing of tobacco	728	55	0	0	0	0	0	0	0
10	C29.32 Manufacture of other parts and accessories for motor vehicles	591	222	71	71	0	0	0	0	0
11	Nuclear activities	29,463	108	107	0	0	0	0	0	0
12	Fossil gas activities	29,463	345	51	0	0	0	0	0	0
13	Of which non-assessed exposures	0	0	0	0	0	0	0	0	0

2.4 GAR sector information, CapEx-based view, flow

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) Financial year 2025 in EUR million	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)
1	K64.19 Other monetary intermediation	4,926	829	83	82	0	0	0	0	0
2	O84.11 General public administration activities	1,514	403	0	0	0	0	0	0	0
3	L68.20 Renting and operating of own or leased real estate	534	248	1	1	0	0	0	0	0
4	D35.11 Production of electricity	445	142	117	117	0	0	0	0	0
5	N77.11 Renting and leasing of cars and light motor vehicles	433	350	33	33	0	0	0	0	0
6	M70.10 Activities of head offices	278	53	3	3	0	0	0	0	0
7	G47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	242	79	6	5	0	0	1	0	0
8	J61.10 Wired telecommunications activities	239	56	0	0	0	0	0	0	0
9	C29.10 Manufacture of motor vehicles	228	199	45	45	0	0	0	0	0
10	Q86.22 Specialist medical practice activities	206	46	3	3	0	0	0	0	0
11	Nuclear activities	10,924	73	73	0	0	0	0	0	0
12	Fossil gas activities	10,924	177	40	0	0	0	0	0	0
13	Of which non-assessed exposures	0	0	0	0	0	0	0	0	0

3.1 GAR KPI stock, turnover-based view

% (compared to corresponding total covered assets in the denominator) 31 December 2025		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxon-omy-eligible	Taxon-omy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transi-tional	Of which enabling	Propor-tion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiver-sity and Eco-systems (BIO)					
1	**GAR - Covered assets in both numerator and denominator**													
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	75.64%	2.52%	2.50%	0.01%	0.00%	0.01%	0.00%	0.00%	1.19%	0.19%	0.63%	3.34%	0.00%
3	**Financial undertakings**	20.22%	2.21%	2.12%	0.05%	0.00%	0.04%	0.00%	0.00%	0.00%	0.24%	0.72%	10.93%	0.00%
4	Loans and advances	16.20%	1.86%	1.76%	0.09%	0.00%	0.01%	0.00%	0.00%	0.00%	0.28%	0.77%	11.47%	0.00%
5	Debt securities, including UoP	24.67%	2.58%	2.50%	0.00%	0.00%	0.07%	0.00%	0.00%	0.00%	0.20%	0.69%	10.45%	0.00%
6	Equity instruments	18.74%	2.70%	2.70%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.09%	0.03%	14.39%	0.00%
7	**Non-financial undertakings**	31.26%	8.06%	7.99%	0.03%	0.01%	0.02%	0.02%	0.00%	1.01%	1.04%	3.61%	25.78%	0.00%
8	Loans and advances	31.03%	7.95%	7.88%	0.03%	0.01%	0.02%	0.02%	0.00%	1.13%	1.03%	3.61%	25.63%	0.00%
9	Debt securities, including UoP	34.36%	10.49%	10.43%	0.00%	0.01%	0.03%	0.01%	0.00%	0.00%	1.41%	4.27%	30.52%	0.00%
10	Equity instruments	28.72%	2.34%	2.30%	0.00%	0.01%	0.01%	0.02%	0.00%	—	0.00%	0.89%	8.15%	0.00%
11	**Households**	94.93%	1.50%	1.50%	0.00%	—	0.00%	—	—	1.50%	0.00%	0.00%	1.58%	0.00%
12	of which loans collateralised by residential immovable property	94.96%	1.57%	1.57%	0.00%	—	0.00%	—	—	1.57%	0.00%	0.00%	1.66%	0.00%
13	of which building renovation loans	100.00%	0.11%	0.11%	0.00%	—	0.00%	—	—	0.11%	0.00%	0.00%	0.11%	0.00%
14	of which motor vehicle loans	6.38%	0.00%	0.00%	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
15	**Local governments financing**	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16	Housing financing	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
17	Other local government financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	71.35%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
19	**Exposures included on a voluntary basis**	0.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	—
20	**GAR - Total GAR assets**	75.64%	2.52%	2.50%	0.01%	0.00%	0.01%	0.00%	0.00%	1.19%	0.19%	0.63%	3.34%	0.00%

3.2 GAR KPI stock, CapEx-based view

		a	b	c	d	e	f	g	h	i	j	k	l	m
	% (compared to corresponding total covered assets in the denominator) 31 December 2025	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective: Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
1	**GAR - Covered assets in both numerator and denominator**													
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	76.93%	2.94%	2.92%	0.01%	0.00%	0.01%	0.00%	0.00%	1.19%	0.16%	0.92%	3.82%	0.00%
3	**Financial undertakings**	22.13%	2.75%	2.71%	0.02%	0.00%	0.02%	0.00%	0.00%	0.00%	0.22%	1.06%	12.42%	0.00%
4	Loans and advances	19.89%	2.42%	2.38%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.27%	1.18%	12.14%	0.00%
5	Debt securities, including UoP	24.67%	3.10%	3.06%	0.01%	0.00%	0.03%	0.00%	0.00%	0.00%	0.18%	0.97%	12.58%	0.00%
6	Equity instruments	19.29%	3.08%	3.08%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.09%	0.08%	15.97%	0.00%
7	**Non-financial undertakings**	38.28%	10.40%	10.27%	0.03%	0.00%	0.07%	0.02%	0.00%	1.01%	0.91%	5.27%	27.15%	0.00%
8	Loans and advances	37.62%	10.19%	10.08%	0.03%	0.00%	0.07%	0.02%	0.00%	1.13%	0.82%	5.01%	27.09%	0.00%
9	Debt securities, including UoP	47.48%	13.66%	13.45%	0.08%	0.00%	0.12%	0.01%	0.00%	0.00%	2.11%	8.37%	28.77%	0.00%
10	Equity instruments	29.63%	5.74%	5.72%	0.00%	0.00%	0.01%	0.01%	0.00%	—	0.22%	4.09%	19.37%	0.00%
11	**Households**	94.93%	1.50%	1.50%	0.00%	—	0.00%	—	—	1.50%	0.00%	0.00%	1.58%	0.00%
12	of which loans collateralised by residential immovable property	94.96%	1.57%	1.57%	0.00%	—	0.00%	—	—	1.57%	0.00%	0.00%	1.66%	0.00%
13	of which building renovation loans	100.00%	0.11%	0.11%	0.00%	—	0.00%	—	—	0.11%	0.00%	0.00%	0.11%	0.00%
14	of which motor vehicle loans	6.38%	0.00%	0.00%	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
15	**Local governments financing**	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16	Housing financing	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
17	Other local government financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	71.35%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
19	**Exposures included on a voluntary basis**	0.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	—
20	**GAR - Total GAR assets**	76.93%	2.94%	2.92%	0.01%	0.00%	0.01%	0.00%	0.00%	1.19%	0.16%	0.92%	3.82%	0.00%

4.1 GAR KPI flow, turnover-based view

		a	b	c	d	e	f	g	h	i	j	k	l	m
	% (compared to corresponding total covered assets in the denominator) Financial year 2025	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective: Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
1	**GAR - Covered assets in both numerator and denominator**													
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	58.01%	3.10%	3.05%	0.00%	0.00%	0.03%	0.01%	0.00%	0.62%	0.55%	1.02%	5.35%	0.00%
3	**Financial undertakings**	19.64%	2.31%	2.22%	0.01%	0.00%	0.09%	0.00%	0.00%	0.00%	0.13%	1.01%	11.77%	0.00%
4	Loans and advances	13.97%	1.66%	1.65%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.11%	0.80%	11.87%	0.00%
5	Debt securities, including UoP	31.33%	3.66%	3.39%	0.01%	0.00%	0.26%	0.00%	0.00%	0.00%	0.16%	1.45%	11.68%	0.00%
6	Equity instruments	14.27%	1.10%	1.10%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.01%	0.00%	7.72%	0.00%
7	**Non-financial undertakings**	23.54%	8.10%	7.99%	0.01%	0.01%	0.04%	0.04%	0.00%	0.00%	2.24%	3.25%	34.39%	0.00%
8	Loans and advances	23.21%	8.28%	8.17%	0.01%	0.01%	0.04%	0.04%	0.00%	0.00%	2.23%	3.39%	35.66%	0.00%
9	Debt securities, including UoP	34.02%	8.70%	8.56%	0.00%	0.01%	0.07%	0.05%	0.00%	0.00%	3.95%	1.73%	25.56%	0.00%
10	Equity instruments	19.86%	0.44%	0.44%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.00%	0.03%	2.22%	0.00%
11	**Households**	93.81%	1.28%	1.28%	0.00%	—	0.00%	—	—	1.28%	0.00%	0.00%	1.37%	0.00%
12	of which loans collateralised by residential immovable property	94.41%	1.36%	1.36%	0.00%	—	0.00%	—	—	1.36%	0.00%	0.00%	1.44%	0.00%
13	of which building renovation loans	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
14	of which motor vehicle loans	9.83%	0.00%	0.00%	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
15	**Local governments financing**	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16	Housing financing	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
17	Other local government financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
19	**Exposures included on a voluntary basis**	0.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	—
20	**GAR - Total GAR assets**	58.01%	3.10%	3.05%	0.00%	0.00%	0.03%	0.01%	0.00%	0.62%	0.55%	1.02%	5.35%	0.00%

4.2 GAR KPI flow, CapEx-based view

		a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to corresponding total covered assets in the denominator) Financial year 2025		Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective: Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
1	**GAR - Covered assets in both numerator and denominator**													
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	61.09%	3.55%	3.50%	0.01%	0.00%	0.02%	0.01%	0.00%	0.62%	0.34%	1.36%	5.81%	0.00%
3	**Financial undertakings**	24.13%	3.14%	3.09%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.14%	1.48%	13.01%	0.00%
4	Loans and advances	20.23%	2.42%	2.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	1.33%	11.94%	0.00%
5	Debt securities, including UoP	32.18%	4.63%	4.51%	0.01%	0.00%	0.12%	0.00%	0.00%	0.00%	0.15%	1.81%	14.40%	0.00%
6	Equity instruments	14.41%	1.23%	1.23%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.00%	0.01%	8.55%	0.00%
7	**Non-financial undertakings**	31.74%	9.07%	8.93%	0.06%	0.00%	0.05%	0.04%	0.00%	0.00%	1.34%	4.21%	28.60%	0.00%
8	Loans and advances	31.30%	9.21%	9.06%	0.06%	0.00%	0.05%	0.04%	0.00%	0.00%	1.35%	4.19%	29.44%	0.00%
9	Debt securities, including UoP	49.72%	11.16%	11.06%	0.00%	0.02%	0.05%	0.03%	0.00%	0.00%	1.96%	7.27%	22.44%	0.00%
10	Equity instruments	20.63%	0.75%	0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	—	0.00%	0.08%	3.61%	0.00%
11	**Households**	93.81%	1.28%	1.28%	0.00%	—	0.00%	—	—	1.28%	0.00%	0.00%	1.37%	0.00%
12	of which loans collateralised by residential immovable property	94.41%	1.36%	1.36%	0.00%	—	0.00%	—	—	1.36%	0.00%	0.00%	1.44%	0.00%
13	of which building renovation loans	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
14	of which motor vehicle loans	9.83%	0.00%	0.00%	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
15	**Local governments financing**	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16	Housing financing	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
17	Other local government financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	100.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	0.00%
19	**Exposures included on a voluntary basis**	0.00%	0.00%	0.00%	0.00%	—	0.00%	—	—	0.00%	0.00%	0.00%	0.00%	—
20	**GAR - Total GAR assets**	61.09%	3.55%	3.50%	0.01%	0.00%	0.02%	0.01%	0.00%	0.62%	0.34%	1.36%	5.81%	0.00%

5.1 KPI off-balance sheet exposures turnover-based view, stock

	a	b	c	d	e	f	g	h	i	j	k	l
% (compared to corresponding total off-balance sheet assets) 31 December 2025	Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)				
1 Financial guarantees (FinGuar KPI)	38.49%	13.33%	12.55%	0.01%	0.01%	0.73%	0.03%	0.00%	0.00%	0.08%	11.01%	0.00%
2 Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

5.2 KPI off-balance sheet exposures turnover-based view, flow

	a	b	c	d	e	f	g	h	i	j	k	l
% (compared to corresponding total off-balance sheet assets) Financial year 2025	Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)				
1 Financial guarantees (FinGuar KPI)	34.91%	12.05%	10.50%	0.01%	0.01%	1.48%	0.04%	0.00%	0.00%	0.05%	10.02%	0.00%
2 Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

5.3 KPI off-balance sheet exposures CapEx-based view, stock

	a	b	c	d	e	f	g	h	i	j	k	l
% (compared to corresponding total off-balance sheet assets) 31 December 2025	Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)				
1 Financial guarantees (FinGuar KPI)	42.83%	15.66%	15.30%	0.02%	0.00%	0.34%	0.00%	0.00%	0.00%	0.52%	10.40%	0.00%
2 Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

5.4 KPI off-balance sheet exposures CapEx-based view, flow

		a	b	c	d	e	f	g	h	i	j	k	l
% (compared to corresponding total off-balance sheet assets) Financial year 2025		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective									Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	
1	Financial guarantees (FinGuar KPI)	38.15%	12.86%	12.16%	0.02%	0.00%	0.68%	0.00%	0.00%	0.00%	0.39%	6.75%	0.00%
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Climate change

Erste Group addresses climate change within its sustainability strategy, recognizing that transitioning to net zero is crucial for long-term wellbeing, financial stability and overall prosperity. Achieving the transition to a low-carbon economy requires coordinated efforts across the financial system and the broader economy. The Group has the ambition to achieve a net zero status of its portfolio by 2050.

Erste Group's double materiality analysis (DMA) identifies climate change as a key issue affecting its business and stakeholders. As a leading provider of financial services, Erste Group aims to address the impact of its own operations and its financing and investment activities on climate change.

E1 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Material impacts, risks and opportunities (IROs)

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
E1-Climate change adaptation	Risk	Erste Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.	Portfolio	Medium- to long-term
	Opportunity	For Erste Group, additional financial opportunities arise from the financing of and investments into companies that offer solutions for adapting to climate change and the funding of adaptation solutions in the real estate market (residential and commercial real estate).	Portfolio	All time horizons
E1-Climate change mitigation	Risk	Erste Group faces a higher credit risk as climate-related transition events (e.g. carbon pricing and regulatory interventions) can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.	Portfolio	All time horizons
E1-Energy	Positive impact	By financing renewable energy and energy grid infrastructure, Erste Group promotes CO_2e-neutral power and supports energy security as well as the transition to a sustainable economy.	Portfolio	All time horizons
	Risk	Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for Erste Group, impacting P&L as well as own funds.	Portfolio	All time horizons
E1-Climate change mitigation and energy	Negative impact	Erste Group's Scope 1, 2 and 3 CO_2e emissions (from upstream value chain, own operations and financed emissions) contribute to climate change and thus to global warming.	Upstream, Own operations, Portfolio	All time horizons
	Opportunity	Erste Group can gain financial opportunities by investing in and financing clients that support decarbonization, transition to sustainability and renewable energy projects (e.g., pumped storage plants, green hydrogen) that support CO_2e-neutral energy production.	Portfolio	All time horizons

Climate Change Adaptation

Erste Group is confronted with an elevated credit risk due to climate-related physical risks, which can lead to a devaluation of collateral and subsequently affect the business model and financial stability of debtors. According to Erste Group's physical climate risk analysis, these risks are a material driver for credit risk (short-, medium- and long-term), operational risk (medium- and long-term) as well as strategic risk (long-term). The pronounced credit risk exposure is largely driven by climate-related hazards, particularly flood risk, which is identified as key physical risk driver for Erste Group having material impact. Established scientific expectations estimate physical risks - particularly climate-related hazards - to substantially intensify from the mid-century onwards, impacting the portfolio, strategic position as well as Erste Group's own operations. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds.

Additional financial opportunities arise from both the financing of and investments in companies that develop and provide solutions for climate change adaptation, as well as the funding of adaptation measures in the real estate sector, including both residential and commercial properties. For companies, this can include technologies and services such as climate-resilient infrastructure, advanced water management systems, heat-resistant materials, flood protection technologies and early warning or risk assessment tools. In the real estate sector, adaptation solutions may involve retrofitting buildings for improved energy efficiency and thermal resilience, installing green roofs and walls, implementing flood-proof construction methods, enhancing

natural ventilation systems and integrating on-site water retention and drainage systems to mitigate the effects of extreme weather events.

Climate Change Mitigation

Erste Group faces elevated credit risk from climate-related transition risks, such as regulatory interventions, which can adversely affect the profitability and financial stability of debtors. As a result, Erste Group may be required to increase risk provisions, leading to negative impacts on its profit and loss statement as well as its own funds. The climate risk analysis indicates that, in a disorderly transition to a low-carbon economy, transition risks could significantly affect credit risk exposure across in the short- and medium-term. This is mainly driven by environmental taxation, regulatory changes and shifts in market behaviour of investors, consumers, suppliers and employees. In the long term, the impact is immaterial for credit risk as the initially recorded shocks - marked by steep carbon price hikes, rapid technology changes and stranded assets - have already mostly been absorbed. Over time, markets and firms adapt to the new policy environment, reducing transition-related volatility. The delayed transition scenario illustrates that delaying action amplifies disruption in the short- and medium-term but eventually stabilizes in the long run.

Energy

By financing renewable energy and energy grid infrastructure, Erste Group promotes CO_2e-neutral power and supports both energy security and the transition to a sustainable economy. This includes investments in wind and solar, hydroelectric and geothermal power plants, green hydrogen production facilities, as well as the expansion and modernisation of electricity grids, smart grid technologies, battery storage systems and cross-border interconnectors to enhance grid stability and flexibility.

Volatility in energy markets, exacerbated by climate change and related physical or transition events, can negatively affect the profitability of companies, particularly those operating in energy-intensive sectors, by increasing operational costs and reducing margins. At the same time, rising and unstable energy prices may lead to liquidity constraints for retail clients, impairing their repayment capacity. These developments contribute to a higher probability of default across portfolios, requiring increased risk provisions from Erste Group and potentially resulting in adverse impacts on both the profit and loss statement and own funds.

Climate Change Mitigation and Energy

Some of the identified impacts, risks and opportunities pertain to both the Climate Change Mitigation and Energy subtopics. Accordingly, the combined subcategory ‘Climate Change Mitigation and Energy’ comprises IROs that apply to both areas.

The CO_2e emissions from Erste Group’s own operations, its upstream value chain and through the financed portfolio contribute to climate change and, consequently, to global warming. In its own operations, key emission hotspots include energy consumption in office buildings, heating and cooling systems, employee commuting and business travel. In the upstream value chain, significant sources involve emissions from purchased goods and services, such as IT infrastructure, data centres and external service providers.

Erste Group can unlock financial opportunities by investing in and financing of clients that drive decarbonization, advance the transition to a sustainable economy and develop renewable energy projects. This may include financing solutions such as the electrification of industrial processes, the implementation of energy efficiency measures, the shift to low-emission machinery, development of circular economy business models and the integration of on-site renewable energy systems like solar or wind power, pumped storage plants and hydrogen.

RESILIENCE OF THE BUSINESS MODEL

Erste Group has implemented a comprehensive scenario-based approach to assess and quantify transition and physical risks in the short-, medium and long-term on own operations, client relationships and the asset portfolio. The systematic analysis of potential future scenarios enables the identification of opportunities for enhanced resilience and adaptation.

Scenario Analysis Framework

Erste Group’s analytical framework incorporates scenarios informed by the Network for Greening the Financial System (NGFS) to explore the impact of transition and physical risks. The results enable Erste Group to assess its short- to medium-term financial resilience, while also evaluating the adaptability and long-term robustness of its business model amid increasing uncertainties in the business environment. The selected scenarios encompass three distinct pathways:

Typ	Name	Description
Baseline	Central Scenario	reflects Erste Group’s baseline view on the expected development of its environment by combining NGFS’ Below 2°C and Fragmented world
Adverse	Delayed Transition	assumes that the implementation of strong climate policies is stalled until 2030 ultimately leading to high transition risk implications
	Current Policies	assumes that existing climate policies remain in place but there is no ambition to further strengthen them leading to increasing physical risks (Hot House World)

The evaluation of transition and physical risks is based on the results from the two respective adverse scenarios, Delayed Transition scenario for transition risk and the Current Policies scenario for physical risk. The delayed transition scenario examines the implications of a rapid, disorderly transition to a low-carbon economy, characterised by sudden policy changes in 2030 triggering market disruptions as countries rush to meet the Paris Agreement target of limiting global warming to well below 2°C. For Erste Group's usage it is considered 'accelerated', implying that the disorderly transition starts already in the next year rather than in the 2030s allowing for a consistent assessment of the short- (2026) and medium-term (2030) respectively. Meanwhile, the Hot House World scenario reflects a future with minimal climate change mitigation, resulting in severe physical impacts such as extreme weather events (e.g. floods, fires). By choosing these scenarios, Erste Group ensures it is testing its portfolio under adverse conditions, thereby strengthening its resilience and enhancing risk awareness for a robust climate risk management.

It should be noted, that the resilience analysis is subject to uncertainties as it uses long-term (up to 30 years) climate and macro-economic projections that depend on assumptions about future policies, technologies and how quickly the transition will progress. Uncertainty also comes from the limited historical data for extreme climate events and from the sensitivity of the risk models, which means actual impacts may differ from the estimates.

Scope of the resilience analysis

The analysis of transition risks covers clients including sovereigns, financial institutions, large corporates, SMEs and real estate (commercial real estate including income producing residential real estate and retail mortgages) and Erste Group's own operations.

The analysis of physical risks covers loans collateralised by real estate (commercial real estate including income producing residential real estate and retail mortgages) and Erste Group's own and outsourced operations (i.e. headquarters and branches incl. critical facilities like data centres).

The assessment of both risks is conducted over the short-, medium- and long-term horizons. The time horizons used for the physical and transition risk assessments are as follows:

_ short-term: up to 1 year,
_ medium-term: 1 to 5 years and
_ long-term: more than 5 years (for transition risk up to 2050, for physical risks up to 2100).

Description of the resilience analysis

The methodology for the **transition risk** assessment focuses on the impact of increasing (shadow) carbon prices on the financial position of counterparties. This (shadow) carbon price encompasses a multitude of risk drivers related to transition risk and is therefore a prudent way to quantify the risk impact. The modelling reflects the direct impact of a higher carbon price on counterparties as well as the indirect effects of macroeconomic developments. The macroeconomic parameters were derived from the regulatory scenarios as well as the economic research department of Erste Group and cover each critical sector individually in a projection of the gross value added. The developments are based on each scenario's narrative tailored to the current economic starting points of key markets. Critical assumptions on developments are therefore aligned to regulatory as well as scientific scenarios.

The **physical risk** assessment combines quantitative analyses which simulate extreme weather events like floods or fires to evaluate portfolio resilience under adverse conditions:

_ Comprehensive scenario analysis: As with the transition risk scenario analysis, the basis was represented by a NGFS scenario, namely Current Policies. Additionally, two dedicated physical risk models were designed to simulate the direct effects of two key climate-related hazards, namely riverflood and fire weather. The impact unfolds on the credit portfolio collateralized by real estate (i.e. RRE, CRE) via LGD shifts.
_ Munich RE hazard data: The Location Risk Intelligence data on physical risks from Munich RE provides an extensive list of hazards and climate-related variables like various time horizons as well as scenarios. Erste Group bases its risk materiality assessment of future time frames on the RCP 8.5 and SSP 5 scenario respectively, capturing physical risk exposures under adverse conditions reflected by high-emission and fossil-fueled trajectories. Applying this severe downside scenario guarantees a highly conservative approach in evaluating Erste Group's resilience to climate-related risks.

Results of the resilience analysis

The outcomes of the assessment performed in the third quarter of 2025 to evaluate anticipated risk exposure under adverse scenarios are as follows.

Transition Risk

Credit Risk: The analysis conducted by Erste Group indicates notable exposure to transition-induced credit risk across short- and medium-term in case the transition to low-carbon economy occurs in adverse fashion (delayed transition). This adverse scenario and its impact do not reflect Erste Group's current baseline expectations on the development of its environment but serve as exploratory analysis to assess the exposure to transition risk in the adverse stress scenario. Under the baseline or orderly transition

scenario, the direct impact of the transition risk drivers on Erste Group is significantly smaller and limited. This elevated credit risk exposure is mainly driven by climate-related factors and drivers such as environmental taxation and subsidies, regulatory requirements, energy and transport policies, behavioural changes of investors, consumers, suppliers and employees as well as technological developments. In the long-term, capital position is expected to improve and the risk becomes immaterial as markets and firms adapt to the new policy environment, reducing transition-related volatility.

From an operational risk perspective, two of the most relevant transition risk drivers have been identified in the medium- and long-term horizon. First, there is an increased risk of regulatory non-compliance due to rapidly evolving requirements and heightened regulatory oversight. Second, shifting behaviours and expectations of stakeholders regarding environmental performance create additional operational challenges that require careful management.

Market, Liquidity, Strategic and Reputational Risk: The evaluation concluded that no material transition risks were identified across all time horizons – short-, medium- and long-term.

To evaluate the business model resilience, it is essential to assess the effectiveness of Erste Group's strategic responses and mitigation actions to determine the net impact. This process involves comparing the financial impact of the transition risk scenario with and without mitigating actions, especially considering the implemented decarbonization strategy. The 2025 Climate & Environmental Scenario Analysis, showed that under the short- and medium-term adverse scenarios, the largest impact stems from a disorderly transition but it resulted in no breach of regulatory thresholds showing that the bank is well positioned to withstand such adverse shocks. While long-term projections indicate a higher concentration of losses within carbon-intensive sectors (such as Natural Resources and Commodities), Erste Group's capital position remains resilient throughout the assessment horizon.

Erste Group has the ambition to achieve a net zero status of its portfolio by 2050. By following the strategy towards established targets for key sectors, Erste Group's exposure to climate-related transition risks is expected to decline. The decarbonization effect becomes particularly evident in the medium term, as it significantly reduces the gross impact of the adverse scenario to an immaterial level (especially in segments related to real estate), thereby underlining its strong contribution to Erste Group's resilience towards transition risks. Further information on the established decarbonization pathways can be found in chapter *E1-4*.

Against the backdrop of having a resilient capital position and a comprehensive ESG Risk Management Framework, Erste Group maintains the ability to adapt its strategy and business model to climate-related developments across all time horizons if deemed necessary. In the short term, the Group's robust capital position and stable funding structure fundamentally support ongoing access to finance at an affordable cost of capital. In the medium and long-term, the Group can redeploy its credit portfolio by supporting clients to more sustainable business models and operations. This is supported by an established decarbonization strategy as well as a dedicated client-engagement framework consisting of several tools like ESG Assessment Questionnaire, Responsible Financing Policy and Sustainable Finance Methodology. Besides that, the Group supports also internal workforce adaptability through continuous reskilling initiatives and comprehensive ESG-related training programmes. These strategic adjustment levers ensure that the Group can realign its business model as climate-related risks and opportunities continue to evolve arising from the ongoing transition of the real economy.

Other components of the risk management framework that allow to effectively manage and reduce exposure to transition risks include various mitigation tools, such as enhancing the existing limit framework, strengthening underwriting standards, improving monitoring processes and expanding ESG-related data collection.

Besides the conducted materiality assessment of transition risk, the **forward-looking best-estimate Weighted Average Carbon Intensity (WACI)** offers insights into Erste Group's exposure to transition risks across different climate scenarios. Scenario pathways range from steep decline under 'Net Zero 2050' to minimal reductions under 'Current Policies', emphasising the potential financial impact of delayed action. For business loans, project finance and corporate bonds (EUR 77 billion as of December 2025), the scope 1 and 2 WACI amounts to 220 tCO_2e per EUR million turnover in 2025, down from 252 tCO_2e per EUR million turnover in 2024. Scope 3 emissions are excluded due to inherent forecast uncertainties. As noted in '*Scope 3 Category 13 and 15 Financed emissions*', the actual 2024 WACI was recalculated due to a significant portfolio shift between business loans and real estate exposures, as well as methodological improvements in the allocation of WACI between scope 1,2 and scope 3 emissions. The recalculated forward-looking best-estimate 2025 WACI amounts to 252 tCO_2e per EUR million turnover, placing the actual 2025 value below this estimate and consistent with declining Scope 1 and 2 financed emissions and intensity.

The following table expresses yearly scope 1 and 2 emissions of debtors in the business loan, project finance and corporate bond portfolios, expressed as a ratio of turnover generated by Erste Group with these clients. These amounts vary in the short-, medium- and long-term in accordance with the climate scenarios and adaptation efforts.

Forward-looking best-estimate WACI (scope 1 and 2)

WACI scope 1 & 2 in tCO_2e per EUR million turnover	2026 (short-term)	2030 (medium-term)	2050 (long-term)
Net Zero 2050	204	141	19
Below 2°C	211	175	37
Delayed transition	218	213	26
Current policies	217	209	203

Physical Risk

Credit Risk: According to Erste Group's assessment, physical risks are a material driver for credit risk across all time horizons. This elevated credit risk exposure is mainly driven by climate-related physical risk hazards. In line with scientific projections those are expected to intensify in severity and frequency from the mid-century onwards with a higher impact expected on the real estate sector. Given the severity of the applied stress scenario (Current Policies), it is noteworthy that Erste Group's capital position remains at highly robust levels even over the long-term horizon. This demonstrates that the business model is well positioned to absorb and adapt to adverse environmental developments.

Operational Risk: For internal operations, Erste Group identifies physical risks as a material driver in the medium- and long-term time horizons, primarily due to potential river floods and related changing rainfall patterns affecting facilities in certain areas. Looking ahead to 2100, heat waves are expected to reach material level across all geographies, both for own operation and third-party service providers.

Strategic Risk: Erste Group assesses the impact of physical risk drivers as material on the strategic risk in the long-term (2100) coming mainly from the elevated climate-related physical risk hazards on its credit portfolio.

Market, Liquidity and Reputational Risk: The evaluation concluded that no material physical risks were identified across all time horizons – short-, medium- and long-term.

E1-1 – TRANSITION PLAN

Erste Group has the ambition to achieve a net zero status of its portfolio by 2050. Erste Group's net zero 2050 ambition is closely interlinked with regulatory developments at both EU and national levels and will be accompanied by actions that reflect these evolving frameworks, methodologies and targets. As the EU further defines its commitments, the Group will progressively align its approach to support and follow these developments.

In 2024, Erste Group has developed elements of a transition plan guided by GFANZ. Building on these elements, Erste Group has been developing its prudential transition plan in 2025 in line with the requirements under the Capital Requirements Directive (CRD VI). Due to different legal requirements and timing there is currently no intention to develop an overall transition plan fully aligned with a 1.5-degree pathway. Erste Group's transition plan under the Capital Requirements Directive focuses on assessing and managing financial risks arising from nature and climate risks, providing strategic direction, including decarbonisation targets and implementation measures to support proper risk decisions. Work on this integration began in 2025 and Erste Group continues to strengthen the alignment between its sustainability strategy and prudential risk management, ensuring consistency across regulatory frameworks and internal planning processes.

As part of its ambition to support the transition to a sustainable economy, Erste Group aims to support clients and sectors towards decarbonisation, while also reducing emissions from its own operations. This is fully integrated into Erste Group's overall business strategy and financial planning, ensuring that decarbonisation efforts are part of decision-making processes. Erste Group emphasises continuous engagement with clients across various industries to support their transition and manage climate-related risks. Erste Group integrates emission reduction targets into its business strategy to support both the clients' transition and the bank's sustainability goals. Furthermore, Erste Group monitors portfolio developments and client progress quarterly. This process includes assessing the impact of client engagements, adjusting strategies and implementing necessary measures. Progress is reported regularly to the Management Board and Supervisory Board.

More information on the respective policies, actions and targets can be found in the corresponding chapter *E1-2*, *E1-3* and *E1-4*.

E1-2 – POLICIES AND TRANSITION MEASURES FOR CLIMATE CHANGE MITIGATION AND ADAPTATION

Erste Group's policies to transition to a sustainable economy focus on targets for investment and financing activities, which are endorsed and supported by the management of all subsidiaries.

AT A GLANCE: ADDRESSING IMPACTS, RISKS AND OPPORTUNITIES

Impacts, risks and opportunities	Strategy / Policy	Key decarbonization lever and actions	Targets
By financing renewable energy and energy grid infrastructure, Erste Group promotes CO_2e-neutral power and supports energy security as well as the transition to a sustainable economy. (Positive Impact Energy) Erste Group can gain financial opportunities by investing in and financing clients that support decarbonization, transition to sustainability and renewable energy projects (e.g., pumped storage plants, green hydrogen) that support CO_2e-neutral energy production. (Opportunity Climate Mitigation and Energy)	Sustainable Finance Methodology	Lever: Promoting a sustainable real estate sector Lever: Emission reduction in the energy sector Lever: Client engagement	15% sustainable retail mortgages by 2027 25% sustainable corporate financing by 2026
Erste Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds. (Risk Climate Change Adaptation) For Erste Group, additional financial opportunities arise from the financing of and investments into companies that offer solutions for adapting to climate change and the funding of adaptation solutions in the real estate market (residential and commercial real estate). (Opportunity Climate Change Adaptation)	Group Real Estate Financing (REF) Policy	Lever: Promoting a sustainable real estate sector Lever: Emission reduction in the energy sector	Portfolio decarbonisation target
Erste Group's Scope 1, 2 and 3 CO_2e emissions (from upstream value chain, own operations and financed emissions) contribute to climate change and thus to global warming. (Negative Impact Climate Change Mitigation & Energy)	Group Real Estate Financing Policy (REF) Group Responsible Financing Policy (RFP) Group Corporate Lending Principles (CLP)	REF: Promoting a sustainable real estate sector RFP: Emission reduction in the energy sector CLP: Client engagement Lever: Emission reduction in own operations	Portfolio decarbonisation target Net Zero operations targets
Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for Erste Group, impacting P&L as well as own funds. (Risk Energy)	Group Retail Credit Risk Management Policy Group Corporate Lending Principles Group Real Estate Financing (REF) Policy	Lever: Promoting a sustainable real estate sector Lever: Emission reduction in the energy sector Lever: Client engagement	Portfolio decarbonisation target
Erste Group faces a higher credit risk as climate-related transition events (e.g. carbon pricing and regulatory interventions) can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected negative impacts to its P&L and own funds. (Risk Climate Change Mitigation)	Group Retail Credit Risk Management Policy Group Corporate Lending Principles	Lever: Promoting a sustainable real estate sector Lever: Emission reduction in the energy sector	Portfolio decarbonisation target

Concerning all policies, an ongoing dialogue is conducted with relevant stakeholders such as supervisory and regulatory authorities, investors, analysts and rating agencies as well as academic and environmental institutions and NGOs. Inputs from these stakeholders were received through bilateral talks, conferences and supervisory dialogues regarding climate change and are consequently used in Erste Group's policy setting process. For more details on consideration of interests and views of stakeholders please refer to chapter *SBM-2*.

The below mentioned policies need to be implemented by the management body of relevant Erste Group's subsidiaries.

SUSTAINABLE FINANCE METHODOLOGY (SFM)

Policy objectives to address impacts, risks and opportunities

Erste Group's primary environmental impact stems from its lending activities, specifically the emissions generated by the projects it finances. As a financial institution, Erste Group plays an important role in facilitating the transition to a low-carbon economy by actively engaging with its clients and supporting them on their decarbonisation journey. Considering the climate crisis, this means to mobilise funds to create a fairer and more prosperous world for all, thereby contributing to a sustainable future. The SFM outlines methodology for classifying sustainable financings, focusing on renewable energy and energy-efficient buildings, as well as other sustainable activities (for more details see chapter *SBM-1*). No external third-party standards or initiatives were identified as directly relevant to the policy.

The Sustainable Finance Methodology and thus Erste Group's sustainable financings, is a classification that primarily addresses its opportunities and positive impacts and, under certain conditions, may contribute to its decarbonisation targets:

- Additional financial opportunities arise from Erste Group's financing of customers supporting their decarbonisation and transition to a sustainable state.
- Erste Group's financing of renewable energy projects enables CO_2e-neutral energy production, which is necessary for the transition to an economic system within the planetary boundaries.
- Erste Group's financing of and investments in renewable energy projects (e.g. energy from renewable energy sources such as solar energy or wind power) enable CO_2e-neutral energy production and offers new opportunities for the portfolio.
- Through the financing of climate-change adaptation solutions, Erste Group has a positive impact on reducing vulnerabilities to climate change impacts.

Sustainable Financings have demonstrable impact on decarbonization in real estate and renewable energy sectors:

- In real estate, financing energy-efficient properties significantly reduces emissions intensity compared to traditional financing, reinforcing the alignment between sustainable finance and climate objectives.
- In the energy sector, renewable energy financing inherently supports climate mitigation by replacing fossil-based generation and delivering measurable environmental benefits. These projects are systematically prioritized and tracked within Erste Group's portfolio, reflecting the Group's commitment to energy transformation and the expansion of clean energy solutions. In case of project finance, Erste Group assumes that renewable energy projects (wind, solar, geothermal and hydropower) have an emission factor for scope 1 and 2 of zero (see chapter *E1-6 Methodology Business Loan, Corporate Bonds and Project Finance*).

Actions, metrics and targets related to Sustainable Financings are partially linked with Material impacts, risks and opportunities (IROs) outlined in chapter *E1 SBM-3*.

Methodology

'Sustainable financing' is a term used by Erste Group to determine financings that address the interplay of Erste Group's identified environmental impacts and opportunities. This involves screening and evaluating Erste Group's financed portfolio in accordance with a bespoke approach and set of criteria, grounded in the principles of established standards and frameworks. With the decarbonisation levers of 'promoting a sustainable real estate sector', 'reduction of financed emissions in the energy sector', 'emission reduction in own operations' as well as 'client engagement framework', Erste Group's sustainable financings have a primary focus on:

Real estate financings:

- Energy efficient buildings with energy efficient indicators in the Energy Performance Certificate (e.g. EPC label A),
- Buildings meeting the requirements for a 'nearly zero energy building' (NZEB) according to EU Directive 31/2010,
- Buildings that account to the top 15% (based on an estimate) of the national or regional building stock expressed as operational Primary Energy Demand (PED). This methodology is explained in chapter *E1-4*.

Renewable energy projects financings:

- supporting the realisation of decarbonisation via financing innovative technologies or the shift from non-renewable to renewable energy sources.

Further details on the screening approach and the criteria can be found in chapter *E1-4*. In addition, the above-mentioned decarbonisation levers contributing to the achievement of the target are explained in chapter *E1-3*.

The Sustainable Finance Methodology provides the framework for classifying sustainable financings that support climate transition of Erste Group's clients and the achievement of 15% sustainable mortgages by 2027 and to the goal of reaching 25% sustainable corporate financing by 2026. Through this, Erste Group continues to maintain its strong role in sustainable financings (see *SBM-1* for more details on strategic priorities).

Methodology outlook for 2026
Erste Group is refining its Sustainable Financing Methodology to better support decarbonization targets. The focus of Sustainable Financing will be broadened to include a wider range of impactful activities and sectors, making it more relevant and connected to market developments. Beyond energy-efficient buildings and renewable energy the refined approach will for example include, among others, low-carbon manufacturing, water and efficiency improvements across all sectors. The updated methodology remains anchored in established standards and robust governance, with ongoing stakeholder engagement ensuring alignment with market expectations. The new approach will be implemented in 2026.

Scope
The methodology set out in the SFM is applicable to all credit institutions of Erste Group. The Sustainable Financing KPI only applies to business lines of parent banks in the core markets of Erste Group for corporate and retail. Erste Group's Sustainable Financing KPI is an internal remuneration-linked metric and must not be confused with the Green Asset Ratio (GAR) KPI under the EU Taxonomy.

The approach and process related requirements on sustainable financings are captured in the SFM. Any criteria and programme in scope of sustainable financings is subject to approval by the Holding Board. The policy is only available internally.

GROUP RESPONSIBLE FINANCING POLICY

Policy objectives to address impacts, risks and opportunities
The Group Responsible Financing Policy outlines industry-specific ESG exclusion and phase-out criteria, including thresholds and guidelines for determining transaction eligibility to prevent ESG related credit and reputational risk. It also defines non-financial risk profiles that trigger detailed due diligence and scrutiny. Additionally, the policy describes assessment procedures for specific sectors and subsectors to ensure informed decision-making aligned with Erste Group's commitment to providing responsible financing services.

Thus, the policy supports portfolio decarbonisation targets by 2050. To reach this target, Erste Group has implemented a well-defined structure and governance framework for the execution of decisions under the Group Responsible Financing Policy.

In 2025, there was a revision of the Group Responsible Financing Policy to support a responsible energy transition. Erste Group addresses the current challenges and finances the coal phase-out, in a responsible, prudent way and in line with the EU Comission Requirements.

In this context, Erste Group is committed to progressively reduce its financing of thermal coal mining and thermal coal-based power generation, phasing out coal financing by 2030 in alignment with the National Energy and Climate Plans (NECPs) in its core markets. The extension to 2035 applies exclusively to existing power-generation and heat-and-steam clients that already have a defined exit plan targeting 2035.

Another change in 2025 was driven by other priorities in the context of defense. Due to the significantly changed geopolitical environment, the strategic importance of the defense sector in Europe has fundamentally shifted. Financial institutions are now expected to contribute to collective security, industrial resilience and defense readiness, as outlined in the EU White Paper 'Defense Readiness 2030'. This is reflected in the changes towards the eligibility criteria of financing defense.

Methodology
The policy mandates a two-tier review process. To comply with the requirements of the policy, the deal originator must:
- seek a dedicated dialogue with high-emitting clients. This typically starts with an industry and client-specific assessment of ESG issues, to identify Sustainable Financing instruments that match the client's sustainability and funding strategy. Additionally, collect relevant information and documents related to the specific deal.
- assess the non-financial risks in line with the Group Responsible Financing Policy and propose corresponding follow-up measures if necessary.

The second review is carried out by local risk functions and the Local and Group Non-financial Risk Management (NFR) function. They ensure that all respective risks are identified, assessed, measured, monitored, managed and properly reported by the Business Units in the first line of defense and, in case it becomes relevant, guide the deal originator and associated employees through the specific NFR process required by the deal in question.

Erste Group defines exclusion criteria for the energy sector, defense, as well as gaming and gambling sector, and additionally covers the topic of biodiversity to advance the management of environmental and climate risks as well as energy security of actual energy transition projects. These energy sector principles are based on accepted industry principles and acknowledged by various

stakeholders as best practice. These principles are also aligned with Erste Group's commitment to reduce carbon emissions as Erste Group recognises the strategic importance of renewable energy and energy efficiency projects.

Scope

All products and services in the Corporates and Markets area for all Erste Group financial institution entities are in scope of this policy, no matter whether the financing is direct or indirect, on- or off-balance-sheet financing and whether financial risks are linked to it or not.

A client company/group is considered within the scope of the policy if the economic activity in scope of the deal accounts for more than 5% of the group's turnover. Not in scope of this policy are all retail business line products (except for defense transactions), single payment transactions, transactions below an aggregate amount of EUR 1 million within an already approved limit (except for defense transactions) and 'responsible investments' including Erste Asset Management.

By adhering to this policy, Erste Group commits to respect the demands by the EU Paris agreement as well as the EU taxonomy. The policy, including any amendments or updates, is subject to formal approval by the Board and is published on Erste Group's website.

GROUP RETAIL CREDIT RISK MANAGEMENT POLICY

Policy objectives to address impacts, risks and opportunities

Price instability on the energy market due to climate change can result in decreased profitability for companies in energy-intensive sectors as well as liquidity shortage of retail clients. Additionally, Erste Group faces a higher credit risk as climate-related transition events can lead to negative effects on the profitability and the financial stability of debtors which might lead to increased risk provisions and connected negative impacts on the profit and loss for Erste Group. The policy supports the achievement of the portfolio decarbonisation targets by 2050. Decarbonisation levers primarily contributing are the 'emission reduction in the energy sector' as well as the 'promotion of a sustainable real estate sector' (see chapter *E1-3* for more details). For a detailed understanding of the CO_2e metrics associated with financed emissions, chapter *E1-6* provides comprehensive results for the current and prior years.

Methodology

The policy requires local entities to collect and store sustainability data, which can be obtained through an EPC of the financed object or an alternative method of assessing energy classification. The policy includes special lending conditions based on the energy efficiency values of the objects being financed. These conditions acknowledge that objects with lower energy efficiency are more likely to result in higher future maintenance and investment costs, which could impact the repayment capacity of customers and represent a higher credit risk. Higher energy efficiency means a lower carbon footprint for the building.

The recommended lending parameters for housing loans are differentiated by energy efficiency levels, with different maximum loan tenors and Debt Service to Income (DSTI) ratios assigned to each energy efficiency category.

For customers planning to renovate the financed property, lending parameters that reflect the new energy performance category expected to be achieved post-renovation can be applied at loan origination. The targeted energy performance level post-renovation must be assessed and provided by locally acceptable methods at the time of loan origination.

Scope

The scope of the policy applies to entities in the group's core markets and their respective subsidiaries that are engaged in lending to private individuals and micro entities. The CROs of the local entities are responsible for the implementation of the policy. The policy is available internally.

By adhering to this policy, Erste Group also follows the European Banking Authority (EBA) guidelines on loan origination and monitoring as well as the EU GDPR and KYC (Know your costumer) requirements.

GROUP REAL ESTATE FINANCING POLICY

Policy objectives to address impacts, risks and opportunities

Erste Group benefits from the financial opportunities that arise from the financing of and investments into companies that offer solutions for adapting to climate change and the funding of adaptation solutions in the real estate market (residential and commercial real estate). However, Erste Group also encounters an elevated credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and financial stability of debtors. The consequences are increased risk provisions and negative impacts on Erste Group's profit and loss statement and own funds. For this reason, Erste Group's Real Estate Financing (REF) Policy requires a sustainability assessment for real estate financing projects with exposure of

EUR 20 million or above before making a credit decision. Financing assets with high CO_2 emissions which are considered high or medium risk are subject to stricter lending criteria. In doing so, the policy contributes to the achievement of the portfolio decarbonisation targets by 2050. One of the most important mechanisms for decarbonisation, which is crucial for achieving the policy's objectives is 'promoting a sustainable real estate sector' (see chapter *E1-3* for more details). As part of the Real Estate Financing Policy, Erste Group supports the adherence to recognized international sustainability standards and initiatives. When assessing real estate financing, the technical screening criteria and 'Do No Significant Harm' principles of the EU Taxonomy Regulation are taken into account where applicable. Detailed CO_2e results for financed emissions, covering both the current and previous years, are available in chapter *E1-6*.

Methodology

With regards to the monitoring process, the policy requires an assessment of energy efficiency, physical risk (e.g. flooding, drought etc.) and the CO_2e value of the asset. It requires a Technical Due Diligence report, which includes the documentation of following areas:

_ Global Warming Potential for the life cycle of the building,
_ ESG Report,
_ Sensitive flood areas,
_ Energy Performance Certificate,
_ Energy Consumption,
_ Photovoltaic system,
_ Energy supply contracts on renewable/non-renewable energy sources and
_ Environmental report and strategy on climate risks and weather.

Scope

The scope of the policy encompasses all real estate financing transactions with corporate clients or client groups, regardless of segmentation criteria. It covers the Group Commercial Real Estate segment, all specialised lending income-producing real estate clients and clients with certain codes in the nomenclature statistique des activités économiques dans la communauté européenne (NACE) related to the corporates segment or the industry segments of Real Estate or Hotels and Leisure. The policy is applicable to all Erste Group entities engaged in such business activities. These entities are required to integrate the policy into their local frameworks. Erste Group Bank AG has a dual role, both overseeing activities within the group and acting as a distinct legal entity offering corporate banking services. For clients or client groups outside of Erste Group's home markets, group standards are applicable as defined in the country specifics.

GROUP CORPORATE LENDING PRINCIPLES

Policy objectives to address impacts, risks and opportunities

The Group Corporate Lending Principles policy defines group-wide rules and principles for corporate lending to ensure sound credit risk management, responsible banking and standardised client creditworthiness assessments. The policy supports managing risks stemming from energy and climate change mitigation by conducting a comprehensive ESG assessment of corporate borrowers, with a turnover ≥ EUR 50 million and SMEs with transferable securities to trading on an EU regulated market. Erste Group may face higher credit risk caused by climate-related transition events that can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for Erste Group and connected to negative impacts to its profit and loss statement and own funds. For example, price instability in the energy market due to climate change can result in decreased profitability in companies belonging to high emitting sectors.

By managing these risks, the policy supports Erste Group's portfolio decarbonisation targets and potential subsequent emission reduction. The key decarbonisation lever contributing to achieving the policy's target is 'emission reduction in the energy sector' (see chapter *E1-3* for more details). Detailed CO_2e results for financed emissions, covering both the current and previous years, are available in chapter *E1-6*.

If clients are exposed to increased sustainability risks, these must be properly assessed with respect to their financial position in the credit application and considered in the final lending decision as well as the rating. For large corporates in certain industries that lack a climate transition plan and do not measure the current emissions, any new transaction including a policy exception must be approved by the Credit Committee of Erste Group Bank AG. This ensures that material sustainability matters are integrated into the lending process and encourages clients to adopt sustainable practices. Additionally, ESG assessments are updated annually to reflect any changes in the client's ESG risks.

Methodology

The evaluation of the client performance or solvency includes an assessment of its financial metrics and their engagement in mitigation activities. ESG assessment questionnaires are used during the lending process to evaluate climate change mitigation risks and how ESG factors may positively (mitigation) or negatively (risks) impact the financial performance or solvency of the

client. Corporate borrowers, with a turnover ≥ EUR 50 million and SME's with transferable securities to trading on a EU regulated market are required to share their corporate carbon footprint as well as their carbon offsets. In addition, the client's energy mix and efficiency are analysed. A more sustainable energy mix and higher energy efficiency benefit the client's overall performance in the evaluation.

Scope

The policy is applicable to the whole group and covers all corporate clients (LC, SME, CRE, Corporates owned by Sovereigns or Sub-Sovereigns, Public Sector). The policy explicitly excludes clients involved in suspicious and illegal activities or controversial industries as well as pure financial holdings without transparency and captive/offshore companies which are consolidated into a internal Group of Connected Clients.

By adhering to this policy, Erste Group complies with the FMA's 'Kreditinstitute-Risikomanagementverordnung' (KI-RMV), as well as the EBA Guidelines on loan origination and monitoring. The Management Board, particularly the CRO, is accountable for the implementation of the policy. The policy is made available internally.

E1-3 – ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE MITIGATION AND ADAPTATION

The energy and real estate sectors in Erste Group's portfolio are key to its decarbonisation efforts as these have the highest emissions. Therefore, to achieve its 2050 net zero emission ambition, Erste Group focuses on four portfolio decarbonisation levers that comprise several already implemented key actions. For a more comprehensive understanding of the CO_2e results pertaining to financed emissions, please consult chapter *E1-6*. The current and future operational and capital expenditures incurred to implement the below actions are immaterial amounts. Achieved and expected GHG-reduction contributions, as well as quantitative and qualitative information on the progress made compared with prior periods, are not disclosed for all actions. Additionally, no actions are in place to provide remedy to individuals harmed by actual material impacts.

DECARBONISATION LEVER 'PROMOTING A SUSTAINABLE REAL ESTATE SECTOR'

Erste Group aims to reduce its financed emissions by increasing sustainable financing in the real estate sector through two main enablers, its Financial Health Commercial Real Estate Tool to track the carbon footprint of commercial real estate portfolios and the Renovation Financing and Energy Efficiency Calculator to assess its client's home renovation need and energy efficiency.

Successfully motivating clients to take measures to improve the energy performance of the buildings they own, financed by the Group, contributes to reducing financed emissions in absolute terms if higher emission-loans mature. The effectiveness of actions under this lever further is assessed based on the attainment of the 25% sustainable corporate financing target and the 15% sustainable mortgage target (see chapter *E1-4* for more details on targets).

Enabler 1: Financial Health Commercial Real Estate Tool

Erste Group has developed the Financial Health Commercial Real Estate Tool to enhance client engagement, provide greater transparency and improve the overall quality of its portfolio. It is expected that this instrument will have a positive impact on climate change mitigation by enabling the identification and promotion of energy-efficient building practices.

By integrating asset-level data on energy performance and greenhouse gas (GHG) emissions, the tool allows both the bank and its clients to actively track and manage the carbon footprint of commercial real estate portfolios. The tool raises client awareness and encourages the adoption of renewable energy solutions, such as on-site solar power generation or green electricity procurement. With this initiative Erste Group aims to enhance energy efficiency and reduce carbon emissions within its commercial real estate holdings.

The Financial Health Commercial Real Estate Tool integrates client asset KPIs with benchmark values derived from Erste Group's portfolio data, internal policies and GHG thresholds. For instance, Erste Group compares client EPCs among other client assets in the portfolio (EPC values of CRE assets). A pre-defined CO_2e threshold allows Erste Group to identify assets that are desirable in terms of CO_2e emissions and are aligned with its portfolio reduction pathway. The tool enables clients to visualise their projects, compare them with other portfolio projects and place them within the context of Erste Group's commercial real estate decarbonisation pathways.

The screening of each client within the portfolio is currently underway across all entities and will continue throughout 2026. The primary objective is to engage with all relevant commercial real estate clients, utilising available underlying asset information. As a result, the Financial Health Commercial Real Estate Tool indirectly contributes to climate change mitigation and GHG reduction by facilitating the identification and promotion of energy-efficient building practices among clients.

Enabler 2: Renovation financing and the Energy Efficiency Calculator

To support the energy efficiency transition in residential properties, Erste Group provides its retail clients with digital, web-based solutions that simplify the process of assessing their home renovation needs. The renovation calculator tools help clients understand their current property's energy efficiency and identify potential improvements. By engaging clients through this platform, Erste Group provides the possibility to get a clear picture of how their home's energy efficiency can be improved, which actions to take and how to quantify the business case for these improvements. The expected results include increased client engagement via digital channels, with more homeowners adopting energy-efficient renovation measures. Additionally, clients are encouraged to access subsidy programmes across the CEE region and to receive financing options, leading to better utilisation of energy-saving technologies such as solar panels, heat pumps and home insulations. Where financially viable and credit risk parameters are met, Erste Group is easing the time to cash for customers to receive financing for energy upgrades. This measure supports the implementation and realisation of the Retail Credit Risk Policy, the SFM as well as the sustainable finance framework. It contributes to the achievement of the target 'sustainable retail mortgages' as outlined in the table '*Sustainable financing – actuals and targets*'.

Erste Group proactively engages with clients, offering renovation calculation and financing options through various channels. By leveraging the renovation calculator and associated financing solutions, Erste Group supports clients in enhancing the energy efficiency of their homes, thereby promoting sustainable housing solutions. The effectiveness of this initiative is monitored by the granted renovation loans.

Scope of the decarbonisation lever

The geographical scope for the decarbonisation lever encompasses all regions of operations. The finalization of implementation relates to a medium-term period. Currently in the rollout phase, the Financial Health Commercial Real Estate Tool is being implemented across all Erste Group regions, with the screening of all existing stock assets expected to be completed in the short- to medium-term. The tool focuses on the downstream value chain and addresses the commercial real estate portfolio of Erste Group. Renovation Financing and the Energy Efficiency Calculator applies to the downstream value chain of Erste Group, focusing on retail mortgage clients.The scope covers all regions of operation, particularly targeting clients with high energy intensity. Detailed CO_2e results for financed emissions, covering both the current and previous years, are available in chapter *E1-6*.

DECARBONISATION LEVER 'FINANCED EMISSIONS REDUCTIONS IN THE ENERGY SECTOR'

Erste Group aims to reduce its financed emissions in the energy sector by increasing sustainable financing for renewable energy projects and by reducing its loan portfolio in the coal sector. The contribution to decarbonisation targets significantly depends on the nature of the financed company. For instance, a coal-reliant company that utilises the financing to implement adaptation solutions (e.g. such as wind parks) can thereby reduce its reliance on fossil-based technology.

This lever contributes to the decarbonisation of Erste Group's energy portfolio and is in line with the Sustainable Finance Methodology which defines sustainable investments that contribute to climate-neutrality as well as the Group Responsible Financing Policy which sets exclusion criteria for harmful socio-environmental economic activities, such as investments into specific carbon-intensive energy activities. Additionally, it contributes to the objectives of the Group Corporate Lending Principles. Therefore, this decarbonisation lever addresses the IROs of these policies as outlined in chapter *E1-2*. The actions of this lever help achieve the policies' objectives such as the 2050 net zero portfolio ambition as well as the 25% sustainable corporate target. The achievement of the policies' targets is outlined in chapter *E1-4*.

Through the key actions 'renewable energy financing' and 'reducing coal financings', investment in and financing of carbon-intensive energy companies will be reduced, while financing renewable energy projects enables CO_2e-neutral energy production, which is necessary for the transition to an economic system within sustainable boundaries, offering new clean energy opportunities for Erste Group's portfolio.

Key action 1: Renewable energy financing

Erste Group's renewable energy financing aims to increase the share of sustainable financing for projects that support the transition to cleaner energy sources. By focusing on clients with decarbonisation technologies in its core regions, Erste Group seeks to accelerate the adoption of renewable energy solutions, including wind, solar and battery storage. The anticipated impact includes an increase in financing for renewable energy projects and a reduction in financed emissions from the energy and heat production sectors, particularly if fossil-reliant companies transition to cleaner energy technologies. This initiative is a key measure contributing to the realisation of Erste Group's Sustainable Finance targets and goals.

As of year-end 2025, renewable energy exposures classified as sustainable financing account for 44% of the total electricity portfolio in Erste Group's Core Group. These exposures are assigned a zero-emission intensity and relate to specific-purpose financing activities in renewable energy generation, such as wind, solar and hydropower projects.

This portfolio distribution reflects Erste Group commitment to the energy transition and its strategic focus on supporting the expansion of renewable energy infrastructure. By maintaining a significant share of renewable energy financing, the Group contributes to decarbonisation efforts and advances the transformation toward a low-carbon electricity system.

Key action 2: Reducing coal financings

In line with its Responsible Financing Policy, Erste Group is committed to progressively reduce its financing of thermal coal mining and thermal coal-based power generation, phasing out coal financing by 2030 in alignment with the National Energy and Climate Plans (NECPs) in its core markets (with an extension period until 2035 for existing clients within heat and steam, as well as power generation if certain conditions are alraedy in place such as a credible transition plan for the exit until 2035). For the oil and gas sector, Erste Group has committed to avoiding any expansion of financing for oil and gas exploration unless it is crucial for independence from Russia and is indispensable for national energy security within Europe. Gas-fired generation and related infrastructure may still serve as transitional solution and may be financed as long as they also meet the criteria set out in the EU Taxonomy.

Erste Group actively engages with all clients exposed to thermal coal, focusing on understanding their transition plans. It analyses all clients in this sector in-depth during the annual review process to assess and align their transition plans with the bank's 2050 net zero ambition. This includes identifying clients with over 25% of revenues from thermal coal and requiring them to present a credible, time-bound exit plan. Relationship managers are equipped with single-client assessment toolkits that use public and internal information to assess each client's transition readiness and their contribution to Erste Group's targets. Erste Group ensures that its engagement focuses on helping oil and gas sector clients adopt environmental action plans and decarbonisation strategies. On one hand, this includes avoiding financing for extraction in unconventional sectors, such as oil sands or Arctic exploration. On the other hand, Erste Group is prioritising engagements of high emitting clients, who are part of their sector's decarbonisation targets, to assess their transition plans including the necessary CapEx investments.

Through the implementation of the two outlined measures, this initiative will result in a substantial reduction in financed emissions intensity. Renewable energy financing currently constitutes the second-largest component of Erste Bank's 25% sustainable financing target. Following commercial Real Estate Financing Policy, it is the most significant contributor to the reduction of financed emissions. The coal exit engagement strategy is expected to achieve a notable reduction in financed emissions associated with fossil fuels. Focusing on specific-purpose financing in renewable technologies, such as wind, solar and hydro, will further reduce Erste Group's financed emissions and significantly contribute to the 25% corporate sustainable financing target.

Additional information on the achieved GHG reductions can be found in table 'Portfolio Decarbonisation Targets,' with particular emphasis on the electricity production sector.

Scope of the decarbonisation lever

The scope of the 'Sustainable Financing for renewable energy' measure covers the downstream value chain of Erste Group, specifically targeting renewable energy projects in the energy and heat production sectors. The geographic scope encompasses all regions of Erste Group, with a primary focus on high-exposure markets such as Austria, Czechia, Slovakia and Romania. The implementation of the Sustainable Financing measure for renewable energy is designed for a long-term period.

The scope of the 'coal portfolio reduction' measure applies to the downstream value chain of the bank and covers all entities and regions of Erste Group. The time horizon for the reduction of the coal portfolio is medium-term, with in-depth analysis and transition plan assessments scheduled to be completed by 2026.

DECARBONISATION LEVER 'CLIENT ENGAGEMENT FRAMEWORK'

The client engagement framework is a holistic approach that is aimed to support the shift of the clients toward low-carbon business models while ensuring alignment with Erste Group's portfolio decarbonization targets.

The client engagement framework represents the toolkit consisting of several elements such as ESG Assessment Questionnaire, Responsible Financing Policy and Sustainable Finance Methodology. While the later tool provides framework for classifying sustainable financings that support climate transition of Erste Group's clients, the questionnaire facilitates data collection on the environmental footprint of large corporate, commercial real estate and commercial residential real estate (Wohnbau), thus enabling the Group to identify clients which are prone to environmental, climate, social and governance risks. It is updated at least annually and allows Erste Group to assess the impact of ESG factors on credit risk. Thus, already as of today, Erste Group evaluates the transition plans of the clients and aligns them with the sector's decarbonisation targets.

In 2025 the ESG Assessment has been enlarged focusing on the resilience of ESG risks including transition risk and embraces clients vulnerability to physical risks and nature-related risks.

The process follows a structured three-phase approach consisting of: (1) clients assessment and selection, (2) engagement and dialogue and (3) monitoring. The client selection process on Erste Group level was finalised in fall 2025 that will enable relationship managers to engage with the clients following the lending processes throughout the year 2026. The revised framework will further contribute into Erste Group's engagement with clients using a strategy tailored to their maturity in the transition journey. Moreover, the framework will ensure that ESG considerations are systematically integrated into client relationships, credit processes and portfolio steering.

Through this framework, Erste Group aims to act as a trusted partner for its clients, enabling them to navigate the challenges of the green transition while safeguarding financial stability. By combining risk management with financing solutions, Erste Group contributes to a sustainable economy and long-term value creation for all stakeholders.

Scope of the decarbonisation lever

The 'Client Engagement Framework' lever was developed in a first phase for large corporate clients within Erste Group's lending portfolio and covers all entities and regions of the Group. The client engagement approach will enable Erste Group to gain deeper insights into Erste Group's clients' transition plans. The Group's approach focuses on supporting clients in this transition, but also includes a reassessment of the relationship with clients who are unwilling to commit to progress. The implementation of this lever is designed as a long-term initiative.

DECARBONISATION LEVER 'EMISSION REDUCTION IN OWN OPERATIONS'

Erste Group aims to decarbonise its operations by decarbonising employee mobility through electrification, enhancing building energy efficiency, switching to low-carbon energy sources and increasing employee engagement through trainings and joint action. The implemented actions target the bank's CO_2e emissions from own operations, thus contributing to its net zero operations goal. Erste Group's actions currently focus on the reduction of scope 1 and 2 emissions as managing operational scope 3 emissions represents a significant challenge, as these emissions are largely influenced by the activities of third parties and external stakeholders. Please refer to chapter *E1-4* to gain a deeper understanding of the achieved GHG emission reductions within scope 1 and 2. Additionally, chapter *E1-6* outlines the current CO_2e balance results and those from the previous year. For more insights into energy consumption and its breakdown, please see chapter *E1-5*.

No significant capital expenditure and operating expenditure is required for the described measures.

Scope of the decarbonisation lever

The implementation of the measures relates to the short-term period for employee engagement and awareness and to the medium-term period for decarbonisation of employment mobility, increased energy efficiency of own buildings and low carbon energy use. The decarbonisation lever is measured with the net zero target which is applicable to Erste Group Bank AG, Erste Bank Oesterreich and its subsidiaries and CEE subsidiaries in the core markets. The savings banks of Haftungsverbund that are not majority-owned are not included in this lever.

The table presents the relevant actions/levers together with their associated targets; information on the achieved emission reductions is provided in subchapter *E1-4*.

Action/Lever	Target
Enabler 1: Financial Health Commercial Real Estate Tool	Decarbonisation target for Commercial Real Estate, sustainable finance real estate target
Enabler 2: Renovation Financing and the Energy Efficiency Calculator	Decarbonisation target for mortgage, sustainable finance real estate target
Key action 1: Renewable energy finance	Decarbonisation targets for heat and steam production and for electricity production, sustainable corporate finance target.
Key action 2: Reducing coal financing	Decarbonisation targets for heat and steam production and for electricity production.
Decarbonisation lever 'Client engagement framework'	All decarbonisation targets except those for commercial real estate and mortgages
Decarbonisation lever 'Emission reduction in own operations'	Scope 1 and 2 targets

E1-4 – TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

PORTFOLIO DECARBONISATION TARGETS

Erste Group's decarbonisation targets are presented in the '*Portfolio decarbonisation targets and actuals*' table, detailing emission scopes, the base year, the target value, the reference value and the selected scenario pathways and methodologies. Erste Group's

GHG emission reduction targets are scientifically sound and compatible with the group's ambition to achieve a net zero status of its portfolio by 2050.

The 2050 net zero portfolio ambition is strategically designed to evaluate the effectiveness and efficiency of Erste Group's initiatives in mitigating the emissions associated with its financing activities. This target not only serves as a benchmark for assessing the success of various measures implemented to reduce the carbon footprint of financed projects, but also underscores Erste Group's commitment to sustainable finance.

The policies described in chapter *E1-2*, such as the SFM, the Group Responsible Financing Policy, the Group Corporate Lending Principles Policy, the Group REF Policy and the Group Retail Credit Risk Management Policy, collectively support the achievement of the portfolio decarbonisation target by addressing Erste Group's material IROs as listed in the table 'Material Impacts, Risks and Opportunities' in chapter *SBM-3*. The portfolio target is primarily achieved through a reduction in financed emissions in the energy sector as well as the promotion of a sustainable real estate sector. This is explained in more detail in the prior chapter *E1-3*.

By focusing on the energy and real estate sectors as well as client engagement, Erste Group aims to address major sources of emissions through sustainable financing, energy efficiency improvements and the transition to renewable energy sources. These efforts are expected to contribute significantly to achieving the GHG emission reduction targets. The portfolio decarbonisation targets address Erste Group's downstream value chain and applies to all regions in which it operate in line with the internally defined materiality threshold.

Client executives, industry experts and sustainability advisors were engaged to ensure that Erste Group's goals are both ambitious and aligned with broader industry standards and expectations.

The following medium- and long-term targets have been set to define the path towards a net zero portfolio and make progress clearly measurable:

Portfolio decarbonisation targets and actuals

					Baseline		Value		Internal Risk Appetite		Targets	
Sector	Metric	Methodology[1]	Scenario/ pathway	Emissions scope[2]	Year	Value	2025	Reduction in %	Value 2025	Status[3]	2030	2050
Mortgages[4]	$kgCO_2e/m^2$	Internal model	XDC ITR 2.2°C	1 and 2	2024	45.2	43.7	-3%	n/a	n/a	32.1	5.1
Commercial real estate[4]	$kgCO_2e/m^2$	Internal model	XDC ITR 1.7°C	1 and 2	2024	32.9	32.0	-3%	n/a	n/a	21.9	5.7
Electricity production	$kgCO_2e$/MWh	PACTA	IEA NZE2050	1 and 2	2022	357.1	97.2	-73%	315.0	not at risk	182.7	21.6
Heat and steam production[5]	Tsd tCO_2e	SBTi AC	IEA NZE2050	1 and 2	2022	1,614.3	747.3	-54%	1,324.0	not at risk	924.0	159.3
Oil and gas extraction[5]	Tsd tCO_2e	PACTA	IEA NZE2050	1,2 and 3	2023	1,020.4	200.0	-80%	1,000.0	not at risk	923,7	368.6
Automotive[6]	gCO_2e/km	PACTA	IEA NZE2050	1,2 and 3	2023	169.8	153.3	-10%	170.0	not at risk	103.6	31.2
Iron and steel[6 7 8]	tCO_2e/tonne steel	PACTA	IEA NZE2050	1 and 2	2023	1.5	1.4	-2%	1.5	not at risk	1.1	-
Cement production[9]	tCO_2e/tonne cement	SBTiSDA	IEA NZE2050	1 and 2	2023	0.6	0.5	-14%	0.6	not at risk	0.5	0.0

[1] Erste Group's baseline values fulfil the requirements and calculation approach of third-party standard setters such as SBTi and PACTA. Those standards are based on the latest findings from leading environmental institutions, such as the IPCC. Hence, Erste Group's baseline value is to be considered a representative one.

[2] The given scopes represent emissions from Erste Group's downstream activities, in particular the scope 1, 2 and where significant also scope 3 emissions from the financed company / project.

[3] Target achievement 2030

[4] Mortgage and Commercial real estate targets defined based on proprietary internal model (driven by portfolio and market drivers) and benchmarked using X-Degree Compatibility model (version 2025.08) by Right° based on science GmbH. Implied temperature of 2050 target at 2.2°C for Mortgages and 1.7°C for Commercial real estate. More details in the respective chapter on Mortgage and Commercial real estate decarbonisation. SBTi SDA methodology was applied to determine the 1.5°C benchmark. For the Mortgages portfolio, this translates into a 49% reduction (23.2 kgCO2e/m2) from the 2024 baseline by 2030 and a 99% reduction (0.6 kgCO2e/m2) by 2050. For the commercial real estate portfolio, the required reduction amounts to 47% (17.6 kgCO2e/m2) from the 2024 baseline by 2030 and 95% (1.7 kgCO2e/m2) by 2050.

[5] Target setting was based on clients Erste Group engaged with at point of target setting; with supporting local targets focusing on entities where on balance bookings were recorded. Regular monitoring is performed on total Group level to ensure a full coverage of Erste's client engagement, no matter in which entity bookings are conducted. Therefore, group entities considered during target setting differ from the scope of entities contributing to disclosed achieved reductions. Starting with 2025, the savings banks' portfolio was incorporated into decarbonisation monitoring.

[6] Decarbonization targets are defined on the Erste Group level and cascaded to Entities applying materiality threshold. Thus, the targets for Automotive are cascaded to Austria, Romania, Hungary, Slovakia and Czech Republic, while the targets for Iron & Steel are cascaded to Austria, Hungary, Czech Republic and Slovakia. Starting with 2025, the savings banks' portfolio was incorporated into decarbonisation monitoring.

[7] No long-term targets for 2050 were set for the iron and steel production sector, as the technological uncertainties - such as the development of alternative fuels like hydrogen to a competitive, industrial scale - remain significant. Ongoing efforts aim to improve the basis for long-term targets, enabling the definition of specific targets up to 2050 in subsequent years.

[8] In case no specific data are available, parameters used at point of target setting are applied in the monitoring.

[9] The base year / actual values are based on available input data (e.g., client sustainability reports), some of them only show CO_2 values as numerator or tonne cementitious as a denominator. If, instead of the CO_2e intensity per tonne of cement, only the CO_2 intensity per tonne of cementitious was available, this was used.

In total, to date, the decarbonisation targets have been set for a credit risk volume of EUR 128 billion, this represents 64.3% (2024: EUR 108 billion, this represented 56.9%) of the volume covered by the financed emissions calculation. The portfolios with decarbonisation targets cover 40.5% (2024: 40.1%; scope 1 and scope 2) and 17.1% (2024: 19.7%; scope 1, 2 and 3) of financed emissions in 2025. The observed year-over-year increase in the coverage of portfolio decarbonisation targets is primarily influenced by the onboarding of savings banks in Heat and Steam production, Oil and gas extraction, Automotive, Iron and steel and Cement production sectors.

As all targets are derived based on the Science-Based Target Initiative (SBTi) and PACTA methodologies, these targets serve as 1.5°C scenario-based benchmarks, except the real estate sectors. The real estate sector is further described in the section '*Commercial real estate and mortgage decarbonisation target*'. From a risk management perspective, aligning scenario assumptions with realistic portfolio trajectories allows Erste Group to identify potential vulnerabilities early and safeguard the resilience of its business model. Based on this analysis, economic capital was allocated to reflect the transition risk associated with the portfolio's current temperature alignment.

Methodology, defined measures and the current progress towards the targets will be described below.

Erste Group has followed a phased-in approach for onboarding the savings banks into the Group's decarbonisation targets. In 2024, the savings banks' portfolios were integrated into the decarbonisation framework for the sectors such as mortgages, commercial real estate and electricity production. For the remaining sectors, targets for the savings banks' portfolios were defined in 2024 and were incorporated into the monitoring of decarbonisation progress from Q1 2025 onwards. As a result, a direct year-on-year comparison of decarbonization progress for these latter sectors is not feasible.

After defining portfolio decarbonisation targets for priority sectors, Erste Group's risk appetite evaluation has been enhanced through the introduction of an internal indicator. The internal indicator addresses the question at what level of CO_2e emissions or CO_2e emissions per physical metric (identical to the metric used in decarbonisation target setting) in the respective year (e.g., 2025) puts the target achievement for 2030 at risk. Thus, its aim is not only to support the commitment to climate action, but also to enable pro-active steering of portfolio development along the defined decarbonisation path. The internal indicator is set as a buffer above the downward decarbonisation pathway, thus allowing minor deviations above it but still ensuring sufficiently early alert in case of possible misalignment with 2030 targets.

In case of a trigger event, the reasons for the indicator breach are analysed and mitigation measures are developed with the involvement of relevant stakeholders on a case-by-case basis. This process is dependent on the drivers, industry specifics, impact as well as necessary time for remediation.

The progress along the decarbonisation pathway is monitored quarterly via dedicated internal reports presented to the management. Moreover, the actual results are approved by the Management Board as part of the Group Risk Report.

The explanation on the progress is elaborated in the chapters dedicated to the decarbonisation of the respective sectors.

Electricity sector decarbonisation target

The focus within the electricity production portfolio is on diversified electricity producers as well as project-based financing of electricity production. A thorough review is applied to confirm that the activities are centred on electricity generation. This focus supports the broader goal of reducing carbon emissions in the power sector, which is a significant contributor to global GHG emissions.

Moreover, the energy sector will be the central cornerstone of Europe's decarbonisation success. As one of the most pollutive industries at present, it also offers a substantial opportunity to transform from fossil fuels to renewable energy. Besides, a more environmentally sustainable energy mix, origination from electricity transformation, will be a key contributor to reduce emissions in other industries.

To support the energy transition, the EU climate objectives have helped to increase the ambition of national programmes for deploying clean energy measures. Electricity systems need to be flexible and require growth in battery energy storage and flexible peaking power plants such as combined cycle gas turbines. Expansion and modernisation of transmission and distribution grids offer opportunities for financing to meet growing electrification demands.

This portfolio's scope includes direct emissions (scope 1) from the combustion of fossil fuels and indirect emissions (scope 2) associated with the purchase of electricity, heat and cooling necessary for operations.

Erste Group's methodological approach is grounded in the Paris Agreement Capital Transition Assessment (PACTA) framework, customised for financial institutions. This allows to track and manage the physical emission intensity of electricity producers

within its portfolio. Decarbonisation targets are defined considering a physical metric and measured as $kgCO_2e/MWh$. This metric plays a crucial role in evaluating whether Erste Group's clients are prepared for the necessary transition in line with the 2030 and 2050 decarbonisation objectives.

To align with global efforts to limit temperature rise, Erste Group has adopted the IEA Net Zero 2050 scenario as the guiding benchmark. The targets aim for a 49% reduction in the physical emission intensity of the portfolio by 2030, bringing it down from a 2022 baseline of 357.1 $kgCO_2e/MWh$ to 182.7 $kgCO_2e/MWh$. Erste Group is tracking the progress closely, with 2025 interim results showing a reduction of 73% to 97.2 $kgCO_2e/MWh$ comparing to the baseline. The actual metric in terms of physical emission intensity is in line with the internal indicator.

Year-over-year, physical emission intensity in the electricity production portfolio decreased by 29%, reflecting the Group's continued focus on energy transformation initiatives and increased exposure to renewable energy assets. Financed emission intensity (Scope 1 and 2) in terms of tCO_2e/EUR Mio, in scope of decarbonisation monitoring, declined by 7% due to financed emission fluctuation and change in portfolio composition.

For deriving the future trajectories for each technology, the NZE 2050 (1.5°C) scenario was used. The IEA, with its 'Net Zero by 2050: A Roadmap for the Global Energy Sector' report, depicts the pathway to building a global energy sector with net zero emissions by 2050. The key drivers of this scenario are electrification and electricity supply and demand. Electricity supply will change with the share of renewables rising and the use of coal falling globally. Natural gas is used as a transition up to 2030 but will decline in the long term. The path involves replacing carbon-intensive processes with renewable technologies wherever feasible. For example, this includes waste-heat recovery, geothermal technologies for heating and solar and wind for electricity production.

Heat and steam sector decarbonisation target

The focus within the heat and steam production portfolio is local, mainly involving district heating units. Most of the clients from this sector are in Czechia, Slovakia and Austria and therefore national energy and climate plans in these countries are of importance. Thus, Erste Group applies a thorough review process to confirm that its activities are centred on heat and steam generation. This portfolio's scope includes direct emissions (scope 1) and indirect emissions (scope 2) associated with the purchase of electricity, heat and cooling necessary for operations.

The targets aim for a 43% reduction in the absolute financed emissions of Erste Group's portfolio by 2030, bringing it down from a 2022 baseline of 1,614.3 thousand tCO_2e to 924.0 thousand tCO_2e. Erste Group is tracking progress closely, with 2025 interim results showing a reduction of 54% to 747.3 thousand tCO_2e comparing to the baseline. The actual metric in terms of absolute financed emissions is in line with the internal indicator. A direct comparison of 2025 actuals with the previous year (2024: 584.7 thousand tCO_2e) is not feasible due to the onboarding of the savings banks' portfolio into the decarbonization scope and the resulting restatement of the baseline value. As a result, the 2024 and 2025 values are based on different coverage scopes and therefore should not be interpreted as year-on-year performance differences.

The clients in this sector, being usually a part of the integrated electricity producing companies, have been moving to renewable sources and this transition is visible in the downward movement of financed emissions.

The derivation of the targets follows the absolute contraction approach (1.5°C) as foreseen by the SBTi tool and is enhanced with the net zero tool for long-term targets (2050), assuming a 90% reduction of emissions. In this case, the electricity demand for cooling is foreseen to increase in developing economies. According to extremely hot or cold periods, the electrification of heating and cooling will become a challenge for the electricity grid.

Oil and gas upstream decarbonisation target

The focus within the oil and gas portfolio is exclusively on clients' upstream activities, thus Erste Group applies a thorough review process to confirm that activities are related to upstream. Decarbonisation of this portfolio includes scope 1, 2 and 3 emissions.

The methodological approach is grounded in the PACTA framework, customised for financial institutions. The scenario used is World Energy Outlook (WEO) 2021 NZE aligned (1.5°C) global. The scenario implies the decline in global oil demand and foresees that natural gas demand remains mostly stable until 2030. The scenario anticipates oil demand reduction coming from the shift of passenger vehicles, transport cars and heavy trucks to electric power. The share of natural gas in the global energy mix remains around 11%, while around 70% of natural gas use in 2050 in NZE is equipped with carbon capture, utilisation and storage.

Erste Group's targets aim for a 9% reduction in the absolute financed emissions of the portfolio by 2030, bringing it down from a 2023 baseline of 1,020.4 thousand tCO_2e to 923,7 thousand tCO_2e. Erste Group is tracking progress closely, with 2025 interim results of 200.0 thousand tCO_2e that is in line with the internal indicator.

The baseline has factored in Erste Group's business with its oil and gas clients at the point of target setting. Erste Group has committed to refraining from increasing its exposure to oil and gas exploration, with the exemption of projects that align with Europe's national energy and climate plans (NECPs), as mandated by the European Commission.

Iron and steel decarbonisation target

Erste Group has defined a net zero target for its clients in iron and steel manufacturing and casting. This portfolio includes scope 1 and 2 emissions.

The methodological approach is grounded in the PACTA framework, customised for financial institutions. This allows Erste Group to track and manage the physical emission intensity of iron and steel production within the portfolio that is measured as tCO_2e/tonne steel. This metric plays a crucial role in evaluating whether clients are prepared for the necessary transition in line with Erste Group's 2030 target. To align with global efforts to limit temperature rise, it has adopted the Net Zero 2050 (WEO 2021) scenario as the guiding benchmark. As there is an uncertainty in the development of the technology that is needed to support transition to net zero for this sector after 2030, the targets are set only for 2030. The scenario assumes a shift on the technology side from basic oxygen furnaces that release large amounts of carbon dioxide and nitrogen oxide to electric arc furnaces, supported by usage of renewable energy.

The target is a 24% reduction in the physical emission intensity of Erste Group's portfolio by 2030, bringing it down from a 2023 baseline of 1.5 tCO_2e/tonne steel to 1.1 tCO_2e/tonne steel. Erste Group is tracking the progress closely, with 2025 interim results showing a reduction of 2% to 1.4 tCO_2e/tonne steel comparing to the baseline. The actual metric in terms of physical emission intensity is in line with the internal indicator. The slight decrease of emission intensities compared to the baseline reflects the gradual movement of the clients to the usage of electric arc furnaces in their processes.

A direct year-over-year comparison for this sector is not possible due to methodological adjustments and additional portfolios included in 2025. The respective savings banks and corporate bond portfolios were included in the decarbonization scope and monitoring of the physical emission intensity now relies on actual values rather than forecast-based estimates. An indicative comparison with the previous year suggests an around 20% increase in physical emission intensity, while financed emission intensity (Scope 1 and 2) in terms of tCO_2e/EUR million decreased by around 15%.

Automotive decarbonisation target

Erste Group has defined a net zero target for the original equipment manufacturers, namely manufacturers of light duty vehicles (LDV). A thorough review process was carried out to identify the clients whose business activities fall under the definition of this sector. This portfolio includes scope 1, 2 and 3 emissions, thus enabling the consideration of emissions for the entire lifetime of the vehicle.

The methodological approach is grounded in the PACTA framework, customised for financial institutions. This allows Erste Group to focus on the automotive value chain that controls the bulk of the impact and the decarbonisation efforts, to track and manage the physical emission intensity of auto manufacturers within the portfolio that is measured as gCO_2e/km, following the well-to-wheel methodology. This metric as well as technology mix plays a crucial role in evaluating whether Erste Group's clients are prepared for the necessary transition in line with Erste Group's 2030 and 2050 decarbonisation objectives.

To align with global efforts to limit temperature rise, Erste Group has adopted the Net Zero 2050 scenario (WEO 2021) as guiding benchmark. The targets aim for a 39% reduction in the physical emission intensity of Erste Group's portfolio by 2030, bringing it down from a 2023 baseline of 169.8 gCO_2e/km to 103.6 gCO_2e/km.

The reduction of the CO_2e emissions captured in Erste Group's decarbonisation path is mostly driven by the EU regulation published by the European Parliament, stating the EU ban on sale of new petrol and diesel cars from 2035 as part of the programme Fit for 55. Moreover, the broader EU Green Deal and Sustainable and Smart Mobility Strategy provide the policy umbrella for decarbonizing transport.

Erste Group is tracking progress closely, with 2025 interim results showing a reduction of 10% to 153.3 g CO_2e/km comparing to the baseline. The actual metric in terms of physical emission intensity is in line with the internal indicator. The development of emission intensity in the portfolio of Erste Group resembles the trends that are seen on the market, namely moderate transition by the auto manufacturers.

A direct year-over-year comparison for this sector is not feasible due to methodological and portfolio changes introduced in 2025. An indicative comparison with the previous year suggests that physical emission intensity decreased by 9%, whereas financed emission intensity (Scope 1, 2 and 3) in terms of tCO_2e/EUR million increased by around 80%, primarily due to the more comprehensive reporting of Scope 3 emissions data.

Cement decarbonisation target

A net zero target of Erste Group is defined for the clients in cement manufacturing. A thorough review process was carried out to identify the clients whose activities fall under the definition of this sector and to whom a client relationship exists. This portfolio includes scope 1 and 2 emissions.

The methodological approach is grounded in the SBTi framework. Erste Group applies the Sectoral Decarbonisation Approach (SDA) for 2030 and the Net Zero Tool for 2050. This allows it to track and manage the physical emission intensity of cement production within Erste Group's portfolio. It uses a key metric that measures the amount of CO_2e emissions per tonne of cement (tCO_2e/tonne cement). This metric plays a crucial role in evaluating whether clients are prepared for the necessary transition in line with the 2030 targets. To align with global efforts to limit temperature rise, it has adopted the Net Zero 2050 (IEA 2021) scenario as the guiding benchmark. There is an uncertainty in the development of the technology needed to support the transition to net zero for this sector after 2030.

The target is a 19% reduction in the physical emission intensity of the portfolio by 2030, bringing it down from a 2023 baseline of 0.594 tCO_2e/tonne cement to 0.483 tCO_2e/tonne cement. Erste Group is tracking the progress closely, with interim results showing a relatively steady downward trajectory at 0.513 tCO_2e/tonne cement by 2025, driven by business developments and positive decarbonisation effects from existing clients. Based on the year-end monitoring of the decarbonisation progress of cement, the actual metric is in line with the internal indicator (0.592 tCO_2e/tonne cement) established by Erste Group, thus indicating that the bank's respective decarbonisation target set for 2030 is not at risk.

Physical emission intensity in terms of tCO_2e/tonne cement recorded a decrease of 13% as of December 2025 in comparison with the same period last year. When looking at the financed emission intensity in terms of tCO_2e/EUR million, reduction in the same period amounts to 4% and is influenced by change in portfolio composition, mainly onboarding of savings banks segment during 2025.

Erste Group categorises the portfolio assets based on the current and planned cement-related emission intensities of the clients and, if not disclosed, of related national-wide cement associations to which the client belongs. This classification helps Erste Group to assess clients' readiness for the transition and shaping engagement strategies with them.

Mortgage and Commercial real estate decarbonisation target

Erste Group's real estate decarbonisation targets are defined for clients in scope of the PCAF real estate module and cover scope 1 and 2 emissions. As communicated in the 2024 CSRD report, Erste Group proactively considered rebaselining these targets because the existing pathways were not aligned with a 1.5°C scenario.

In 2025, the Group implemented significant methodological enhancements to the PCAF real estate module, including scope expansion, the introduction of a machine-learning EPC proxy model and the consideration of a financed property flag. Combined with the updated National Energy and Climate Plans by EU Member States, these improvements triggered the decision to rebaseline the real estate decarbonisation targets in 2025.

The methodological approach of the rebaselining combined a proprietary internal model with a science based pathway assessment. The internal model simulates the development of portfolio emission intensity based on asset-level data, energy performance characteristics and market assumptions. In parallel, a science-based decarbonisation pathway is applied using the SBTi SDA methodology aligned with a 1.5°C scenario (based on CRREM pathways). Both approaches allow Erste Group to track and manage the physical emission intensity of this portfolio using a metric that measures the amount of CO_2e emissions per square meter ($kgCO_2e/m^2$). To benchmark the results from the internal model and assess the implied temperature alignment, an external analysis was conducted using X-Degree Compatibility (XDC) model developed by Right° based on science GmbH.

Mortgages

External benchmarking using the XDC model shows that Erste Group's 2050 retail mortgage portfolio pathway (5.1 $kgCO_2e/m^2$) corresponds to an implied temperature alignment of 2.2°C. The updated mortgage portfolio decarbonisation target is to achieve a 29% reduction in the portfolio's physical emission intensity by 2030, decreasing from a 2024 baseline of 45.2 $kgCO_2e/m^2$ to 32.1 $kgCO_2e/m^2$. The portfolio is predominantly composed of retail business volume. Erste Group closely monitors progress, with interim results for 2025 showing a decline to 43.7 $kgCO_2e/m^2$.

Financed emission intensity at the end of 2025 amounted to 33 tCO_2e/EUR million. The Group has rebaselined decarbonisation targets for this sector, and as stated previously enhanced PCAF real estate module thus no meaningful year-over-year comparison is provided.

Decarbonising the residential mortgage segment remains highly dependent on government action, regulatory incentives and the pace of national energy-system decarbonisation areas where progress in the CEE region is currently limited. Achieving a 1.5°C-

aligned pathway would require large-scale building renovations, substantial energy-efficiency upgrades and a rapid shift towards low-carbon heating technologies. These developments rely heavily on external factors such as the availability of public subsidies, predictable long-term frameworks, simplified permitting procedures and accelerated decarbonisation of national electricity grids. At present, progress in these areas remains uneven across Erste Group's core markets and households continue to face significant financial burden. As a result, the external environment limits the feasibility of achieving a fully Paris-aligned decarbonisation pathway for this portfolio.

Given Erste Group's priority to support clients in reducing the carbon footprint of their real estate assets, the Group has adopted a prudent and responsible ambition that supports the decarbonisation of the housing sector while safeguarding affordability, inclusion and access to finance. As regulatory frameworks evolve and government incentives strengthen, the Group will reassess its decarbonisation pathway to ensure continued alignment with the broader transition of the real estate sector.

The rebaselined decarbonisation pathways have also been incorporated into the C&E scenario analysis to quantify transition-risk impacts and ensure adequate capital planning. From a risk management perspective, aligning scenario assumptions with realistic portfolio trajectories allows Erste Group to identify potential vulnerabilities early and safeguard the resilience of its business model. Based on this analysis, economic capital was allocated to reflect the transition risk associated with the portfolio's current temperature alignment.

Commercial real estate
External benchmarking using the XDC model shows that Erste Group's 2050 commercial real estate portfolio pathway (5.7 $kgCO_2e/m^2$) corresponds to an implied temperature alignment of 1.7°C, which confirm the previous ambition level set by Erste Group (published in the 2024 CSRD report). The updated commercial real estate portfolio decarbonisation target is to achieve a 34% reduction in the portfolio's physical emission intensity by 2030, decreasing from a 2024 baseline of 32.9 $kgCO_2e/m^2$ to 21.9 $kgCO_2e/m^2$. The portfolio predominantly consists of volumes in the corporate business segment, primary from the sub-segment commercial real estate and SME. Erste Group closely monitors progress, with interim results for 2025 showing a decline to 32.0 $kgCO_2e/m^2$.

Financed emission intensity at the end of 2025 amounted to 19 tCO_2e/EUR million. The Group has rebaselined decarbonisation targets for this sector, and as stated previously enhanced the PCAF real estate module thus no meaningful year-over-year comparison is provided.

NET ZERO OPERATIONS TARGET

Erste Group has set a net zero target to reduce its operational scope 1 and 2 emissions by 90% in comparison to the base year (2017). In absolute figures, the target is to reduce scope 1 and 2 emissions from 72,154 to 7,215 tCO_2e by 2030. Additionally, chapter *E1-5* provides more in-depth information on Erste Group's energy consumption and its composition.

The target covers Erste Group Bank AG, Erste Bank Oesterreich and its subsidiaries and CEE subsidiaries in the core markets. The savings banks of Haftungsverbund that are not majority-owned are not included in this target.

The net zero target for operational scope 1 and 2 emissions was set according SBTi´s net zero Standard and Target Setting tool v 1.1, hence there is the compatibility with limiting global warming to 1.5°C. The target setting method applied is absolute contraction, using a cross-sector pathway. It was set in 2021 and its ambition was updated to reflect the further development of the standard and align to best practices. The target covers 100% of scope 1 and 2 emissions of entities in scope. For scope 2, the market-based method is used to calculate the target. Erste Group's baseline values fulfill the requirements and calculation approach of third-party standard setter SBTi. Those standards are based on the latest findings from leading environmental institutions, such as the IPCC. Hence, Erste Group's baseline value is to be considered a representative one.

The net zero operations target addresses climate change mitigation and energy by aiming to reduce negative impacts through energy mix and own GHG emissions. Currently, there is no formal policy covering the operational emission reduction target but an internal action plan. The decarbonisation measures necessary, to achieve the operational target, have been identified to be renewable energy transition, energy efficiency improvement, decarbonising employee mobility and employee engagement and awareness trainings like explained in chapter *E1-3*.

An ongoing dialogue is conducted with relevant stakeholders such as supervisory and regulatory authorities, investors, analysts and rating agencies as well as academic and environmental institutions and NGOs. Inputs from these stakeholders were received through bilateral talks, conferences and supervisory dialogues regarding climate change and consequently used in Erste Group's target setting process. For more details on consideration of interests and views of stakeholders please refer to chapter '*SBM-2 - Interests and views of stakeholders*'.

The basis for Erste Group's target monitoring and review process represent the annual emission calculation of scope 1 and 2 emissions including details on energy consumption and efficiency. With updated annual data, Erste Group assesses its performance against the set targets and adjusts or plans measures accordingly towards the achievement of the target on an entity level, e.g. an increased focus on switching to alternative heating systems in certain regions. In the last two years, Erste Group's scope 1 and 2 emissions showed a significant decrease resulting from the switch to green electricity.

In 2025, scope 1 and scope 2 emissions remained broadly stable, with marginal increase of 0.16%, compared to the previous reporting year, from 19,799 tCO_2e to 19,830 tCO_2e. Overall this continues to represent a substantial 73% reduction compared to the base year 2017. Specifically, scope 1 emissions decreased from 25,733 tCO_2e to 12,362 tCO_2e, while scope 2 emissions fell from 46,421 tCO_2e to 7,468 tCO_2e compared to the base year. While Erste Group's scope 2 emission remained stable, scope 1 emission recorded a considerable decrease of 11% in 2025. This reduction was primarily driven by the growing share of electric vehicles in the fleet which increased from 22% to 36% and enabled the Group to reach its 2025 short-term target of 25%.

At the same time, the decrease in scope 1 emission was counterbalanced by an increase in scope 2 emissions. The rise in scope 2 emissions was primarily due to lower volume of guarantees of origin purchased compared to the previous year and the inclusion of emissions associated with data-centre operations. With these developments, the Group still remains on track to achieve its 2030 target.

Scope 1 and 2 targets

Targets	Metric	Baseline 2017	2024	2025	Target 2030
Total scope 1 and 2 emissions	tCO2e	72,154	19,799	19,830	7,215
Electric fleet	% of e-cars in total carfleet	—	22%	36%	100%

SUSTAINABLE FINANCING TARGETS

To measure the effectiveness of actions implementing its Sustainable Finance Methodology (SFM), Erste Group has defined sustainable financing targets for the corporate and retail core markets.

Methodology

The SFM outlines the following categories based on which a financing can be qualified as a 'sustainable financing':

1. either complies fully with the respective EU Taxonomy criteria for specific purpose financings or general purpose financings weighed by counterpart's most recently published Taxonomy-alignment KPI, if the purpose of the financing is unknown (please refer to the '*EU Taxonomy Disclosure*' chapter for more information) or
2. activities for which simplified internal criterion sets for evaluation apply by either showing reduction in carbon emissions compared to the market standard or by supporting climate and nature related objectives,
3. support of projects from supranational institutions in key-sectors,
4. fulfilment of project categories of voluntary frameworks,
5. support of dedicated national programmes.

Related to climate change mitigation economic activity 'Construction of new buildings'

Considerable reduction in carbon emissions for the activity 'Construction of new buildings' is shown by a primary energy demand that is 10% lower than the national NZEB standard. This is certified by an Energy Performance Certificate.

Climate change mitigation economic activity 'Acquisition and ownership of buildings'

Financings for the activity 'Acquisition and ownership of buildings' are considered sustainable financing when the energy efficiency benchmarks for the real estates show to be among the top 15% of the regional building stock. The general methodology for real estate proxies has been provided by management experts. Reference benchmarks for energy demand are based on the building energy code and the year of construction, taking into account the applicable technical standards at the time. They result in an estimated primary energy demand to be used for a certain type of building in a given area, depending on the available construction date information (e.g., building permit date, year of construction completion, year of construction from the energy performance certificate). For this purpose, the top 15% of existing national building stocks are determined using the year of construction respectively major renovation, using assumptions and extrapolation, such as a linear distribution between data points available, the number of building permits per building use and age according to national legislation.

Climate change mitigation economic activity 'Transportation'

Erste Group finances transportation activities that significantly reduce greenhouse gas emissions, including:

_ Rail Transport: Passenger and freight trains that have zero direct CO_2 emissions or operate primarily on electric infrastructure. Freight wagons must not be dedicated to fossil fuel transport.
_ Road Vehicles: Cars, vans and motorcycles that meet strict EU CO_2 emission standards.

Following categories are reflected as 'Other' in the table New Sustainable Corporate Financing

_ support of projects from supranational institutions in key-sectors (e.g. EIF, EIB),
_ fulfilment of project categories of voluntary frameworks (e.g. Green Bond Principles under International Capital Market Association (ICMA), Green Loan principles under Loan Market Association),
_ support of dedicated national programmes (as per individual analysis).

Sustainable financings from all five categories stated above flow into the table '*Sustainable Financings - actuals and targets*'. Actions, metrics and targets related to Sustainable Financings are partially linked with Material impacts, risks and opportunities (IROs) outlined in chapter *E1 SBM-3*.

25% sustainable corporate financing target by 2026

The 25% sustainable corporate financing target addresses Erste Group's identified positive impacts and opportunities related to climate change mitigation and reduction of emissions in the sectors real estate and renewable energy. This includes primarily financing of real estate projects and renewable energy, while also supporting Erste Group's clients in their decarbonisation efforts and transition to a sustainable state. The Sustainable Finance Methodology outlines which financings contribute to the target achievement (see 'Methodology' in this chapter and *E1-2* for more details).

Erste Group aims to achieve a ratio of 25% of sustainable financings towards corporates in its core markets, including Tiroler Sparkasse in 2026. Several subsidiaries outside the core group have set comparable targets. The target is defined relative to the gross carrying amount of corporate financing on the balance sheet.

15% sustainable mortgages target by 2027

The 15% target for sustainable mortgages tackles Erste Group's recognised positive impacts and opportunities concerning climate change mitigation and efficient use of energy. This involves financing and investing in real estate, renovation and energy efficiency projects supporting the transition to a sustainable state. The Sustainable Finance Methodology outlines which financings contribute to the target achievement (see 'Methodology' in this chapter and *E1-2* for more details).

Erste Group aims to achieve a ratio of 15% of sustainable mortgage lending towards retail clients in its core markets, including Tiroler Sparkasse and Sparkasse Hainburg-Bruck-Neusiedl, in 2027. Some of the Group's credit institutions not included in this group have set themselves comparable targets. The target is defined in relative terms to the on-balance gross carrying mortgage amount towards retail clients.

The following table shows the actual figures and targets for sustainable financing. The first line shows the ratio of the gross carrying amount out of financing business in corporate business sectors that meet sustainable financing criteria, as a percentage of total receivables in these sectors. The second line shows the ratio of the gross carrying amount out of mortgage loans that meet the sustainable financing criteria, as a percentage of total receivables in this portfolio.

Sustainable financing – actuals and targets

	Metric	2024	2025	Target Year	Target (%)
Sustainable corporate financing	% of corporate financing portfolio	18.0%	20,9%	2026	25.0%
Sustainable retail mortgages	% of retail mortgage portfolio	14.9%	15,6%	2027	15.0%

No changes in the targets, corresponding metrics or the underlying methodologies have been made in 2025. Sustainable corporate financings increased from 18.0% in 2024 to 20.9% in 2025 and were mainly driven by real estate financings and renewable energy projects. The sustainable retail mortgage ratio increased from 14.9% in 2024 to 15.6% in 2025.

The denominator for the sustainable mortgage financing ratio is EUR 51,881 million (2024: EUR 46,853 million). The Retail business segment in *Note 1* amounts to EUR 88,180 million (2024: EUR 81,035 million). The difference results mainly from the fact that the sustainable finance ratio only covers the core market entities with their mortgage portfolio.

The denominator for the sustainable corporate financing ratio is EUR 83,163 million (EUR 79,399 million). The Corporates business segment in *Note 1* amounts to EUR 88,855 million (2024: EUR 84,201 million). The difference results mainly from the fact that the sustainable finance ratio only covers the core market entities with their financing business.

The base year for the sustainable corporate financing target is 2022 and for the sustainable retail mortgages 2023.

New corporate sustainable (use-of-proceeds) financing has been supported by a strong contribution from highly energy efficient commercial real estate financing and renewable energy projects driven mainly by financing of wind parks.

The below table contains new business generated during the reporting period in the corporate segment.

New sustainable corporate financing

in EUR million	2024	2025
New corporate sustainable financing, total new business[1]	5,314.7	5,004.0
Construction and real estate	3,514.0	3,515.0
Renewable energy	917.0	732.0
Transportation	320.0	82.0
Other corporate financing[1]	564.0	675.0

[1] The target is applicable for all corporate business lines of parent banks in core markets within Erste Group

The measurement of this metrics has not been validated by an external body.

The sustainable corporate financing target and the sustainable mortgages target were set based on guidance collected through bilateral discussions, conferences, dialogues from supervisory and regulatory authorities, investors, analysts and rating agencies as well as NGOs, academic and environmental institutions. The experts' recommendations were subsequently integrated into the target-setting process. For more details on consideration of interests and view of stakeholders please refer to chapter '*SBM-2 - Interests and views of stakeholders*'. Monitoring is done on a quarterly basis and discussed at respective Management Board meetings.

E1-5 – ENERGY CONSUMPTION AND MIX

Energy consumption at approximately 2,500 business locations is individually recorded and evaluated. Annual electricity and heating consumption values in MWh are collected on an individual address level, broken down by source of electricity and heating type to be able to split the total energy consumption into fossil, nuclear and renewable sources. As proof documents, supplier invoices are recorded in the system. The data is not validated by an external body.

The split between energy from fossil, nuclear and renewable sources is according to following logic:
- Consumption from 100% renewable sources (e.g. purchased green electricity as defined in the contract with the energy supplier) is automatically allocated to 'renewables'.
- Consumption from 100% fossil sources (e.g. oil for heating or diesel for emergency generators) is automatically allocated to 'fossil'.
- For mixed sources like national electricity supply or district heating partially from biomass and fossil sources, data contributors have the option to enter the split as indicated on their energy bills or provided by their suppliers into the system.
- If data contributors do not have access to this information a national average split is applied.

Measurement uncertainty can result from the fact that the collection of energy consumption is not linked directly to the meters installed at the office or branch locations but based on the manual input of energy consumption as invoiced by the energy provider. For some locations, data must be extrapolated if invoices are received after the reporting deadline or to account for different cut-off periods. For those locations where no consumption values, supported by a supplier invoice, were available, an average consumption is automatically applied and calculated for the individual location based on the net floor area considering a national average split of energy source by fossil, nuclear and renewables. Furthermore, energy consumption data from leasing properties owned and rented out by Erste Group's leasing companies is not included due to limitations in data availability.

Compared to the previous year the total energy consumption showed a slight decrease in 2025, while the share of energy from renewable sources remained 56%. The total energy consumption in 2025 amounts to 258,073 MWh.

Energy consumption and mix

	2024	2025
Fuel consumption from coal and coal products (MWh)	0.0	0.0
Fuel consumption from crude oil and petroleum products (MWh)	22,051.0	21,259.3
Fuel consumption from natural gas (MWh)	38,429.0	37,049.8
Fuel consumption from other fossil sources (MWh)	0.0	0.0
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	57,359.0	55,300.8
Total fossil energy consumption (MWh)	117,839.0	113,610.0
Share of fossil sources in total energy consumption (%)	44%	44%
Consumption from nuclear sources (MWh)	554.1	514.8
Share of consumption from nuclear sources in total energy consumption (%)	0.2%	0.2%
Total energy consumption from renewable sources disaggregated by:	149,386.0	143,948.2
– fuel consumption for renewable sources[1]	486.7	355.3
– consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources;	146,634.7	141,106.4
– consumption of self-generated non-fuel renewable energy.[2]	2,265.0	2,486.5
Share of renewable sources in total energy consumption (%)	56%	56%
Total energy consumption (MWh)	**267,779.2**	**258,073.0**

[1] incl. biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renew. sources

[2] The 2024 amount has been corrected from 7,211 to 2,265.

Additionally, Erste Group calculates greenhouse gas (GHG) emissions related to investment properties that are owned by Erste Group entities but not directly operated by the Group. However, these emissions are not included in operative emissions disclosures (*E1-5*, *E1-6*), as the future treatment and disclosure approach for these assets is being evaluated.

For transparency purposes, Erste Group nevertheless calculated the energy consumption and mix of these investment properties. Energy consumption of investment properties falling under scope 1 and 2 was 54,494 MWh.

E1-6 – GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

TOTAL GREENHOUSE GAS EMISSIONS

Total GHG emissions

	Retrospective					Milestones and target years		
	Base year	Base year value	2024	2025	% Change compared to previous year	2030	(2050)	Annual % target / Base year
Scope 1 GHG emissions[1]								
Gross scope 1 GHG emissions (tCO_2e)	2022	20,707	16,803	14,867	-12%			
Percentage of scope 1 GHG emissions from regulated emission trading schemes (%)[2]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Scope 2 GHG emissions								
Gross location-based scope 2 GHG emissions (tCO_2e)	2022	44,769	42,619	44,462	4%			
Gross market-based scope 2 GHG emissions (tCO_2e)	2022	18,742	9,212	9,330	1%			
Significant scope 3 GHG emissions[3]								
Total Gross indirect (scope 3) GHG emissions (tCO_2e)		32,038,783	42,329,822	48,862,650	15%			
Purchased goods and services	2022	3,369	4,242	4,857	15%			
Capital goods	2022	470	362	582	61%			
Fuel and energy-related activities	2022	9,377	7,086	6,226	-12%			
Upstream transportation and distribution	2022	12,736	14,260	15,749	10%			
Waste generated in operations	2022	760	1,645	1,678	2%			
Business travels	2022	7,339	10,518	9,885	-6%			
Employee commuting	2022	23,841	25,546	25,458	0%			
Downstream leased assets	2022	1,730,209	1,913,494	1,712,374	-11%			
Investments	2022	30,250,683	40,352,668	47,085,840	17%			
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2e)		32,104,260	42,389,244	48,921,978	15%			
Total GHG emissions (market-based) (tCO_2e)		32,078,233	42,355,837	48,886,847	15%			

[1] Note: No biogenic emissions are emitted.

[2] Erste Group is not part of any regulated emission trading schemes. Therefore, no scope 1 GHG emissions stem from such schemes.

[3] ESRS E1 refers to the GHG protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard, 2011, which defines 15 scope 3 categories of which only material ones should be disclosed.

The increase in total GHG emissions and GHG intensity per net revenue in 2025 is primarily attributable to enhanced data quality for scope 3 emissions from investments, specifically the inclusion of downstream emissions reported by debtors.

As indicated in *E1-5* Erste Group calculated the emissions attributable to investment properties falling under scope 1 and 2 which amount to 6,408 tCO_2e.

With regards to the methodologies and assumptions used for calculating the measured GHG emission please refer to the subsequent paragraphs concerning operational and financed emissions.

GREENHOUSE GAS INTENSITY PER NET REVENUE

GHG intensity per net revenue

	2024	2025	Change compared to 2024
Total GHG emissions (location-based) per net revenue (tCO_2e/EUR million)	5,589	6,794	22%
Total GHG emissions (market-based) per net revenue (tCO_2e/EUR million)	5,585	6,789	22%

RECONCILIATION OF NET REVENUE

Total net revenue amounts to EUR 21,547 million (2024: EUR 23,612 million) and is determined according to the net revenue definition of the Council Directive 85/635/EEC. It is derived from pre-tax result from continuing operations before personnel expenses, other administrative expenses, depreciation and amortisation, impairment result from financial instruments, interest expense, other similar expense and net fee and commission expenses. Net revenue used to calculate GHG intensity amounts to EUR 7,201 million (2024: EUR 7,584 million). The difference results primarily from items depicted in the table '*Share of the portfolio covered by the calculations*'.

GHG emissions caused by Erste Group's operations are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. Calculations cover scope 1, scope 2 and scope 3 emissions and each was measured in CO_2e. The organisational scope of the calculation refers to all entities in the IFRS scope of consolidation with at least one FTE. To calculate the emissions from activities emission factors with a GWP100 was used including relevant GHG emissions (CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3). The results are not validated by an external body.

In case of the various emission categories, Erste Group implemented the following approaches:

Scope 1 and 2

Erste Group gathers scope 1 and scope 2 environmental data as stated in chapter *E1-5*. For a better understanding of Erste Group's methodologies and significant assumptions behind the metrics please refer to chapter *E1-5*. Scope 2 emissions were calculated by using a location-based and a market-based method. In case of the location-based method, Grid factors were used to calculate the emissions. In case of the market-based evaluation approach, Erste Group considered its actual energy composition based on its own procurement strategy. For conversion to CO_2 equivalents (CO_2e), emission factors from DBEIS 2025 (Department for Business, Energy and Industrial Strategy) and the IEA 2024 (International Energy Agency) are used.

In 2025, 27% (2024: 24%) of Erste Group's total energy consumption was covered by contractual instruments. The purchased instruments include Energy Attribute Certificates (EECS-GO) for green electricity, covering 50% (2024: 39%) of the total electricity consumption and biomass, covering 51% (2024: 28%) of total district heating consumption from biomass.

In 2025, due to the growing share of electric cars in the fleet, Erste Group reduced its scope 1 and scope 2 emissions by 7%, from 26,015 tCO_2e to 24,197 tCO_2e. 4.2 % of scope 1 data is based on country level estimates, while the corresponding percentage for scope 2 is 6 %.

Scope 3

The scope 3 categories 'upstream leased assets', 'downstream transportation', 'processing of sold products', 'use of sold products', 'end-of-life treatment of sold products' and 'franchises' are considered immaterial due to the magnitude of GHG emissions and are not disclosed in the total GHG emissions table.

Scope 3 category 1 - Purchased goods and services

For scope 3 category 1 a spend-based method was used. Emissions for goods and services were estimated by collecting data on the economic value of goods (spend in EUR) and services purchased by Erste Group and multiplying it by emission factors originating from an environmentally extended input-output analysis (EEIOA; exiobase 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

Scope 3 category 2 - Capital goods

For scope 3 category 2 a spend-based method was used. Just like for scope 3 category 1, emissions for capital goods were estimated by collecting data on the economic value (spend in EURO) of capital goods purchased by and multiplying it by emission factors originating from an EEIOA (exiobase 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

Scope 3 category 3 - Fuel-and-energy-related activities (not included in scope 1 or 2)

For scope 3 category 3 the average-data method was used. The emissions were estimated by using secondary emission factors (DBEIS, 2024) for upstream emissions per unit of consumption (T&D and WTT). The data for purchased energy and fuel is actual supplier data, which also serves as the basis for the scope 1 and 2 calculations.

Scope 3 category 4 - Upstream transportation and distribution

For scope 3 category 4 a spend-based method was used. Just like for scope 3 category 1 and scope 3 category 2, emissions for upstream transportation and distribution were estimated by collecting data on the economic value (spend in EUR) of transportation and distribution services purchased by Erste Group and multiplying it by emission factors originating from an environmentally

extended input-output-analysis (exiobase, 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

Scope 3 category 5 - Waste generated in operations
For scope 3 category 5 a waste-type-specific method was used if primary data was available for different waste types in countries. For all primary data available, waste descriptions from Erste Group countries were mapped to waste activities and waste types. Waste types were then matched to waste treatment options based on 'GHG reporting by department of business, Energy and Industrial strategy UK' (defra 2024). After that, the emissions for the waste types were multiplied by emission factors based on the waste treatment options provided by defra. The waste treatment splits were set based on research and municipal waste treatment data from OECD and European Environment Agency.

If a country had no primary data at all, a conservative approach with 100% municipal waste was assumed. To calculate emissions, municipal waste splits per countries as well as defra emission factors were used.

Scope 3 category 6 - Business travel
For scope 3 category 6 the distance-based method was applied. The distance and mode of business trips are collected and partially extrapolated when no primary data was available. For the extrapolation country average distance travelled by mode of transportation based on actual data entered in the system was used. The appropriate emission factors (Federal Environment Agency, 2025), for each mode of transportation used were applied.

Scope 3 category 7 - Employee commuting
In 2024, a survey was performed for scope 3 category 7 among Erste Group employees in selected countries to assess the average distance travelled and mode of transportation used by employees to travel to their place of work. The 2025 emission calculation is based on survey results from 29 entities done in 2024. In total, approximately 50% of FTEs were surveyed with an average participation rate per entity of over 70%. In addition, the number of working days per country, with consideration to vacation days, average sick days and home office rates, was determined. To do this, Erste Group People & Culture department provided the necessary information for vacation days, the average sick days reported per country of last year's non-financial report as well as the home office rate. The appropriate emission factors for each mode of transportation used were applied (Federal Environment Agency, 2024) and multiplied accordingly.

Measurement uncertainty can result especially where extrapolations are made in calculating emissions. This is especially relevant for emission categories where actual data availability is limited such as 'waste generated in operations' and 'employee commuting'.

In the process for preparation and presentation of sustainability information in 2025, Erste Group assessed the ESRS-related requirements on the reporting on Total GHG emissions, to provide information of the group's GHG emissions occurring from its upstream value chain.

In 2025 Erste Group's total operational scope 3 emissions increased due to enhancements in data quality with the biggest increase in emission from employee commuting. The calculation of scope 3 categories 1, 2 and 4 emissions is to 21% based on estimates. For categories 3 and 6 emissions the share of estimates is 12% and for category 5 22%. The calculation of scope 3 category 7 is 100% based on estimates as results from the employee surveys performed were extrapolated using the number of FTEs.

Scope 3 Category 13 and 15 Financed Emissions

Financed emissions stood at 48.8 (2024: 42.3) million tonnes CO_2e and include 'Investments and Downstream Leased Assets' in table '*Financed Emissions*'. Financed emission intensity stood at 246 tCO_2e/EUR million (prior year: 222 tCO_2e/EUR million), which is a year-on-year increase of 24 tCO_2e/EUR million. The increase in intensity can be mainly explained by data quality improvements in scope 3, resulting from the fact that more downstream scope 3 emissions are included in the disclosure this year compared to last year. In line with that, scope 3 data quality score improved from 3.9 to 3.7.

The scope 1 and 2 financed emissions decreased from 14.6 million tonnes CO_2e to 13.5 million tonnes CO_2e despite increasing exposure development, mainly coming from Private Customers, Healthcare and Services and Real Estate. The largest declines in financed Scope 1 and 2 emissions occurred in Private Customers and Real Estate, in line with Erste Group's decarbonization targets. Following GHG protocol, Erste Group reports financed biogenic emissions separately from financed emissions, which amount at 331 tonnes CO_2e.

Overall, the calculation of 2025 financed emissions covers 60.1% of the credit exposure and increased slightly compared to last year (59.5%). The remaining uncovered exposure results from the fact that selected portfolios (e.g., exposure to central banks and credit institutions, off-balance sheet items and consumer loans) are not part of the current financed emission calculation. Erste Group applies the GHG Protocol to determine the minimum boundaries of its financed emission calculation.

Share of the portfolio covered by the calculations

	Dec 24			Dec 25		
	Credit exposure	covered by financed emissions		Credit exposure	covered by financed emissions	
	in EUR million	in EUR million	%	in EUR million	in EUR million	%
Off-balance sheet exposures	73,137	0	0.0%	79,557	0	0.0%
Central banks	21,208	0	0.0%	15,308	0	0.0%
Central governments	63,310	46,817	73.9%	71,404	52,047	72.9%
Credit institutions	24,139	0	0.0%	20,871	0	0.0%
Other financial corporations	9,147	6,466	70.7%	8,976	6,727	74.9%
Non-financial corporations	103,848	101,824	98.1%	108,790	107,169	98.5%
Households	103,978	82,121	79.0%	111,906	84,371	75.4%
Total	**398,766**	**237,228**	**59.5%**	**416,812**	**250,315**	**60.1%**

Erste Group uses the PCAF methodology (version 2022) to account for its financed emissions (scope 3 emissions category 15 'Investments'). As this standard is in conformity with the internationally recognised GHG Protocol (Corporate Value Chain (scope 3) Accounting and Reporting Standard) emissions are calculated for all the seven GHGs that are listed in the Kyoto Protocol. These are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and the fluorinated gases (F-gases): hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF_6) as well as nitrogen trifluoride (NF_3).

For details of the methodology including assumptions see the 'Methodology' section below. Erste Group includes the following PCAF-defined asset classes in its calculation: corporate bonds and listed equity, business loans and unlisted equity, project finance, commercial real estate finance and mortgages. Additionally, Erste Group calculates emissions of the PCAF-defined asset class 'sovereign debt' and reports them in a separate table. The leasing business (category 13 'Downstream Leased Assets') is included in Erste Group scope 3 emissions. This category is calculated using the same methodology as for category 15 and is separately shown as a sub-item. For simplicity and following market practice, the report refers to the PCAF-defined asset class 'corporate bond and listed equity' as 'corporate bond' and the asset class 'business loan and unlisted equity' as 'business loan'.

Weighted Average Carbon Intensity (WACI) sets the client emissions in relation to client revenues, weighted by the share of the respective client in the total portfolio. The WACI can only be calculated for in the PCAF-asset classes business loans, corporate bonds and project finance. For the real estate object related financed emission calculation the metric is not meaningful, as the calculation is dependent on the financed object and not the client emissions. The portfolio WACI stands at 719 gCO_2e/EUR revenue (2024: 664 g CO_2e/EUR revenue). Scope 1 and 2 WACI decreased from 252 gCO_2e/EUR revenue (2024) to 220 gCO_2e/EUR revenue (2025) in line with the decrease in Scope 1 and 2 absolute financed missions and emission intensity. In comparison to that, in Scope 3 the WACI increased from 412 gCO_2e/EUR revenue (2024) to 499 gCO_2e/EUR revenue (2025) due to increased Scope 3 Downstream Emission availability. The WACI for 2024 has been recalculated due to a significant portfolio shift between Business Loans and Real Estate exposures, as well as methodological improvements in the allocation of WACI between Scope 1, 2 and Scope 3 emissions.

One out of the seven currently existing PCAF calculation methodologies – motor vehicle loans – have not been applied yet. The motor vehicles asset class has not been implemented as such because of the low weight of this portfolio. The financed emissions of this portfolio are currently calculated by means of the methodology used for business loans.

Erste Group would restate financed emissions of the base year and the previous year in case:
_ A significant methodological change leads to a deviation of +/-5 % of financed emissions in the reporting year vs. base year.
_ A detected error leads to a deviation of +/- 5 % of financed emissions in the reporting year vs. base year.

There was no requirement to restate emissions this year.

Methodology Business Loan, Corporate Bonds and Project Finance

In the case of business loans, Erste Group follows the PCAF methodology by relying either on emissions reported by the corporate customers or emission factors drawn from the PCAF database or on its own approach for loans to large real estate managing companies.

In 2025, Erste Group refined its PCAF asset class allocation methodology, enabling the reclassification of EUR 13 billion from general-purpose calculations (business loans) to specific-purpose calculations (commercial real estate). This shift was made possible by aligning the PCAF definition of commercial real estate with Erste Group's internal Group Real Estate Financing Policy. Consequently, Erste Group discontinued the previous approach of applying commercial real estate intensity factors to real estate companies classified under NACE L68. The impact of the reclassification is a reduction in financed emissions of –0.7 million tonnes CO_2e, largely attributable to Scope 3 emissions. This reflects the different methodological treatment, as Scope 3 emissions have been included for Business Loans, but are not included for Commercial Real Estate exposures.

Erste Group is deviating from PCAF standard for listed companies in the business loan and corporate bond modules. It applies the balance sheet value instead of the Enterprise Value including Cash (EVIC) as a denominator to calculate the attribution factor for listed companies, as using EVIC might lead to higher volatilities only driven by capital market movements, e.g., in a market stress situation its financed emissions would increase, which doesn't need to be directly related to movements in the physical production of the company. This approach is in line with Erste Group's peers, due to the limitation of the metric.

In case of project finance, Erste Group assumes that renewable energy projects (wind, solar, geothermal and hydropower) have an emission factor for scope 1 and 2 of zero. Otherwise in the absence of financing purpose and specific emission factors, project finance follows the calculation methodology for the business loans asset class by using either the emissions reported by the businesses or estimates based on financial metrics and emission factors drawn from the PCAF database.

Erste Group keeps using the base year 2015 PCAF emission factors (Exiobase database) for the 2025 reporting to ensure comparability with the figures of the previous year, which were also used as a basis for target setting. The initial PCAF version is based on Exiobase 2015 data base and was the most up-to-date version until March 2023, being replaced by Exiobase 2019 data base. Keeping for 2025 the Exiobase 2015 data base is also in line with the user briefing published by PCAF, providing as a recommendation to apply the same economic emission factor dataset for longer periods of time (minimum 3 years). For scope 3 PCAF Emission factors are not containing Downstream Emissions. In October 2025, PCAF released a new database version based on the Comprehensive Environmental Data Archive (CEDA), which Erste Group is currently reviewing. Erste Group plans to begin using the CEDA database in 2026. At present, switching to CEDA would not result in an increase in reported emissions.

Methodology Commercial Real Estate and Mortgages

With regards to commercial real estate and mortgages, the calculation of financed emissions is based on building data, which in a first step is used to calculate the emissions of a financed asset. Depending on data availability, Erste Group calculates emissions from buildings in the following order (which does not reflect the data quality score):

1. CO_2e emissions as per energy performance certificate
2. Primary energy demand (PED) as per energy performance certificate
3. PED class as per energy performance certificate
4. PED class with advanced EPC proxy estimation approach
5. PED class based on the year of construction
6. PED class based on the national average drawn from the PCAF European building emission factor database as of 2025.

Erste Group enhanced the real estate based financed emissions calculation methodology by EPC proxy estimation approach. This approach applies advanced methodologies (e.g., machine-learning algorithm) to derive EPC labels from collateral data or other relevant information. In 2025, the identification framework for financed real estate exposures was enhanced. The introduction of a financed-property flag resulted in the exclusion of specific exposures, while real estate assets without buildings were explicitly identified and classified as vacant land. Financing of vacant land was therefore treated separately and assigned zero financed emissions.

For calculation 3 to 6, average primary energy demand is based on the primary energy demand class recorded in the PCAF European building database as of 2025. Once primary energy demand has been determined, it has to be converted into emissions as input for calculation 2 to 6. If primary energy demand is not specified in local legislation or has not been historically recorded, final energy demand is used as an alternative. The year selected as the national average in the PCAF European building emission factor database was 2020, in line with a conservative methodology for the older buildings. This approach is used when no better data is available, which is most often the case for older properties.

Erste Group decided to use emission conversion factors based on statistical data on energy mixes and emission intensities. These factors are also a key component in the development of scenarios for the future in the decarbonisation model. In addition, conversion factors obtained in this manner come with the advantage, that where in-house portfolio data are available, national averages may be substituted by the relevant portfolio data (e.g. if the gas portion in the portfolio is below/above the national average). Moreover, this internally developed emission conversion factor enables Erste Group to apply values tailored to the specific heating medium used, thereby aligning with Erste Group's financed data rather than relying on national averages. Main data sources for the energy mixes and electricity-based emission intensities of the core countries were Eurostat and Electricity map and for the heating-based emission intensities the German Umweltbundesamt (UBA). Plausible local data sources were as well taken into consideration, particularly for non-EU countries.

Financed emissions

	Credit exposure	Credit exposure covered by emission calculation	Financed emissions, thousand tCO_2e [1, 2]		Emission intensity in tCO_2e/in EUR million		Weighted data quality (High=1, Low=5)		Weighted average carbon intensity (WACI) in gCO_2e/EUR revenue	
	in EUR million	in EUR million	Scope 1 and 2	Scope 3[2,3]	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3
2025										
per PCAF asset class										
Corporate bonds	—	2,265	413	840	182	371	3.1	3.4	275	601
Business loans	—	71,139	9,400	33,767	132	475	3.5	3.7	175	494
Project finance	—	3,665	347	649	95	177	2.8	3.7	1,056	542
Mortgages	—	76,564	2,495	—	33	—	3.7	—	—	—
Commercial real estate	—	44,634	849	—	19	—	3.4	—	—	—
Total	**416,812**	**198,266**	**13,504**	**35,256**	**68**	**178**	**3.5**	**3.7**	**220**	**499**
per sector										
Natural resources & commodities	13,932	9,591	2,968	4,590	309	479	3.5	3.7	365	504
Energy	20,169	8,742	2,978	5,871	341	672	2.7	3.3	1,038	876
Construction	20,177	8,692	1,426	2,839	164	327	3.7	3.9	175	324
Automotive	8,774	5,797	255	4,434	44	765	3.2	3.2	43	725
Cyclical consumer goods	8,807	5,597	443	1,400	79	250	3.6	3.6	80	234
Non-cyclical consumer goods	11,909	7,726	901	4,333	117	561	3.3	3.5	97	443
Machinery	8,475	4,298	175	6,183	41	1,439	3.5	3.8	46	2,017
Transportation	10,497	5,186	406	1,252	78	241	3.5	3.7	117	279
TMT	8,231	4,700	157	1,173	33	250	3.2	3.2	53	327
Healthcare & Services	14,554	9,736	414	1,754	43	180	3.8	4.0	71	224
Hotels and Leisure	10,843	8,644	264	695	30	80	3.7	3.9	37	197
Real estate	49,433	43,510	747	193	17	4	3.4	4.1	38	145
Public sector	84,393	152	2	19	13	125	2.8	2.7	32	829
Financial institutions	29,965	2,901	49	423	17	146	3.7	3.8	31	227
Private customers	111,461	72,992	2,319	96	32	1	3.7	5.0	15	88
Other sectors	5,191	3	1	1	163	204	4.0	4.0	117	304
Total	**416,812**	**198,266**	**13,504**	**35,256**	**68**	**178**	**3.5**	**3.7**	**220**	**499**
of which category 13 (Downstream Leased Assets)		4,104	630	1,078	153	263	4.6	4.7		
according to risk countries	—									
Austria	—	93,922	4,342	10,900	46	116	3.6	3.8	139	433
Czechia	—	39,222	3,413	4,548	87	116	3.7	3.7	221	349
Romania	—	5,746	777	4,595	135	800	3.2	3.3	367	1,120
Slovakia	—	10,932	822	3,478	75	318	3.4	3.7	222	551
Germany	—	18,223	1,262	1,731	69	95	3.6	3.8	423	324
Croatia	—	7,187	905	1,510	126	210	3.4	3.5	304	431
United States	—	2,032	315	1,245	155	613	2.8	3.3	218	774
Hungary	—	5,267	417	1,078	79	205	3.3	3.6	179	514
Netherlands	—	1,325	55	1,247	42	941	3.0	2.8	85	916
Singapore	—	285	17	951	60	3,341	2.4	2.4	39	1,426
Remaining Countries	—	14,125	1,179	3,973	83	281	3.3	3.5	316	636
Total	**416,812**	**198,266**	**13,504**	**35,256**	**68**	**178**	**3.5**	**3.7**	**220**	**499**

[1] For details on the calculation of financed emissions see 'Methodology'.

[2] Financed emissions also include category 13 'Downstream Leased Assets' of Erste Group Scope 3 emissions, which are shown separately as a sub-category.

[3] Where Erste Group uses reported emissions for calculating scope 3 emissions, this includes – if both are reported – both upstream and downstream emissions. Where Erste Group uses emissions with national emission factors from the PCAF database, only Scope 3 upstream emissions are accounted for due to data availability. The data quality score for Scope 3 emissions is therefore reported separately.

	Credit exposure	Credit exposure covered by emission calculation	Financed emissions, thousand tCO2e[1, 2]		Emission intensity in tCO_2e/in EUR million		Weighted data quality (High=1, Low=5)		Weighted average carbon intensity (WACI) in gCO_2e/EUR revenue	
	in EUR million	in EUR million	Scope 1 and 2	Scope 3[2,3]	Scope 1 and 2	Scope 3	Scope 1, 2 and 3	Scope 3	Scope 1 and 2	Scope 3
2024										
per PCAF asset class										
Corporate bonds		2,315	470	738		522	3.5	3.6	344	540
Business loans		80,587	9,930	26,355		450	3.9	3.9	147	389
Project finance		3,201	352	618		303	3.8	3.8	579	1,019
Mortgages		74,765	3,208	0		43	3.8	0.0	0	0
Commercial real estate		29,549	595	0		20	3.5	0.0	0	0
Total	**398,766**	**190,417**	**14,554**	**27,712**		**222**	**3.8**	**3.9**	**168**	**417**
per sector										
Natural resources & commodities	13,951	9,402	3,080	5,545		917	3.6	3.6	333	645
Energy	18,499	7,705	3,116	4,193		948	3.2	3.3	742	1,000
Construction	18,860	8,441	1,663	2,763		524	3.9	3.9	186	314
Automotive	8,576	5,882	248	2,509		469	3.3	3.3	51	528
Cyclical consumer goods	8,465	5,606	471	1,333		322	3.6	3.6	70	204
Non-cyclical consumer goods	11,630	7,491	681	3,114		507	3.5	3.7	152	708
Machinery	7,538	3,890	182	3,238		879	3.8	3.9	48	857
Transportation	10,375	4,820	456	1,150		333	3.8	3.9	109	276
TMT	7,949	4,528	170	725		198	3.3	3.3	67	296
Healthcare & Services	12,190	8,311	332	1,287		195	4.0	4.1	68	294
Hotels and Leisure	10,246	8,316	279	699		118	3.9	4.0	45	197
Real estate	47,729	42,408	977	745		41	4.0	4.8	66	105
Public sector	86,830	101	1	16		173	2.7	2.4	35	940
Financial institutions	33,192	2,555	37	294		130	3.9	4.0	17	148
Private customers	102,416	70,954	2,862	99		42	3.8	4.9	15	88
Other sectors	318	5	0	1		213	4.1	4.2	68	291
Total	**398,766**	**190,417**	**14,554**	**27,712**		**222**	**3.8**	**3.9**	**168**	**417**
of which category 13 (Downstream Leased Assets)		4,085	731	1,183		468	4.7	4.7		
according to risk countries										
Austria		92,369	4,769	8,429		143	3.9	4.1	118	257
Czechia		36,891	3,575	4,379		216	3.9	3.9	201	375
Romania		10,592	1,010	3,107		389	3.5	3.8	135	595
Slovakia		17,462	1,562	1,716		188	3.7	3.8	149	333
Germany		5,166	508	2,001		486	3.6	3.7	149	634
Croatia		6,335	984	1,094		328	3.7	3.7	283	359
United States		2,073	293	1,190		715	3.1	3.4	476	1,938
Hungary		5,111	472	980		284	3.4	3.5	155	521
Netherlands		1,039	50	1,205		1,207	3.1	3.2	50	1,270
Singapore		197	25	714		3,748	2.1	2.0	68	1,961
Remaining Countries		13,182	1,306	2,897		319	3.6	3.7	237	639
Total	**398,766**	**190,417**	**14,554**	**27,712**		**222**	**3.8**	**3.9**	**168**	**417**

[1] For details on the calculation of financed emissions see 'Methodology'.
[2] Financed emissions also include category 13 'Downstream Leased Assets' of Erste Group Scope 3 emissions, which are shown separately as a sub-category.
[3] Where Erste Group uses reported emissions for calculating scope 3 emissions, this includes – if both are reported – both upstream and downstream emissions. Where Erste Group uses emissions with national emission factors from the PCAF database, only Scope 3 upstream emissions are accounted for due to data availability. The data quality score for Scope 3 emissions is therefore reported separately.

Detailed results by sector

Erste Group used its in-house customer segmentation by sectors for the purpose of PCAF measuring and disclosure of financed emissions.

The sector posting the highest financed emission intensity for scope 1 and 2 of 341 tCO_2e/EUR million, was the Energy industry, with a credit exposure covered in the emission calculation of EUR 8.7 billion.

The sector posting the highest financed emission intensity (scope 1, 2 and 3), of 1,480 tCO_2e/EUR million, was the Machinery industry, with a credit exposure covered in the emission calculation of EUR 4.3 billion.

Detailed results by country

Financed emissions are broken down by customers country of risk. Because of its business model, the country with the highest absolute level of financed emissions (15.2 million tCO_2e) is Austria, which at the same time has the lowest level of emission intensity at 162 gCO_2e/EUR. The country with the highest emission intensity is Singapore at 3,401 tCO_2e/EUR million, with absolute emissions coming to 1.0 million tCO_2e.

Detailed results by data quality

Erste Group relies on the PCAF methodology for scoring data quality (data availability), where the scale ranges from a score of DQ 1 (= highest data quality) to DQ 5 (= lowest data quality). The data quality of the calculations reflects the high dependence on sectoral emission factors, as relevant customer information was not widely available. Reported emissions in the corporate customers segment are currently not distinguished between verified and non-verified and therefore the DQ 2 is applied, following a conservative approach.

The weighted average data quality of the quantified portfolio was 3.6 as of 2025 reporting and thus improved versus the previous year (2024: 3.8). The table shows a breakdown of financed emissions distinguished by data availability (energy performance certificates for the real estate sector and reported emissions for the other PCAF asset classes).

Erste Group is disclosing financed emissions from clients reported emissions or derived from an available energy performance certificate separately from financed emissions where it used PCAF factors to calculate financed emissions. The share of emissions derived from reported emissions or an available energy performance certificate amounts to 38% (2024 29%) of the credit exposure (covered by the emission calculations) and 52% (2024: 43%) of financed emissions. The significant improvement in data quality is driven by higher availability of Energy Performance Certificates, improved identification of vacant land and reclassification of Exposure from Business Loan to Real Estate Calculation. The exposure share is higher for the real estate sector, even though it must be noted that the energy performance certificate – depending on country-specific standards – partially covers only the (primary) energy demand and not the level of emissions.

For corporate segments, the emission intensity (tCO_2e/EUR million) is lower where Erste Group uses PCAF factors to calculate emissions. For scope 3 this is mainly driven by the fact that PCAF emission factors only contain upstream emissions. Also, the scope 1 and 2 emission intensity for corporate clients are higher in the reported emissions segment. One of the drivers can be unequal industry distribution as clients in carbon intensive sectors are more likely subject of emission disclosure requirements.

Financed emissions by data quality

	Credit exposure covered by calculated emissions	Financed emissions, thousand tCO_2e		Emission intensity tCO_2e/in EUR million		Weighted data quality (High = 1, Low = 5)	
	in EUR million	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3
Total 2025	**198,266**	**13,504**	**35,256**	**68**	**178**	**3.5**	**3.7**
Reported emissions / energy performance certificate available (by PCAF asset class)							
Corporate bonds [1]	1,010	198	631	196	625	2.0	2.0
Business loans [1]	15,313	2,179	21,148	142	1,381	2.0	2.0
Project finance [1]	661	5	330	7	500	2.0	2.0
Mortgages [2]	31,573	517	—	16	—	3.0	—
Commercial real estate [2]	27,197	391	—	14	—	2.9	—
Total	**75,755**	**3,290**	**22,110**	**43**	**292**	**2.7**	**2.0**
No Reported emissions / no energy performance certificate available (by PCAF asset class)							
Corporate bonds	1,255	214	209	171	166	3.9	4.5
Business loans	55,826	7,221	12,619	129	226	4.0	4.1
Project finance	3,003	343	318	114	106	2.9	4.0
Mortgages	44,991	1,978	—	44	—	4.2	—
Commercial real estate	17,436	459	—	26	—	4.1	—
Total	**122,511**	**10,215**	**13,146**	**83**	**107**	**4.0**	**4.1**

[1] Availability of reported emissions for corporate bonds / business loans : reported emissions are available for all scopes that are of relevance for calculating financed emissions (equivalent to DQ 2).

[2] Availability of energy performance certificate for mortgages and commercial real estate: energy performance certificate is available and has been used for calculating financed emissions (equivalent to DQ 3).

	Credit exposure covered by calculated emissions	Financed emissions, thousand tCO_2e		Emission intensity tCO_2e/in EUR million		Weighted data quality (High = 1, Low = 5)	
	in EUR million	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3	Scope 1, 2 and 3	Scope 3
Total 2024	**190,417**	**14,554**	**27,712**	**76**	**322**	**3.8**	**3.9**
Reported emissions / energy performance certificate available (by PCAF asset class)							
Corporate bonds[1]	802	233	514	290	641	2.0	2.0
Business loans[1]	14,288	2,060	14,030	144	982	2.0	2.0
Project finance[1]	446	1	277	2	622	2.0	2.0
Mortgages[2]	24,014	578		24		3.0	
Commercial real estate[2]	16,169	281		17		3.0	
Total	**55,720**	**3,153**	**14,821**	**57**	**954**	**2.7**	**2.0**
No Reported emissions / no energy performance certificate available (by PCAF asset class)							
Corporate bonds	1,512	237	224	157	148	4.3	4.5
Business loans	66,299	7,870	12,326	119	186	4.3	4.4
Project finance	2,755	351	341	127	124	4.0	4.0
Mortgages	50,751	2,630		52		4.2	
Commercial real estate	13,380	313		23		4.2	
Total	**134,697**	**11,401**	**12,891**	**85**	**183**	**4.2**	**4.3**

[1] Availability of reported emissions for corporate bonds / business loans : reported emissions are available for all scopes that are of relevance for calculating financed emissions (equivalent to DQ 2).
[2] Availability of energy performance certificate for mortgages and commercial real estate: energy performance certificate is available and has been used for calculating financed emissions (equivalent to DQ 3).

Sovereign emissions

Erste Group's sovereign emissions stand at 10.9 million tCO_2e including land use, land change and forestry (LULUCF) and 11.9 million tCO_2e excluding LULUCF. The decision to report them separately from other financed emissions is driven by the fact that sovereign scope 1 emissions include the whole production of a country, thus leading to double counting of financed emissions. Additionally, sovereign emissions development should follow countries' national transition plans, decreasing till 2050 according to the governmentals' committments. For the calculation of Sovereign emissions, Erste Group applies the PCAF database as of September 2025. The database provides mainly 2021 figures, expressed in million USD. For the calculation of sovereign emissions, the USD/EUR FX rate of the respective emission factor year is applied.

	Credit exposure covered by emissions calculation	Financed emissions, thousand tCO_2e		Emission intensity tCO_2e/ EUR million		Weighted data quality
Country	In EUR million	Scope 1 incl. LULUCF[1]	Scope 1 excl. LULUCF[1]	Scope 1 incl. LULUCF[1]	Scope 1 excl. LULUCF[1]	Scope 1[2]
2025						
Czechia	16,254	4,867	4,546	299	280	1.0
Romania	8,066	871	1,520	108	188	1.0
Slovakia	5,803	1,173	1,441	202	248	1.0
Austria	8,239	1,166	1,347	142	164	1.0
United States	3,082	557	628	181	204	1.0
Remaining Countries	10,600	2,237	2,443	211	231	1.4
Total	**52,044**	**10,872**	**11,925**	**209**	**229**	**1.1**

[1] Land use, land change and forestry (LULUCF)
[2] no change between incl. and excl. LULUCF

Country	Credit exposure covered by emissions calculation In EUR million	Financed emissions, thousand tCO_2e Scope 1 incl. LULUCF[1]	Financed emissions, thousand tCO_2e Scope 1 excl. LULUCF[1]	Emission intensity tCO_2e/EUR million Scope 1 incl. LULUCF[1]	Emission intensity tCO_2e/EUR million Scope 1 excl. LULUCF[1]	Weighted data quality Scope 1[2]
2024						
Czechia	14,757	4,419	4,127	299	280	1.0
Romania	7,775	840	1,465	108	188	1.0
Slovakia	5,596	1,131	1,389	202	248	1.0
Austria	6,029	854	986	142	164	1.0
United States	2,223	603	685	271	308	1.0
Remaining Countries	10,438	2,446	2,570	234	246	1.4
Total	**46,818**	**10,292**	**11,222**	**220**	**240**	**1.1**

[1] Land use, land change and forestry (LULUCF)
[2] no change between incl. and excl. LULUCF

Biodiversity and ecosystems

This section focuses on Erste Group's impact on biodiversity and ecosystems. Biodiversity or biological diversity can be understood as the variety of life and refers to the uniqueness of all living things (Federal Ministry for Agriculture and Forestry, Climate and Environmental Protection, Regions and Water Management). Biodiversity loss can lead to the extinction of species and the depletion of genetic variations. This can have a far-reaching impact on the food chain and the dynamics of ecosystems, on which humanity thrives.

Erste Group is committed to assess and disclose its biodiversity-related impacts, dependencies, risks and opportunities. Erste Group recognises the indirect impact its investments can have on biodiversity through the identified subtopic soil sealing.

E4 SBM-3 – MATERIAL IMPACT RELATED TO BIODIVERSITY AND ECOSYSTEMS

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
E4-Soil sealing	Negative impact	Financing real estate and public infrastructure projects can have a negative impact on biodiversity as soil is sealed and land is degraded, thus causing increased flooding risks, climate change exacerbation and possible health issues caused by decreased air and water quality.	Portfolio	All time horizons

SOIL SEALING

The EU Soil Strategy for 2030 emphasises that soil sealing is highly relevant for Europe and the region Erste Group is active in. Soil sealing has substantial negative impacts on the environment and society, including the loss of essential ecosystem services, increased flood risks and more intense urban heat island effects. Additionally, soil sealing can contribute to water scarcity, as sealed surfaces prevent the natural infiltration of water into the ground.

The relationship between biodiversity and financial institutions is indirect. Erste Group finances companies that are at least partly dependent on ecosystem services to produce goods and services. Soil sealing has been identified in the 2025 double materiality assessment (DMA) as a negative impact on biodiversity originating from Erste Group's portfolio activities, in particular the financing of real estate projects and public infrastructure that seal land. Soil sealing contributes to increased flooding risk, exacerbates climate change and can lead to potential health issues due to reduced air and water quality.

Real estate accounts for the largest share of Erste Group's portfolio activities. Further information can be found in the Consolidated Financial Statements in Note 35 Credit risk exposure under the sections 'Credit Risk Exposure by Industry and Risk Category' and 'Credit Risk Exposure Collateralised'.

Erste Group has no material impact (in form of office and branch locations) on biodiversity-sensitive areas and no material impacts were identified related to its own operations affecting any biodiversity-sensitive areas.

E4-1 – RESILIENCE OF ERSTE GROUP'S STRATEGY AND BUSINESS MODEL IN RELATION TO SOIL SEALING

ERSTE GROUP'S BUSINESS ENVIRONMENT

Erste Group has analysed the business environment it is operating in and performed an analysis to assess the resilience of Erste Group's business model. As part of the resilience analysis, both physical and transitional risks are tracked and analysed. Within this framework, biodiversity loss is categorised under other-environmental risks. Systemic risks are not treated as a separate risk type, but are indirectly covered when transition and physical risks are assessed based on comprehensive stress testing. Erste Group's own operations and upstream value chain have not been assessed.

The assessment covers short-, medium- and long-term horizons. The time horizons, used for the assessment of the business environment and resilience are defined by risk management and are as follows:
_ short-term: 0-1 year
_ medium-term: 2-5 years
_ long-term: more than 5 years (up to 2050)

Currently, systematic external stakeholder involvement in the analysis has not yet been established. However, an ongoing dialog is conducted with relevant stakeholders, such as supervisory and regulatory authorities, investors, analysts and rating agencies as well as academic and environmental institutions and NGOs. These discussions were also taken into account in the assessment of the topic as material.

The evaluation for the resilience analysis was carried out in a holistic and qualitative manner and included in the assessment process. Further details can be found in chapter *E1 SBM-3* - Resilience of the business model.

RESULTS OF THE RESILIENCE ANALYSIS

The primary goal of the resilience analysis was to illustrate how the business model of Erste Group could be influenced by various climate and environmental risk factors. Biodiversity and ecosystem-related physical and transition risks are not yet covered comprehensively by the resilience analysis. Still, Erste Group did not identify any significant threats to its business model or strategy when considering biodiversity and ecosystems-related physical or transition risks with the existing analysis. Systemic risk is not yet analysed.

STRATEGY AND BUSINESS MODEL

Erste Group is assessing its strategy and business model in the light of the analysis described above. Erste Group actively engages with clients and takes environmental policies into account when deciding on new business. As an example, in the course of the valuation of the collateral and inspection of a property, it must be examined in terms of biodiversity. For this purpose, the Green Building Certificate can be checked for information on biodiversity as the first source of information. The biodiversity related information has to be documented in the valuation report. If violations of environmental protection are identified, the necessary renaturation costs must be taken into account in the valuation.

E4-2 – POLICIES RELATED TO SOIL SEALING

Erste Group did not yet develop a comprehensive policy to address this sustainability matter. As a first immediate step, its internal Group Responsible Financing Policy has been complemented by restrictions to finance activities or projects that may impact protected sites or are located within protected areas. Once having established a methodology to estimate or measure the actual contribution to soil sealing from its financed portfolio, Erste Group is dedicated to develop a strategy, establish more actions and set targets to reduce negative impacts on biodiversity and ecosystems from soil sealing. Material dependencies, physical and transition as well as systemic risks and opportunities are currently not covered.

GROUP RESPONSIBLE FINANCING POLICY

The Group Responsible Financing Policy establishes the exclusion criteria for financing of the Energy, Defense, Biodiversity and Gaming & Gambling sector. In the DMA, Erste Group has identified a material impact related to its financed portfolio for the subtopic soil sealing. As a result, Erste Group has broadened the scope of this policy and implemented exclusion criteria regarding activities and projects in protected areas, or with adverse impact on protected areas as a first step to reduce the identified negative impact. Erste Group will not finance any activities with material adverse effect on protected areas. An impact assessment of the project must be carried out to assess all potential impacts. If the impact assessment confirms that satisfactory mitigation measures have been taken to compensate for any negative impacts of the project on the protected area, the project may be financed. The Group Responsible Financing Policy focuses on the financing business for corporate clients of Erste Group, its international branches, its credit institution subsidiaries and their subsidiaries. This policy supports the steering of the portfolio and contributes to addressing the identified material impact. Through clearly defined exclusion and non-eligibility criteria, Erste Group aims to eliminate, prevent and mitigate ecosystem-related impacts.

Erste Group has established a clear structure and governance for executing decisions within the scope of the Group Responsible Financing Policy and has implemented both a first and second level of control. At both the group and local levels, the first line of control is executed by the business units and credit underwriting teams. On the group level, the second line of control is ensured by the Non-Financial Risk function, in collaboration with the ESG function within the Credit Risk Portfolio. Locally, the second line of control is carried out by the respective local Risk functions. The Group Responsible Financing Policy is owned by Credit Risk Portfolio, has been communicated to relevant employees and is publicly accessible via Erste Group's website. The policy's principles are reviewed at least annually, with updates made more frequently as deemed necessary by Erste Group.

More information on Erste Group's Responsible Financing Policy can be found in *E1-2*.

E4-3 – ACTIONS AND RESOURCES RELATED TO SOIL SEALING

Erste Group recognises the critical importance of biodiversity and ecosystems and is committed to addressing the negative impact of soil sealing. Specific actions have not yet been established. However, Erste Group has reviewed the scope of its Group Responsible Financing Policy and implemented exclusion criteria regarding activities and construction projects in protected areas as a first step to reduce the identified negative impact. Following the identification of the material impact in the DMA 2025, specific actions to measure progress will be defined in the upcoming years on the basis of a more in-depth analysis.

E4-4 – TARGETS RELATED TO SOIL SEALING

Erste Group is dedicated to integrating targets to reduce negative impacts on biodiversity and ecosystems into its strategic framework. Specific targets have not yet been established. The identified material impact of soil sealing will trigger more comprehensive disclosures in upcoming years.

E4-5 – IMPACT METRICS RELATED TO SOIL SEALING

Specific metrics related to the identified material impact of soil sealing in Erste Group's real estate portfolio have not yet been established. Erste Group does not disclose biodiversity metrics relating to its own operations, because it has no material impact on biodiversity-sensitive areas.

Social information

Own workforce

The scope of this chapter covers the material impacts and the opportunity that Erste Group has identified towards the company's own employees.

Erste Group's success in the ongoing development of its organisation, its corporate culture and competences is critically driven by employee engagement. Erste Group promotes modern working methods that support flexible, adaptive and client-centric work. Erste Group attaches great importance to recruiting, retaining and engaging a highly qualified workforce to ensure its continuing success and strives to be the employer of choice in the region in both the financial and IT sectors by offering opportunities for training and continuing professional development, diverse and international teams, as well as exciting tasks within a flexible organisation.

S1 SBM3 – MATERIAL IMPACTS, RISK AND OPPORTUNITIES RELATED TO OWN WORKFORCE AND THEIR INTERACTIONS WITH STRATEGY AND BUSINESS MODEL

As part of its commitment to transparency and sustainability, this chapter provides a comprehensive overview of the IROs related to its own workforce. As a leading bank, it is crucial for Erste Group to prioritise the well-being and development of its employees.

The company's employees comprise individuals in employment relationship engaged in business operations or providing services in alignment with their designated roles and remunerated in accordance with the Group Remuneration Policy. The employees of Erste Group are permanent and temporary employees, full-time and part-time employees, interns, trainees and apprentice. In addition to its own employees, Erste Group also engages non-employees for a defined period based on contractual terms. Employment contracts take precedence over non-employees agreements.

Actual and potential impacts on the company's workforce, as well as an opportunity for Erste Group were identified through the double materiality assessment (DMA). The impacts originate from and are connected to people-intensive operations. Group policies and Erste Group's People & Culture strategy addresses these impacts. This linkage ensures that workforce impacts shape strategic priorities and decision-making. By fostering leadership in digital transformation and providing further education in technology and AI, Erste Group seizes the opportunity to strengthen its business model by enhancing workforce skills and driving innovation. Policies and actions related to IROs identified extend to own employees excluding non-employees.

Sustainability matter	Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
Equal treatment and opportunities for all	S1-Gender equality and equal pay for work of equal value	Negative impact	The current gender pay gap which is mainly caused by gender disparity at different job levels at Erste Group disadvantages female employees.	Own operations	All time horizons
	S1-Training and skills development	Opportunity	Tailored trainings and further education with regards to technology and AI improve employee's professional skills and qualifications and increases productivity and innovation.	Own operations	All time horizons
	S1-Diversity	Positive impact	Diversity initiatives, such as employee networks that target demographics that would otherwise experience potential exclusion, have a positive impact on Erste Group employees by fostering an inclusive corporate culture. These efforts create an open environment where support is prioritized, allowing employees to feel valued and empowered.	Own operations	Short- to medium-term
		Potential negative impact	Workplace discrimination can profoundly impact vulnerable groups of employees by fostering a hostile and unsafe work environment. These issues can lead to heightened stress and anxiety, making these employees feel unsupported and excluded and might affect their mental and physical health.	Own operations	All time horizons

GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE

Erste Group fosters initiatives for fair and equal pay for its employees, regardless of their gender. There has been a negative impact of gender pay gap identified related to own employees, which is systemic within the context of job structure and prevalence of certain gender in certain job roles. The objective is to achieve a sustainable reduction of both the adjusted and unadjusted gender pay gap among employees of Erste Group. First steps towards transparency of gender pay gap reporting were done in 2023 by establishing a group-wide common approach, definition and external certification. Actions and targets focus on the job structural aspects of gender pay gap, to balance representation of women and men in various job roles especially in top-management. For more information about the methodology and measurements please refer to chapter *S1-4* and chapter *S1-16* for actions and metrics.

The company is actively pursuing several measures to reduce pay disparities through existing internal resources at both Group and local People & Culture levels. No additional costs were incurred in 2025. (In 2024, costs were incurred due to the engagement of external consultancy services.)

TRAINING AND SKILLS DEVELOPMENT

The training program strengthens AI literacy across all local entities, enabling employees to confidently work with AI systems and unlock new opportunities. By leveraging advanced data and AI capabilities, Erste Group can boost operational efficiency, elevate customer experiences and accelerate product innovation. These advancements support sustainable growth and contribute to strong, future-oriented financial performance.

Tailored trainings and further education with regards to technology and AI create an opportunity to improve employee's professional skills and qualifications and increases productivity and innovation.

Coordination of the actions is in group and local People & Culture departments and Erste Group's subsidiary Österreichische Sparkassenakademie with expenditures amounting to EUR 21.6 million in 2025 (2024: EUR 21.3 million).

DIVERSITY

Erste Group fosters an inclusive corporate culture that creates an open environment of inclusion and support for all employees, regardless of gender, ethnic background, sexual orientation, age or any other characteristics. A work culture shaped by acceptance, respect, fairness and equal opportunities has a positive impact on its employees.

Erste Group recognizes both positive and potential negative impacts related to diversity. Erste Group's positive impact is visible in the support provided to vulnerable groups by fostering an open, supportive environment that values and empowers the respective groups (such as people with disabilities, queer people and women). Erste Group actively prevents potential workplace discrimination for all employees. Recognizing that discrimination can disproportionately affect vulnerable groups, leading to feelings of exclusion, increased stress and potential harm to mental and physical health, the company embeds anti-discrimination measures within its policies and culture.

Actions taken by Erste Group to address diversity and equality include various diversity initiatives such as employee networks Erste Colours for queer employees, Erste Women's Hub for women & Erste Ability for employees with disability. The coordination of the measures lies with group and local People & Culture departments.

Diversity is an integral part of the company's identity, the client interactions and the corporate culture of Erste Group. Accordingly, the resources supporting diversity measures are embedded across various departments. Therefore, the budget varies and depends on the number of projects, training courses and initiatives for the respective year.

S1-1 – POLICIES RELATED TO OWN WORKFORCE

Impacts, risks and opportunities	Strategy / Policy	Actions	Targets
The current gender pay gap which is mainly caused by gender disparity at different job levels at Erste Group disadvantages female employees.	Group Remuneration Policy Group Diversity and Inclusion Policy	Hiring and Succession Planning Standards based on Women Career Index Performing a Gender Pay Gap Analysis	Gender representation in management board positions and on B-1 management level
Tailored trainings and further education with regards to technology and AI improve employee's professional skills and qualifications and increases productivity and innovation.	Group People & Culture Strategy	Skills-based development talks and performance reviews Employee and leadership development	No target
Diversity initiatives, such as employee networks that target demographics that would otherwise experience potential exclusion, have a positive impact on Erste Group employees by fostering an inclusive corporate culture. These efforts create an open environment where support is prioritized, allowing employees to feel valued and empowered. Workplace discrimination can profoundly impact vulnerable groups of employees by fostering a hostile and unsafe work environment. These issues can lead to heightened stress and anxiety, making these employees feel unsupported and excluded and might affect their mental and physical health.	Group Diversity and Inclusion Policy	Employee Resource Groups: Erste Colours, Erste Women's Hub & Erste Ability Discrimination prevention strategies	Gender representation in management board positions and on B-1 management level

The People & Culture strategy of Erste Group is founded on the objective of building the bank of tomorrow through its people. The strategy is organised around three key priorities: talent, leadership and performance.

At Erste Group, employees' individual drive, as well as their functional and technological expertise are key in creating value. Placing the right skills and capabilities at the heart of Erste Group's hiring and internal mobility decisions, ensures that people are matched with their roles where they can thrive and have an impact.

Leadership culture is a key differentiator of Erste Group's employer brand. In an era of rapid technological change, leaders play a pivotal role in unlocking the potential of Artificial Intelligence and digital innovation. Their ability to champion technology-driven transformation, foster customer-centricity and prioritize the development of individuals and teams ensures that Erste Group stays ahead in a competitive market. Erste Group needs leaders who not only manage but inspire, embrace emerging technologies and deliver results that matter.

Erste Group's Leadership Dimensions are more than guiding principles – they represent a competitive advantage in shaping a future-ready organization. By actively promoting AI and technology-related upskilling, leaders empower teams to make confident decisions, enhance productivity and drive meaningful change across the Group.

At Erste Group, performance management puts focus on impact rather than hierarchy. Alignment with strategic goals follows by establishing clear expectations around both results and behaviours. Continuous dialogue, regular feedback and development planning foster a performance culture at Erste Group.

Erste Group gives its employees a voice through regular group-wide engagement surveys, which are described in S1-2 in more detail. Based on this continuous feedback from its employees, Erste Group supports targeted improvement measures in all areas and constantly grows with its employees.

These measures include a commitment to greater transparency and gender equality in remuneration. Erste Group's principles of employee centricity drive its operations, enabling Erste Group to realise the potential of its employees. Furthermore, Erste Group is committed to nurturing an inclusive work environment for all employees, including monitoring progress towards targets in collaboration with its local bank subsidiaries to reach underrepresented gender ratio metrics on managerial levels.

HUMAN RIGHTS COMMITMENTS

Erste Group's Code of Conduct sets clear commitments for human rights protection, guided by its values, ethical principles, national and international laws. These commitments are grounded in recognized international human rights frameworks, including the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

Erste Group's Code of Conduct refers to its Group Diversity and Inclusion Policy, which clearly defines expected behaviour, roles and responsibilities and demonstrates how diversity is lived across Erste Group, thus ensures that all employees and customers are treated equally. With regard to labour rights, Erste Group's Code of Conduct aligns with national labour laws as well as the principles of the ILO Declaration on Fundamental Principles and Rights at Work, and it upholds all fundamental rights by encouraging freedom of association and collective bargaining, prohibiting any form of forced or child labour, eliminating any form of discrimination, and promoting a safe and healthy working environment. Erste Group further strengthens this commitment through direct and indirect engagement with its employees, and through clearly defined processes to address any form of discrimination. Further information is provided in chapter *S1-2* and *S1-3*. Fair and reasonable remuneration is integral to compliance with labour rights within Erste Group, and is governed by the Group Remuneration Policy. The Code of Conduct is approved by the Holding Management Board and is available on Erste Group's website.

Processes and mechanisms to monitor compliance with these international standards and conventions include Erste Group's regular procedures outlined in chapter *S1-2* and *S1-3* to raise the concerns and remedies for negative impacts on human rights violation. Erste Group further supports adherence to its commitments through the Erste Integrity whistleblowing platform, which serves as the central mechanism for confidentially reporting suspicions of misconduct or seeking guidance on related topics. More information on the Erste Integrity Whistleblowing Platform is provided in the G1 section.

GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE

Erste Group aims to promote fair rewards based on job value and equal pay for similar roles. The compensation structure is built on competitive base pay and gender-neutral policies, guaranteeing equal pay for equal work or work of equal value.

Erste Group recognizes that the unadjusted gender pay gap partly reflects the underrepresentation of women in higher-paid roles. To address this, targets for women in top management are set and fair succession planning is implemented (see chapter *S1-5*). Collective agreements and internal job grading further support equality within job roles.

Group Remuneration Policy

Erste Group's Remuneration Policy establishes the standards, rules and principles of the remuneration system and strategy, which are designed to reward competitively, based on long-term sustainable performance. The Remuneration Policy promotes gender equality and equal pay for equal work, thereby creating a secure environment with standardised and adequate wages for all employees regardless of their gender. All employees are entitled to fair and favourable working conditions with special focus on remuneration. This necessitates to strive for a reduction of the adjusted as well as the unadjusted gender pay gap.

The Remuneration Committee of Erste Group Bank AG's Supervisory Board is responsible for overseeing the implementation of the Remuneration Policy to ensure it operates as intended. The committee functions under delegated authority from the supervisory function. The Remuneration Committee of Erste Group Bank AG approves the general principles of the Remuneration Policy, reviews them at least once a year and is responsible for their implementation. The committee monitors the Remuneration Policy, remuneration practices and remuneration-linked incentive programmes in relation to the control, monitoring and containment of risks, the capital base and liquidity. The committee approves material exceptions from the application of the Remuneration Policy to individual staff members of the company and monitors the payment of variable remuneration to members of the Management Board. The committee members collectively possess adequate knowledge, skills and experience in remuneration policies and practices, risk management and control activities, as well as variable remuneration schemes and the associated risks. The committee considers the long-term interests of employees, shareholders, investors and other stakeholders in Erste Group. It holds meetings at least twice a year.

The Remuneration Policy provides a remuneration framework and applies to all employees of Erste Group and to members of the Supervisory Board of Erste Group Bank AG on a consolidated, sub-consolidated and solo level, in all credit and financial institutions and other institutions within the scope of CRR consolidation, including all branches. The Remuneration Committee is responsible for overseeing the implementation of the policy to ensure it operates as intended. The Committee functions under delegated authority from the supervisory function. The Group Remuneration Policy refers to Erste Group's Code of Conduct, which covers third-party standards like the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights.

Employees are represented in the Remuneration Committee of Erste Group Bank AG by representatives of the Works Council of Erste Group Bank AG. The Remuneration Policy is communicated to all employees through Erste Group's intranet.

TRAINING AND SKILLS DEVELOPMENT

Erste Group strives to be the place where people transform obstacles into opportunities, learn continuously and collaborate across boarders. Training and development not only enhance qualifications, engagement and productivity, but also generate future advantage for Erste Group. By strategically investing in tailored technology and AI-related training in line with the Group AI Strategy and Group AI Governance Policy, Erste Group strengthens employees' professional skills and future-ready qualifications. The training program aims to establish a foundational understanding of AI systems across all local entities enabling employees to recognize potential risks, comply with applicable regulations, and make informed decisions when interacting with AI systems. Empowerment through data and AI, using advanced data and AI capabilities increases operational efficiency, enhances the customer experience, and ensures regulatory compliance which transforms to sustainable long-term financial results of Erste Group.

All employees have access to professional development coordinated by Group and local People & Culture teams and the Oesterreichische Sparkassenakademie.

Technology and AI in People & Culture Strategy

The topic of Training and Development is steered under a common umbrella within Erste Group People & Culture strategy without a specific group policy in place focused on upskilling and AI people development.

AI training and development efforts are closely connected to Erste Group strategic commitments on development of human expertise and digital innovation skills. In the People & Culture Strategy of Erste Group, this pillar translates into placing technology awareness and deep understanding of customer journeys at the core of all talent-related activities. In line with the strategic priorities, continued skill development in AI will remain central and transparent, supporting all employees in delivering high-quality, customer-oriented services in an AI-enhanced environment. Group People & Culture is the most senior level accountable for implementation of the strategy.

DIVERSITY

For Erste Group, an inclusive corporate culture means recognising every employee for their individuality. Erste Group understands diversity and inclusion as a mindset that obliges everyone to treat each other with respect, so that everyone feels safe to speak their mind openly. Erste Group seeks to create an environment in which people are enabled to develop themselves, support each other when facing challenges and bring out the absolute best in themselves and their peers. By communicating Erste Group's diversity values outside and inside the organisation, all employees and business partners perceive the overarching objective of Erste Group's open environment and acceptance of all.

Building on this foundation, Erste Group translates its commitment to diversity and inclusion into concrete actions that shape everyday practice. As part of its corporate strategy, the Group implements initiatives designed to reduce barriers and foster equal opportunities, such as advancing gender balance, supporting employees from diverse backgrounds and ensuring accessibility for individuals with disabilities. These principles are brought to life through comprehensive training programs that promote respectful interactions, raise awareness of unconscious bias and strengthen inclusive leadership, complemented by sessions on preventing harassment and enhancing disability inclusion. Employee resource groups, including Erste Women's Hub, Erste Colours and Erste Ability, further reinforce representation and create spaces for dialogue and belonging. All measures are embedded within the Group Diversity and Inclusion Policy, which ensures accountability, clear governance structures and dedicated resources to sustain progress and uphold the inclusive mindset that defines Erste Group.

Group Diversity and Inclusion Policy

Erste Group's Diversity and Inclusion Policy addresses sustainability matters related to diversity, gender equality and discrimination. Promoting diversity within the organisation fosters an open and inclusive corporate culture, which positively impacts equal opportunities for its employees, so that they can develop and grow within Erste Group's organisation.

The Group Diversity and Inclusion Policy addresses both the positive and potential negative impacts. In terms of positive impact, fostering an inclusive corporate culture includes supporting employee networks that represent demographics that might otherwise face potential exclusion, the policy defines diversity dimensions such as ethnicity, gender, sexual orientation, gender identity, social economic status, age as well as cognitive dimensions. In terms of potential negative impact, the policy highlights the importance of creating a discrimination-free workplace as a foundation for an inclusive culture. This is reinforced through designated focal persons (such as an ombudsperson or anti-discrimination officer) who handle complaints accessible processes for all employees and track the frequency and type of complaints related to discrimination, as well as, ongoing training, such as unconscious bias and anti-harassment programs that strengthens awareness and prevention.

The Group Diversity and Inclusion Policy describes roles and responsibilities, as well as general guidelines for developing, implementing and adjusting diversity and inclusion strategies and targets. Group Diversity coordinates the implementation of D&I initiatives across business units and countries, advises the Holding Board and top management on D&I matters through regular reporting and monitors progress to ensure strategic consistency. The Holding Management Board approves the Group Diversity and Inclusion Policy.

The Group Diversity and Inclusion Policy covers employees of local banks in Erste Group's core markets (Erste Group Bank AG, Erste Bank Oesterreich, Česká spořitelna, Banca Comercială Română, Erste Bank Hungary, Slovenská sporiteľňa, Erste & Steiermärkische Bank (Erste Bank Croatia) and Erste Bank a.d. Novi Sad (Erste Bank Serbia)), with the respective entities responsible for their local subsidiaries. The Management Board holds the highest level of accountability for the implementation of the policy. It refers to Erste Group's Code of Conduct, which aligns with third-party standards such as the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights. The Group Diversity and Inclusion Policy is communicated to all employees through Erste Group's intranet.

S1-2 – PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

As a responsible employer, Erste Group recognises the importance of engaging with its workforce and workers' representatives to understand the impacts of its operations on its employees. One approach that Erste Group takes to foster positive impacts and mitigate negative impacts is by promoting a feedback culture. The company supports this culture by providing many channels for direct and indirect engagement with employees, managers, teams and communities. This gives employees ample opportunities to voice their views and concerns and provide feedback on matters of training and skills development, diversity and equality and any other topic.

The Management Board, particularly the CEO, is entrusted with the responsibility of managing the organisation in a manner that serves the best interests of the company, while considering the interests and concerns of the employees.

DIRECT ENGAGEMENT

Erste Group engages with its employees directly through annual one-to-one performance reviews, through the Group internal social network, via the Group engagement survey or indirectly via representative bodies such as works council. Employee engagement activities take place at both the organisational level and lower ones such as team, project or community level.

Performance reviews

Skills development management at Erste Group is driven by constructive feedback and a fair and transparent assessment of individual potential. The individual performance review meeting takes place annually between the direct superior and the employee. During the performance review, the contribution and impact the employee has made to the company's success and employee's personal development plan are discussed. The department management (B-1), as the most senior role, is required to consider the results of these discussions and have an overview of performance and impact in their area of responsibility. Additionally, assessments of long-term performance and potential of individuals can be made during talent reviews / succession planning sessions throughout the year.

Group-wide internal social network

In 2024, Erste Group's internal social network was successfully launched for all employees. It is part of the communication platform 'echo'. The internal social network is an interactive and easy-to-use communication channel, which fosters dialogue between employees. It increases visibility and interaction across country and entity borders and establishes a unique and shared employee experience. Additionally, this tool is useful for top management to share and discuss current topics, initiatives and events with all employees.

Overall, Erste Group's internal social network is very well received by employees. As of the end of December 2025, there are 20 active group-wide communities (2024:14) in which employees exchange knowledge about ESG, Artificial Intelligence, Tech trends, etc. or get together to support each other e.g. Queer and Allies community, Erste Colours community, Ability and Inclusion, community Women's Talk, Gen Z Community. Furthermore, there are more than 300 country- and institute-specific communities (2024: 270) in place. Group Communications together with the local Communications Departments are responsible to develop the communication platform enhancing employee experience and strengthening its group-wide governance.

Engagement survey

Erste Group aims to improve its workplace culture by actively listening to employees and acting on their feedback. The employee surveys provide insights into employee engagement, identifying both strengths and areas for growth. Erste Group aims to conduct the survey on a yearly basis. The People & Culture team is responsible for coordinating regular engagement surveys at the group level.

The employee engagement survey serves as a highly valuable mechanism for receiving feedback from employees which influences decisions directly. The transparent nature of the results and feedback obtained from the survey enables the implementation of an effective improvement and action plan. These results are presented to local management boards and the Holding Board at the group level. Teams are encouraged to work on improving identified areas at a team level. Furthermore, areas that require improvement as well as a summary of actions and approaches on country level are made available to all employees on the intranet. The results are handled under strict confidentiality. All participants are informed of the confidentiality framework at the beginning of the survey. In addition, the principles governing confidentiality are clearly outlined in the intranet FAQs. Employee perspectives are integrated into the decision-making process, and employees are informed about how their feedback has influenced decisions through their managers and HR Business Partners in the first place. In addition, each country has established its own follow-up process, tailored to local needs and organizational context. An example is the introduction of the so-called role of 'Magic Advisors' in some entities to customise actions within their own teams based on the team's feedback in the engagement survey.

In 2025, Erste Group conducted an employee engagement survey to measure employee engagement and help make Erste Group the best workplace it can possibly be. More than 44,000 people (2024: 40,000) were invited and more than 36,000 employees (2024: 32,000) participated, achieving a response rate of 82% (2024: 81%). Their ratings and more than 57,000 comments (2024: 37,000) contributed to a group-wide Employee Engagement Index score of 80 out of a possible 100 points (same as 2024). To ensure a positive impact of the survey on the employees, a follow-up process to discuss feedback with employees and plan the next steps was initiated at various levels across the Group. Group results and country results together with analyses of employees comments and action steps are presented to the Holding Management Board.

INDIRECT ENGAGEMENT VIA WORKER'S REPRESENTATIVES

In accordance with legal requirements, Erste Group involves its employees in management decisions via representative bodies in matters that directly affect employees.

In Erste Group Bank AG, as required by law, four times a year the works council meets with the Management Board. In addition, People & Culture routinely convene with the works council to hold discussions and keep a steady line of communication. The works council informs regularly employees about current topics, developments and actions, so that it keeps them up to date, demonstrating the effectiveness of indirect engagement with employees.

The main tasks of the works council are:
_ representing the economic, social, health-related and cultural interest of employees,
_ safeguarding the interests of employees with regard to the employer,
_ monitoring adherence to laws relating to employees, payment of salaries, occupational health and safety,
_ intervening to ensure compliance with employee-related legislation, improving working conditions and setting up/organising in-company training,
_ two-way sharing of information: from the Management Board to the works council and from the works council to the employees and vice versa,
_ employee counselling and consultations with the employer on current and individual matters.

The local banks in Erste Group's core markets (Erste Group Bank AG, Erste Bank Oesterreich, Česká spořitelna, Banca Comercială Română, Erste Bank Hungary, Slovenská sporiteľňa, Erste & Steiermärkische Bank (Erste Bank Croatia) and Erste Bank a.d. Novi Sad (Erste Bank Serbia)) have different forms of employee representation based on local legislation. They are represented through trade unions or work-councils under national legislation at the company level. The subsidiaries continuously collaborate with employee representation bodies at the strategic and operational levels and arrange regular meetings between the local management board and the representative body. Collective agreement is conducted between the representative bodies and government bodies. The majority of the Savings Banks in Austria have their own works councils. The respective councils collaborate with one another and meet three to four times per year to align on key objectives.

Employees are welcome to contact the works council at any time through a channel of their preference such as email, phone, Microsoft Teams Call, or personally to ask for support or raise concerns for individual matters. Once an employee reaches out, a meeting, either in person or online will be arranged with a member of the works council, which will consult the employee and will handle this information with highest confidentially. If it becomes necessary to involve the employee's line manager to resolve the

matter, the works council will do so given that the employee agrees. Should a follow-up meeting be required, it will be scheduled accordingly.

Regular engagement between management and representative bodies occurs as required by local law. Works council delegates participate in the employer's supervisory bodies, with one third of the members representing employees. By law, the works council is either proactively or, upon request, promptly and fully informed about all significant matters of business management. Within its consultation rights, the works council must be heard and may submit proposals that the employer is required to consider in planning and decision-making. Based on this process, works agreements mandatory, enforceable, or voluntary may be negotiated.

Erste Group has concluded an agreement with the European Works Council. This agreement applies to all employees in Erste Group operations and entities subject to Directive 2009/38/EC on the Establishment of a European Works Council and, beyond that, in all those countries in which Erste Group operates and which have entered into an association agreement with the European Union.

ENGAGEMENT WITH VULNERABLE GROUPS

To gain insights into the interests of employees who are part of vulnerable groups, Erste Group has established various initiatives such as Erste Colours, Erste Ability and a group-wide social network to get valuable insight to the views of all its employees including vulnerable people or queer people (for more information, see chapter *S1-4*). The Holding Board is informed about activities and enters the dialogue with employee network groups.

S1-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

Processes to remediate negative impacts and channels for the own workforce to raise concerns are crucial for any organisation that cares about its employees' satisfaction and engagement. Erste Group takes this responsibility seriously and is committed to address any material negative impact on its workforce that it may cause or contribute to, with special attention to equal treatment and discrimination. Erste Group identifies and assesses negative impacts through employee engagement surveys, feedback mechanisms between managers and employees as well as incident reporting systems through dedicated channels. Furthermore, Erste Group investigates reported issues to understand their root causes.

When a negative impact is identified, Erste Group takes steps to provide remedies, which may include:
_ providing access to counselling and support services,
_ implementing corrective actions, such as policy changes or additional training,
_ engagement with employees and their representatives to ensure that the remedies provided are fair and effective.

To ensure effectiveness, Erste Group monitors the outcomes of its remediation actions through feedback from affected employees and engagement surveys.

Approach to remediation of discrimination and gender equality

To remediate cases of discrimination, Erste Group has established specific channels and processes to enable employees to raise their concerns. Each entity has its defined anti-discrimination approach. Erste Group's employees can address their concerns regarding any type of discrimination, including gender equality and equal pay for work of equal value.

Erste Group's entities have aligned the anti-discrimination processes with their respective local legal requirements and Erste Group's values. The objective is to ensure a zero-tolerance for unacceptable behaviour in the workplace, including discrimination, harassment, bullying, mobbing, violent behaviour, gender-based discrimination and to provide all employees with the necessary channels to submit complaints and fully exercise their rights. The banks have respective policies or internal acts regarding anti-discrimination, for instance in Bosnia and Herzegovina (Labour Regulations of Sparkasse Bank dd BiH and Code of Ethics), Czechia (Code of Ethics and Work Rules), Hungary (Code of Ethics), Montenegro (Whistleblowing Policy and Code of Ethics), North Macedonia (Workplace Harassment Protection Law and Discrimination Law), Poland (Good Conduct Policy, Anti-mobbing Policy, an Anti-discrimination Rules within the Work Regulations), Slovakia (Whistleblower app), Serbia (Whistleblowing Policy and Code of Conduct), Croatia (Whistleblowing policy, Labour Regulation Rulebook, and Anti-discrimination Officer), and in Slovenia (Internal procedure, and assigned officers for handling complaints and remediation).

These policies and internal acts are available on the entity's intranet and the employees are informed about the respective local laws during the onboarding process. Depending on the entity, employees can file complaints to the Anti-discrimination Committee, Committee of Ethics, the Internal Ombudsman, the Ethics Manager, Head of HR Employee Care Department, or the Head of local unions, authorised individuals from Human Resources or Legal or mobbing officers. For more details refer to chapter *S1-4*.

Channels to raise concerns

As already described, Erste Group has established multiple channels through which employees can raise concerns and have their needs addressed by the company:

_ line manager as the first contact point to raise any concerns,
_ whistleblowing process (see chapter *G1-1*),
_ worker's representatives, e.g., local works councils,
_ employee survey,
_ performance reviews,
_ contact with the Anti-Discrimination Officer, ethics manager, ombudsman office, or specially trained people.

Each entity decides on local initiatives to inform employees about the availability of channels to raise their concerns. One of the options used is to inform newcomers right from the beginning of their employment as part of the onboarding welcome day programme.

Given the highly sensitive nature of the matters addressed through these mechanisms, Erste Group does not currently conduct formal surveys among employees who have used internal grievance or concern raising channels. Protecting the privacy, dignity, and emotional wellbeing of individuals who use these channels is a priority, and Erste Group aims to avoid creating any perception for employees of pressure to evaluate or measure outcomes or individual solutions regarding these sensitive processes.

Nevertheless, Erste Group does obtain insights regarding the functioning of these channels. Employees who make use of the mechanisms frequently provide individual feedback directly to the antidiscrimination officer or other designated contact persons. While this feedback is not collected or recorded as part of a formal measurement system, it provides qualitative indications of experience and trust employees have in the process. In addition, Erste Group monitors whether individuals escalate their concerns to external bodies after having used the internal channels. Such escalation occurs only in rare cases, which Erste Group interprets as an indirect indicator that the majority of users find the internal resolution process adequate and effective.

The channels through which employees can raise their concerns and needs are well-established, as dialogues with line managers and the employee survey occur regularly. Due to the consistent rhythm of engagement opportunities and the multitude of channels available for employees to raise their concerns and issues, the measures taken to improve employee matters are regularly monitored with consideration to employee interests at the local entity level. On a group level Erste Group can assess the effectiveness of the whistleblowing channel which also includes reports related to unacceptable behaviour. The measures taken based on the whistleblowing reports are provided to the Management and Supervisory Board. In addition, the Head of Group People & Culture is a member of the Whistleblowing Committee which indicates that cases related to its employees are given special attention.

S1-4 – TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE AND EFFECTIVENESS OF THOSE ACTIONS

Group People & Culture identifies necessary and appropriate actions in response to actual or potential negative impacts on the workforce through structured processes embedded in the People & Culture strategy and Group policies. To ensure that organizational practices do not cause or contribute to material negative impacts on its own employees, Group People & Culture works in close cooperation with employee council and where relevant also other departments.

Erste Group has implemented various actions to address the material topics of gender equality, training and skills development and diversity to demonstrate a commitment to preventing, mitigating and remedying significant negative impacts while especially contributing to achieving positive impacts and pursuing opportunities. Erste Group has established group policies that provide a framework for its approach to these material matters (listed in chapter *S1-1*). The local policies in each entity respect the local legal framework of the country in which they operate and are in line with the group policies through a rollout implementation process.

Financial and other resources for actions related to Erste Group's own employees are allocated locally based on the strategy of each entity, however mostly in local human resources departments. The actions are taken in the reporting year and are also planned to continue in the future to bring a continuous positive impact on the employees and to mitigate the negative impact of gender pay gap to ensure continuous gender equality and preventing potential negative impact of discrimination.

The actions presented in the table below reflect a broad set of Group practices designed to support employees across Erste Group's entities. Group-wide measures, such as those embedded in the Remuneration Policy and Group Code of Conduct, apply to all Erste Group entities. This include equal opportunities, diversity and inclusion, fair working conditions and remuneration and anti-discrimination and respectful behaviour in the workplace. Initiatives under the People & Culture Strategy and the Succession

Policy are primarily implemented across the major banking entities in the local markets. Together, these actions ensure a consistent, responsible and employee-focused framework across the entire Group and contribute to effectively addressing material impacts on the workforce.

Sub-topic	List of key actions	Policy
S1-Gender equality and equal pay for work of equal value	Hiring and Succession Planning Standards based on Women Career Index Performing a Gender Pay Gap Analysis	Group Remuneration Policy Group Diversity and Inclusion Policy
S1-Training and skills development	Skills-based development talks and upskilling Employee development	Group People & Culture Strategy
S1-Diversity	Employee Resource Groups: Erste Colours, Erste Women's Hub & Erste Ability Discrimination prevention strategies	Group Diversity and Inclusion Policy

GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE

Erste Group reaffirms its strong commitment to advancing gender equality and ensuring equal pay for work of equal value. In 2025, the Group continues to actively work on targeted measures derived from the Women Career Index (FKi) initiative focusing on strengthening gender equality, increasing female representation in leadership and supporting career development for women and maintain monitoring and steering of the gender pay gap, reinforcing its dedication to creating a fair and inclusive workplace.

Hiring and Succession Planning Standards based on Women career index (FKi)

Building on last year's comprehensive analysis, Erste Group continued its commitment to fostering equitable career development for women across the organization. The index model applied offers strategic insights into organizational structures and readiness for change, serving as a benchmark across industries. The FKi is an ongoing initiative that involves all local banks in Erste Group's core markets. Data collection is conducted in a regular cycles.

In 2025, the focus shifted towards translating these insights into tangible actions. Based on the group-wide findings, two overarching measures were developed to advance equal opportunities: the establishment of inclusive hiring and succession planning standards. Additionally, each local bank defined at least one tailored initiative, which is currently being implemented.

Gender Pay Gap Analysis

The aim of the gender pay gap analysis group initiative is to have a common approach group-wide, to use a common methodology, common definitions and the same certification. The gender pay gap is measured as an unadjusted index and also as an adjusted index where structural explanatory factors are taken into account. More information is provided in chapter *S1-16*. Coordination of the actions lies in group and local People & Culture departments.

A gender pay gap calculation of unadjusted gender pay gap is performed for all employees. Analyses of the structural impacts and adjusted gap are performed for more than 80% (2024: 80%) of employees (excluding students and trainees). The objective of this action is to bring group-wide transparency on equal gender opportunities and remuneration.

Ensuring balanced nominations in talent management, conducting hearings for all positions, targeted coaching, balanced succession lists and conducting a group-wide diversity audit are actions to balance gender representation in management positions and to target the negative impact of gender pay gap in the entities in scope of the Group Diversity Policy and the Group Succession Policy.

Via regular review and adjustment, Erste Group hopes to prevent negative impacts. The actions related to the sustainability matter of gender equality and equal pay for equal work are monitored through the established targets concerning gender representation and are continuously assessed for their effectiveness (for more information, see chapter *S1-5*).

By implementing these initiatives and setting targets on balanced gender distribution in the top-management, the organisation fosters a more inclusive and diverse environment, where equal opportunities and remuneration are provided for all employees.

TRAINING AND SKILLS DEVELOPMENT

Erste Group fosters continuous leaning and development, recognizing the opportunity and potential of technology and artificial intelligence. Through tailored trainings and further education in technology and AI, Erste Group improves and empowers employees professional skills and qualifications leading to company competitive advantage in shaping a future-ready organization.

To strengthen and support training and skills development, Erste Group places focus on future-ready skills like data literacy and Artificial Intelligence. A comprehensive approach includes specialised trainings on data and AI, performance reviews and development talks, and targeted leadership and employee development programs.

To evaluate the impact of its individual and team development initiatives, Erste Group evaluates by participant numbers, trainings demand and qualitative feedback.

Skills-based development talks and upskilling

Development discussions and performance reviews play a central role in identifying and cultivating future relevant capabilities. Annual development cycles are being strengthened with skills-based development talks, profiling individual skills such as those related to AI and digital literacy, and helping to establish development plans. By integrating technology and AI related skill development into these processes, Erste Group can direct employees toward tailored training and continuous learning pathways that enhance their professional qualifications in identified job positions. This targeted investment in upskilling not only strengthens digital readiness but also creates financial opportunities for the organization: improved productivity, more efficient workflows, reduced operational risks, and accelerated product innovation. Through structured feedback and development planning, the Group ensures that individual growth ambitions align with strategic business needs and equip employees in identified job positions to leverage technological advances for sustainable performance and value creation.

As Erste Group initiated a skills management initiative and started alignment on group-wide standardized skills catalogue in 2025, AI literacy and digital literacy are core skills, with structured evaluations and gap analysis processes to be implemented. This will ensure that Erste Group's employees are equipped to drive innovation, engagement and long-term value creation.

The employee performance talks with line managers is a group wide current measure. These employee interviews are a long-term initiative designed to achieve a sustained impact. The interviews take place on a yearly basis.

The opportunity effectiveness of qualified high skilled employees with greater employee engagement and productivity is not directly measurable with any specific indicator but can be visible in a long run through improvements in processes and products that indirectly contribute to the financial result of the company.

Employee development

At Erste Group, using technology and Artificial Intelligence are important elements that are embedded in the learning and development initiatives, ensuring a consistent baseline across functional and leadership programs, aiming to prepare employees and leaders to navigate transformation and leverage innovation effectively.

Erste Group provides centrally managed group-wide learning programmes as well as country-specific personalised development offers. Specialised training in Austria and across the group covers areas such as corporates & markets, finance including controlling, asset/liability management, accounting, data excellence and AI knowledge. These programmes are a current long-term initiative designed to achieve a sustained impact. All these programmes are offered on a yearly basis and have been running for several years.

The newly introduced group-wide Learning Week further connects learning to strategic priorities. Each day featured 5 sessions on future skills and updates on digital internal projects, showcasing also specific examples on applying digitalisation and using AI. The program was openly available to the employees and the recordings made available afterwards.

In line with the business strategy, enhancing the Data and AI knowledge and capability across the organisation has been defined as one strategic goal for upcoming years. In partnership with Group AI Office, learning journeys for various target groups have been designed and implemented based on the role-specific skills expectations. The learning journeys consist of a mix of various formats, from AI Literacy web-based training available for all employees, webinars and specialised trainings and seminars.

In addition, senior leaders across the group attended an AI for Executives programme, focused on gaining a solid understanding of AI as a catalyst for innovation and source of competitive advantage and discovering opportunities to create value through AI implementations.

All courses and programmes are easily accessible and bookable through the Learning Management System. Erste Group continually updates learning materials to reflect changes in regulations and offer training in fields like risk management, security and compliance. The accessibility of learning offerings is constantly enhanced by the extensive implementation of digital learning formats.

DIVERSITY

Diversity initiatives, such as groupwide trainings, employee networks and various diversity events that specifically address vulnerable groups at risk of exclusion make a significant contribution to fostering an inclusive corporate culture at Erste Group.

These measures create an open and supportive environment where equal opportunities are prioritized, enabling employees to feel valued and empowered to realize their full potential.

Throughout 2025, Erste Group has consistently advanced its diversity focus areas with a clear strategic approach. A strong foundation was established across the Group, including the implementation of key trainings in local languages such as 'Fostering Respectful Interactions' and 'Recognizing and Preventing Sexual Harassment'. In addition, to mark the International Day of Persons with Disabilities, Erste Group launched its first Group-wide Disability Awareness Day on December 3, aimed at raising awareness and fostering inclusion in the workplace.

Together with the ongoing development of Employee Resource Groups and inclusive leadership initiatives, these efforts reflect the long-term commitment of Erste Group to embedding diversity and inclusion into its organizational culture and to fulfilling the Group-wide gender targets.

Employee Resource Groups

Erste Group fosters a diverse and inclusive workplace through several ongoing active Employee Resource Groups (ERGs). These groups are dedicated to promoting equal opportunities, empowerment and visibility for employees from underrepresented or vulnerable communities – including women, queer individuals and people with disabilities.

Through tailored formats, ERGs create spaces for networking, dialogue and peer support. Their initiatives contribute meaningfully to building an inclusive culture and complement the Group's broader diversity and career development efforts.

Erste Colours advocates for the agendas of queer people. The group initiates and organises various events and content formats throughout the year with the goal to raise awareness for LGBTQIA* people and their challenges. The Employee Resource Group supports the organisation of Erste Group's appearance at Vienna Pride, one of Erste Group's partnerships.

Erste Women's Hub is a network for women in Austria that has been providing a platform for exchange, networking and career development for over ten years. It empowers women to share innovative ideas and actively shape their professional paths. As a catalyst for personal and professional growth, the network plays a key role in promoting gender equality across all levels of the organisation. A new working group, NextGen Woman, started its activities with a focus on next generations.

Erste Ability is Erste Group's network focused on disability inclusion. It aims to raise awareness, break down taboos and provide a platform for knowledge sharing and networking. This year, the breakfast events continued to be well attended, reflecting strong interest and engagement. The Erste Ability Leo Talks format has also become well established, offering valuable support to employees navigating disability in the workplace. All initiatives under Erste Ability are designed to promote openness, understanding and equal participation and are aligned with Erste Group's broader diversity and inclusion goals.

The Employee Resource Groups are mainly active in Austria and Hungary. In the other core markets, initial activities have been established and are gaining visibility and significance. These resource groups are playing an increasingly important role at the local level by fostering exchange, enabling empowerment and contributing to the integration of diversity and inclusion within the respective local entities. These groups are designed for the long term and will continue their work in the future.

The initiatives of the Employee Resource Groups are regularly evaluated by participant numbers and qualitative feedback.

Resources for actions related to diversity matters are allocated in diversity teams locally and on the group level. Budget for group diversity trainings is coordinated and allocated in the group diversity team on a yearly basis.

Discrimination prevention strategies

In alignment with the Group Diversity and Inclusion Policy, the establishment and maintenance of a discrimination-free environment is recognised as fundamental to fostering an inclusive workplace culture. This commitment applies to Erste Group's employees and represents an ongoing initiative across all time horizons to prevent potential negative impacts. Workplace discrimination can profoundly impact vulnerable groups of employees by fostering a hostile and unsafe work environment. These issues can lead to heightened stress and anxiety, making these employees feel unsupported and excluded and might affect their mental and physical health.

As a foundational measure, group-wide trainings on 'Fostering Respectful Interactions' and 'Recognising and Preventing Sexual Harassment' are being implemented to raise awareness, build competencies and strengthen a shared understanding of respectful workplace behaviour.

In **Austria**, the Anti-Discrimination Officer provides advice and mediates in cases of harassment, discrimination, or bullying. Advice for employees is confidential and accompanied by a structured conflict resolution process, if required. The primary focus is

on raising awareness and improving processes, behaviour and organisational issues among both management and employees. The Anti-Discrimination Officer is also the contact person for all complaints and questions relating to harassment and bullying and plays a key role in ensuring compliance with all human rights. All employees may seek advice in absolute confidentiality and develop measures and resolution strategies in a collective process, the implementation of which is then supported by the Anti-Discrimination Officer. Measures, remediation processes and consequences are described in the Works Agreement on Anti-Discrimination and Respectful Behaviour in the Workplace which is communicated to the employees on Erste Group's intranet.

An anonymised report prepared by the Anti-Discrimination Officer covers, among other things, the reported cases of discrimination. The report is communicated to the Management Board, People & Culture department and the employees' council. Awareness-building and prevention measures implemented by the Anti-Discrimination Officer in cooperation with management are instrumental for remediation. To support these efforts, unconscious bias training is offered to make employees aware of unconscious prejudices and help them act more sensitively.

The **Banca Comercială Română** has specific procedures and guidelines in place, in line with EU and local legislation and has established dedicated channels and processes to enable employees to raise their concerns and get negative impacts remedied. The objectives of such guidelines and processes are to ensure a zero-tolerance policy for harassment in the workplace and to provide all employees with the necessary tools to fully exercise their rights. All concerns and complaints regarding the harassment and discrimination in the workplace are managed by a committee comprised of members representing Compliance, Legal and People and Culture Divisions, all experts in equal opportunities. The Committee is responsible for receiving, investigating and solving harassment and/or discriminations allegations. Each case is taken seriously and treated with promptness and confidentiality. If the case is classified as a harassment incident, it may be subject to appropriate disciplinary sanction according to the provisions of the Internal Regulation.

In **Erste Bank Hungary**, the Code of Ethics contains the discrimination- and harassment-related rules and procedures. There is an anonymous reporting line where employees can report and describe their complaints. The compliance department is responsible for exploring and assessing the situation. Any subsequent decisions are made by the Committee of Ethics.

Česká spořitelna's Code of Ethics and Work Rules is based on legislation and describes a zero tolerance for discrimination. At Česká spořitelna, employees can report discriminatory or inappropriate behaviour to the internal ombudsman, the ethics manager, or through the whistleblowing process. The internal ombudsman is an impartial body that discreetly handles employee complaints. Each reported complaint is formally investigated by the internal ombudsman, who is specially trained in such investigation and mediation. The whistleblower is guaranteed absolute anonymity and protection. The entire process is described in an internal procedure.

In **Slovenská sporiteľňa**, complaints can be reported via the whistleblower app EMUS or according to the valid procedure using either the Head of HR Employee Care Department or the Head of local Unions. Reported concerns are officially investigated in the Compliance and Human Resources departments. Investigation and mitigation are conducted by specifically trained persons in absolute anonymity and protection. The process is described in the local procedure. Based on the Employee wellbeing strategy SLSP introduced PEER TO PEER Program as a highest level of employee crisis intervention – 19 fully certified SLSP employees have been trained as internal crisis intervention specialists and provide first detections across whole of Slovakia as a part its voluntary mission.

In **Erste Bank Croatia**, discrimination complaints are processed in accordance with legal requirements and Erste Group values. Any grievance can be filed with the'Authorized person' named by the Management Board. The 'Authorized persons' usually include employees from Legal and People & Culture who ensure due process and provide support to employees. Special attention is also paid to the implementation of prevention measures in close cooperation with the works council and other employee representatives as well as management training programs, in particular the 'Start program,' where managers are trained in the core values and obligations of Erste Group towards its employees.

In **Erste Bank Serbia**, members of the bank's local People & Culture team mediate or take action in case of complaints. They also track the frequency and type of complaints. To prevent unwanted behaviour and motivate employees to report any problem, 'HeartCount' was established in 2023. HeartCount is a communication tool between employees and Erste Bank Serbia. It enables the bank to respond instantly, eliminating uncertainties at their source and preventing them from escalating into dissatisfaction. Erste Bank Serbia uses HeartCount semi-transparently, with only part of the People & Culture team having access to the data, while other employees can only view overall statistics. There is also an Anti-Bullying Counselling Centre, which is made up of bank employees from the bank's Trade Union Board. The Counselling Centre works in coordination with the Ministry of Labour and Social Policy, the Labour Inspection and the Agency for the Prevention of Abuse at Work. The Centre monitors the resolution of complaints filed. Complaints can also be submitted anonymously. Erste Bank Serbia has appointed an authorized individual to receive information and conduct procedures related to internal whistleblowing, ensuring that whistleblowers are protected in accordance with the law.

S1-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS AND MANAGING MATERIAL OPPORTUNITIES

Target setting is an important practice in an organisation, as it helps to focus efforts and resources towards achieving specific goals. While Erste Group does not set measurable targets to track the effectiveness of all policies and actions on the group level, Erste Group has specific targets related to the material matter, gender equality and equal pay for work of equal value. Increasing the number of women in top-management positively influence the unadjusted as well as adjusted pay gap. These targets are published in the Group Diversity and Inclusion Policy and fosters equal professional development to ensure equal opportunities for all genders.

On group level Erste Group wants to create equal opportunities regardless of gender and to remediate the impact of the gender pay gap by balancing gender distribution in top-management positions (board level and B-1). Targets for local banks in Erste Group's core markets (Erste Group Bank AG, Česká spořitelna, Erste Bank Oesterreich, Slovenská sporiteľňa, Banca Comercială Română, Erste Bank Hungary, Erste & Steiermärkische Bank (Erste Bank Croatia) und Erste Bank a.d. Novi Sad (Erste Bank Serbia)) in areas of gender representation in management board positions and B-1 level management have been defined.

Erste Group sets targets only for gender equality matters because it gives the respective institutions in the group the freedom to decide what the optimal goal is in their local environment for topics such as average training hours, percentage of part-time employment, percentage of performance evaluation or average sick days. As Erste Group does not have any other targets related to the other sustainability matters, it tracks the effectiveness of the policies and actions in relation to material IROs at group level via its engagement survey. Qualitative analyses of employee surveys provide insight into the long-term effectiveness of the measures implemented. Recognised fields for improvement and results are transparent and available on Erste Group's intranet.

Target on gender representation in management boards and board-1

The target on gender representation in management boards aims at a minimum of 30% representation of the underrepresented gender in management board positions by 2028 for each local bank in each core market.

The following target aims at a minimum of 33% representation of the underrepresented gender in board-1 positions by 2028 for each local bank in each core market. These targets are linked to Erste Group's Group Diversity and Inclusion Policy and Group Suitability and Succession Policy and address the material matter, gender equality and equal pay for work of equal value. By setting the targets to support women in the top-management position, Erste Group aims to mitigate the negative impact of the unadjusted gender pay gap that is focused on the prevalence of men in better paid management job roles.

The Group Diversity Management team within the People & Culture department reviewed the proportion of women in management positions over previous years and assessed the need for target setting for local banks in core markets. Employees or workers' representatives were not involved in the process of setting these targets. Given the low number of B-1 positions and limited turnover in these roles, targets were defined with a medium-term perspective. Considering the different starting points across individual banks, a target of 33% for the B-1 level was agreed upon after alignment with the Holding Board. These targets have been formally embedded in the Group Diversity and Inclusion Policy. Performance against these targets is monitored quarterly by the Group Diversity team in collaboration with local diversity teams. In case of deviations, the teams jointly analyse underlying reasons and identify measures for improvement.

The target encompasses the following local banks in core markets: (Erste Group Bank AG, Erste Bank Oesterreich, Česká spořitelna, Banca Comercială Română, Erste Bank Hungary, Slovenská sporiteľňa, Erste & Steiermärkische Bank (Erste Bank Croatia) and Erste Bank a.d. Novi Sad (Erste Bank Serbia)).

For six years, Erste Group has utilised dashboards to measure progress. The first diversity policy was introduced in 2017 with one common target for entities in scope valid for both board members and B-1. The most recent major update of the diversity targets was carried out in 2023. As baseline values for individual targets per entity in scope, separately for gender representation by board members and B-1, the values of 2022 were considered (28% share of women in top-management). The current target horizon extends until 2028.

The Group Diversity's proposal for diversity targets in top management was approved by the Holding Board, following an analysis of the current situation at the banks in the core markets. In 2025, no adaptations were made to the targets. Since the targets are set until 2028 (medium-term), there is no need to update them regularly unless a new regulatory change or a change in strategy occurs. The diversity dashboards are updated quarterly and made available to top management on an ongoing basis.

Proportion of women in top-management

	Underrepresented gender in management board					Underrepresented gender in board -1				
	2022	2023	2024	2025	Minimum target by 2028	2022	2023	2024	2025	Minimum target by 2028
Erste Group Bank AG	16.7%	16.7%	20.0%	20.0%	30.0%	17.9%	30.8%	30.8%	33.3%	33.0%
Erste Bank Oesterreich	50.0%	50.0%	50.0%	66.7%	30.0%	26.9%	43.5%	47.6%	37.0%	33.0%
Erste Bank Hungary	20.0%	16.7%	16.7%	16.7%	30.0%	34.5%	37.0%	32.1%	31.3%	33.0%
Česká spořitelna	16.7%	16.7%	16.7%	16.7%	30.0%	20.0%	13.0%	20.0%	26.2%	33.0%
Slovenská sporiteľňa	0.0%	0.0%	0.0%	0.0%	30.0%	34.6%	33.3%	29.2%	32.0%	33.0%
Banca Comercială Română	60.0%	60.0%	50.0%	60.0%	30.0%	26.1%	34.8%	33.3%	26.1%	33.0%
Erste Bank Croatia	0.0%	0.0%	20.0%	20.0%	30.0%	43.5%	43.5%	43.5%	40.9%	40.0%
Erste Bank Serbia	50.0%	50.0%	50.0%	50.0%	30.0%	40.0%	50.0%	47.8%	52.2%	33.0%

Targets are monitored and reviewed quarterly. No straight linear progress has been expected as it needs to be considered hand in hand with succession planning for top-management positions. Erste Group believes that the progress of proportion of underrepresented gender in Management Board is on the right track and with effective succession planning the goal in 2028 can be reached. Some of the banks already reached the targets of 30% women in management board, whereas Erste Bank Hungary, Česká spořitelna, Erste Bank Croatia and Erste Group Bank AG are on their way to reach the goal. Slovenská sporiteľňa needs to catch up in both in management board and board-1 in the following years. When it comes to board-1 positions, some fluctuations from one year to another are acceptable, as a positive trend towards reaching the goal in four years' time is anticipated.

S1-6 – CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

As of the end of the reporting period, 31 December 2025, Erste Group had 49,024 (2024: 49,094) employees. Employees are actively undertaking business activities or rendering service to the reporting company based on their job role for which they are compensated in form of remuneration in line with the Group Remuneration Policy. Number of employees includes also long-term sick leave employees, interns, trainees and apprentices

Data is reported in headcounts (one person = one headcount, irrespective of the number of hours worked) as of the end of reporting period. The headcount measure is the relevant metric for labour law and offers a better representation when it comes to material topics such as training, diversity, health and safety than full-time equivalent measures. The headcount provides a full picture of an organisation's diversity as well as training and skills development efforts irrespective of hours worked. The measurement of all own workforce metrics has not been validated by an external body.

Employee headcount broken down by gender

Gender	2024	2025
Male	18,628	18,780
Female	30,465	30,244
Other	1	0
Not reported	0	0
Total employees	**49,094**	**49,024**

Employee headcount in Erste Group by countries

Countries	2024	2025
Austria (incl. branches in New York and Hongkong)	19,952	20,111
Czechia	10,374	10,097
Romania	5,259	5,158
Hungary	3,553	3,603
Slovakia	3,536	3,647
Croatia	3,148	3,102
Serbia	1,287	1,292
North Macedonia	655	665
Bosnia and Herzegovina	521	536
Slovenia	399	403
Montenegro	374	373
Poland (Erste Securities Polska)	36	37

The majority of Erste Group's workforce hold a permanent contract. A permanent (unlimited) contract of employment is a contract of unlimited duration including all new employees currently on their probation period who are likely to have their contract made permanent. Temporary employees have limited contracts, here Erste Group includes for instance, interns or some service positions. Most of the active headcount are full-time employees, defined as those with 100% occupancy, i.e. FTE = 1. In some countries where Erste Group operates, its employees use the flexibility of part-time work in more extent than in others.

In Slovakia, Erste Group employs non-guaranteed hours employees, working under agreements on work performed outside an employment relationship according to the Slovak labour code. These contracts speculate the maximum working hours and the agreed amount of working time in the contract shall not be considered as an obligation to work a certain number of hours. Therefore, reported as non-guaranteed hours employees from reporting year 2025 (in 2024 Slovenská sporiteľňa reported 144 non-guaranteed hours employees).

Employee headcount by contract type, broken down by gender

Headcount	Female	Male	Other	Not reported	Total
2025					
Total number of employees	**30,244**	**18,780**	**0**	**0**	**49,024**
Number of permanent employees	28,130	17,621	0	0	45,751
Number of temporary employees	1,994	1,052	0	0	3,046
Number of non-guaranteed hours employees	120	107	0	0	227
Number of full-time employees	23,142	17,477	0	0	40,619
Number of part-time employees	6,982	1,196	0	0	8,178
2024					
Total number of employees	**30,465**	**18,628**	**1**	**0**	**49,094**
Number of permanent employees	28,200	17,416	1	0	45,617
Number of temporary employees	2,265	1,212	0	0	3,477
Number of non-guaranteed hours employees	0	0	0	0	0
Number of full-time employees	23,635	17,408	0	0	41,043
Number of part-time employees	6,830	1,220	1	0	8,051

Employee turnover (including retirements)

	2024	2025
New hires	**6,367**	**5,686**
Female	3,809	3,392
Male	2,558	2,294
Other	0	0
Gender not reported	0	0
Leavers	**5,995**	**6,070**
Female	3,795	3,863
Male	2,200	2,206
Other	0	1
Gender not reported	0	0
Turnover ratio (%)	**12.2%**	**12.3%**

* Turnover ratio includes employees who leave voluntarily or due to dismissal, retirement, or death in service.

In 2025, employee turnover at Erste Group (total of men and women) was 12.3% (2024: 12.2%). Turnover ratio presents the number of employees who left voluntarily, due to dismissal, retirement or death in service during the fiscal year. The number of leavers does not include employees on parental leave and internal transfers within the group. The employee turnover rate in percent is calculated (based on the BDA formula) as follows: the number of employees who left the company during the reporting period (12 months) is divided by the average headcount (HC) of the reporting year.

Information about average FTEs can be found in the financial statements Note 8 to the Group Consolidated Financial Statements 2025. Using Full-time Equivalent for financial statements, especially in tracking administrative expenses, is generally more effective than headcount as it better represents the cost of labour.

S1-7 – CHARACTERISTICS OF NON-EMPLOYEES IN THE UNDERTAKING'S OWN WORKFORCE

In addition to own employees, there are 3,469 (2024: 3,104) non-employee workers (headcount as of 31.12.25), which are either self-employed individuals (1,031; 2024: 1,099) or individuals contracted through a third party engaged in employment activity (2,438; 2024: 2,005). Non-employees are contracted for a specific period based on the conditions stated in their contract. As in Erste

Group's operations, employees' contracts prevail over non-employees' contracts, this group of workers represents only 7% (2024: 6%) of total own-workforce headcount. 61% (2024: 57%) of all non-employees in Erste Group are contracted for information technologies (IT) departments. About 27% (2024:23%) of the non-employees in Erste Group work in Hungary. Most of them work in the local IT functions (e.g. developer, tester, etc.) and in outsourced activities in the retail area, such as telesales or mobile bankers. For non-employees, there are currently no policies, actions or targets in place, except for the Group Risk Policy Whistleblowing. Thus, all policies are specifically addressed to Erste Group's own employees. Additionally, actions, targets, metrics and engagement and grievance mechanisms are designed to support and benefit its own employees.

S1-9 – DIVERSITY METRICS

Employee gender distribution at top management

	Top management (headcount)		Top management (share)	
	2024	2025	2024	2025
Female	128	124	25%	25%
Male	374	363	75%	75%
Other	0	0	0%	0%
Not reported	0	0	0%	0%
Total employees	**502**	**487**	**100%**	**100%**

The year-on-year decrease in the number of top-management functions (B0 & B-1) is attributable to the consolidation of B-1 mirror positions in Erste Bank AG and Erste Bank Oesterreich. Although two B-1 functions continue to exist across two separate legal entities, they are held by a single individual, counted as one top-management headcount.

Top management is defined as Erste Group Bank AG top management (Management Board (B0) and positions reporting directly to the Management Board (B-1)), in Erste Group Bank AG, Erste Bank Oesterreich, Česká spořitelna, Banca Comercială Română, Erste Bank Hungary, Slovenská sporiteľňa, Erste & Steiermärkische Bank (Erste Bank Croatia) and Erste Bank a.d. Novi Sad (Erste Bank Serbia) and board members/managing directors (B0) of other subsidiaries with reported own employees. Top-management distribution by gender is reported on headcount bases as of year-end.

The assumption is that board members/managing directors of each subsidiary, no matter the size, is a governing body responsible for the development and success of the entity. They make decisions in the interests of the entity and its stakeholders and ensure that their employees are supported in achieving the entity's objectives.

Employee age distribution by age groups

	2024		2025	
	Number of employees (headcount)	Share of employees (headcount)	Number of employees (headcount)	Share of employees (headcount)
under 30 years old	8,121	16.5%	8,112	16.5%
between 30-50 years old	28,231	57.5%	27,102	55.3%
over 50 years old	12,742	26.0%	13,810	28.2%
Total employees	**49,094**	**100.0%**	**49,024**	**100.0%**

Employee age distribution by age groups is reported on headcount bases as of year-end.

S1-12 – PERSONS WITH DISABILITIES

The number of employees with disabilities in headcount (as of 31 December 2025) is collected using the definition based on the UN Convention on the Rights of Persons with Disabilities. It defines persons with disabilities as those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others. This can be reflected as percentage-based disability ratings or categorization of severity.

Erste Group employs 651 (2024: 643) employees with health disability (disability above 50% or equivalent severity grade) as of 31 December 2025 which represents 1.3% (2024: 1.3%) of the total headcount.

S1-13 – TRAINING AND SKILLS DEVELOPMENT METRICS

Material matter of training and skills development are tracked by average training hours metrics and the proportion of performance reviews to the foreseen number of performance reviews by the management.

Training and skills development metrics

	2024	2025
Average training hours per headcount	**39.4**	**39.5**
Female	40.1	40.8
Male	38.2	37.4
Other	68.0	0.0
Gender not reported	0.0	0.0
Management functions	43.5	43.8
Non management functions	38.8	39.0

In 2025, Erste Group's employees completed on average 39.5 (2024: 39.4) hours of professional development, thereof women 40.8 (2024: 40.1) hours and men 37.4 (2024: 38.2) hours. Employees in management positions completed an average of 43.8 (2024: 43.5) hours of training. Erste Group monitors average trainings hours by collecting the information per year end for each entity and comparing them to the previous year. The indicator is calculated as the number of training hours in the reporting period of its employees' headcount as of 31. December divided by the total headcount as of 31. December. There is no targeted value on the group level, as for each entity the optimal number of trainings hour might be different. Moreover, the number of training hours may fluctuate throughout the years, as some regulatory training may be required.

Next to employee and leadership development, leadership feedback and enhancing of Data and AI knowledge, performance reviews are one of Erste Group's actions to address the material matter of training and skill development identified in the double materiality assessment.

Generally, employees are invited to a personal performance review with their line managers to talk about their performance, to define goals for the current year and define plans for their further personal development once a year. However, not for all own employees is the performance review planned or foreseen. For instance, when an employee joins the company within the year or when internal procedures foresee that an annual performance review is mandatory only for employees eligible for a bonus. In 2025, appraisal talks were held with 88.7% (2024: 87.9%) of all employees of Erste Group. The figure is reported as the number of performance reviews per active headcount (as of 31. December) during the reporting period divided by the number of total headcount (as of 31. December).

The proportion of reviews to the foreseen number of reviews by Erste Group's local internal procedure is 98.9% (2024: 97.1%). This figure has been derived as number of performance reviews per active headcount (as of 31. December) during the reporting period divided by the number of headcount scheduled for performance review based on internal processes (e.g. based on eligibility for variable remuneration).

Performance reviews

	2024	2025
Percentage of employees that participated in regular performance and career development reviews	**87.9%**	**88.7%**
Female	87,4%	89.0%
Male	88,7%	88.2%
Other	0.0%	0.0%
Gender not reported	0.0%	0.0%
Management functions	91.0%	94.8%
Non management functions	87,5%	87.9%

S1-16 – REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

Erste Group has identified a negative impact in relation to gender pay gap in the sustainability matter gender equality and equal pay for work of equal value.

Erste Group's approach is to understand the reasons for the gap and bring transparency to what part of the gender pay gap can be explained and foreseen due to job structure and other explanatory factors. Erste Group established a methodology to analyse and monitor the gender pay gap. It aligns on transparent communication and coordinate efforts to mitigate any potential negative impacts on Erste Group's workforce related to gender pay gap within Erste Group.

Erste Group holds a Fair Pay Analyst certification from the Fair Pay Innovation Lab, with its UNIVERSAL FAIR PAY CHECK® recognised as a certification trademark by the European Union Intellectual Property Office. This check integrates different European legislative initiatives into a single procedure, accommodating both current and future legislation, making certification possible regardless of location and applicable laws. The analysis, based on the organisation's internal data, lays the groundwork for accurately determining the necessary steps to implement fair pay. Through this certification, Erste Group underscores its commitment to conducting fair pay analyses correctly.

In Erste Group, the gender pay gap is viewed from two perspectives: an unadjusted pay gap and adjusted pay gap. The unadjusted gender pay gap shows the percentage difference between the average gross pay for women and men. The adjusted gender pay gap shows the percentage difference between the average gross hourly pay for women and men after accounting for factors that typically influence pay. It is calculated using a regression analysis, which is a robust mathematical method to determine how each variable affects each employee's compensation. To support a common methodology over the group, job levelling is used as the main objective factor. This factor explains most differences in pay. On top, age, management responsibility and country specific or even entity specific factors are considered which reflect the local job market. In order to calculate the adjusted pay gap across the Group, the country results were weighted according to the number of employees analysed.

Unadjusted gender pay gap

In Erste Group, the gender pay gap for its employees is calculated based on an annualized, full-time equivalent measure, as the average pay of all men and women across the group and all job levels, representing the unadjusted gender pay gap. To ensure a consistent and comparable representation across the diverse countries in which Erste Group operates, the Group-level consolidation is performed using a weighted-average methodology. Individual entity results are weighted by their respective headcounts, which also helps to eliminate differences in purchasing power between countries and provides a more accurate and balanced Group-wide view.

Unadjusted gender pay gap per country

Countries	2024	2025
Erste Group	**28.9%**	**27.7%**
Austria (incl. branches in New York and Hongkong)	24.8%	24,6%
Czechia	37.3%	34.5%
Romania	32.1%	30.7%
Hungary	34.4%	32.9%
Slovakia	41.0%	38.4%
Croatia	27.2%	23.8%
Poland (Erste Securities Polska)	57.7%	51.7%
Slovenia	20.8%	19.8%
Serbia	36.1%	36.1%
Bosnia and Herzegovina	35.7%	36.2%
North Macedonia	24.2%	28.2%
Montenegro	25.0%	35.5%

* Gender Pay Gap figures may slightly vary from published by individual banks in core markets, as banks consolidate based on subsidiary ownership. The country view reflects the geographical location of legal entity.

This unadjusted gender pay gap calculation for Erste Group's own employees in 2025 was 27.7% (2024: 28.9%). This covers all own employees in scope where remuneration data was available through payroll systems.

Variable remuneration is based on the overall performance of the entity and individual performance of each employee. It will be awarded in April 2026. For the 2025 pay gap and remuneration ratio, an estimate of variable remuneration based on 2024 performance (awarded in 2025) was necessary to cover total compensation. For long-term incentive bonus schemes, the awarded variable remuneration is reported, no matter if paid out in the reporting year or in the future.

Erste Group remains committed to progressively reducing the unadjusted Gender Pay Gap across the Group. Erste Group acknowledges that variations in local market structures, regulatory frameworks and the composition of business areas, such as varying gender representation in retail banking versus technology roles, can influence unadjusted pay gap outcomes.

Analysis of the gender pay gap

Erste Group conducts a more detailed analyses on a yearly basis, to ensure that men and women with comparable jobs or job responsibilities and performing work of similar value are receiving equal pay. In 2024, Erste Group started to analyse the wage data of 38.195 employees across all its core markets and in 2025 increased the scope to 38.726 employees.

Within this scope, the analysis revealed an average global gender-specific pay gap of about 25.9% in 2025 (2024: 26.8%), which is greatly influenced by the distribution of functions among male and female staff. Having a gender pay gap does not mean that women are paid less than men for the same job. Therefore, Erste Group also considers acceptable reasons that explain differences in pay, such as job, experience, location and performance. Following the analysis of Erste Group employees, the adjusted gender pay gap is 2.1% (2024: 2.5%). The Gender Pay Gap analyses shows that, the unadjusted pay gap is driven by job levelling as it is used as the main objective factor. This factor explains most differences in pay. One of the ways Erste Group addresses this topic is by setting the targets for gender representation in top management.

Remuneration ratio

Erste Group shows the income distribution within the company by comparing the annual total remuneration of the highest-paid person with the median total annual remuneration of all employees in its core markets Austria, Czechia, Slovakia, Hungary, Romania, Croatia, Serbia and all other countries in which Erste Group has subsidiaries. All salaries are calculated as annual salaries on the basis of full-time equivalents. Variable remuneration paid out in 2025 is considered. For 3% (2024: 3%) of the employees, their salaries were interpolated according to the salary distribution of the rest of the workforce. The remuneration ratio for the 2025 fiscal year is 70.8 (2024: 67.5). It is calculated by means of the following formula: annual total remuneration of the highest-paid employee of Erste Group (CEO) divided by the median annual total remuneration of all employees of the organisation except for the highest-paid person. The calculation incorporates an estimated bonus for the highest earner, Erste Group (CEO), reflecting the full contractual bonus potential together with the applicable bonus pool multiplier.

S1-17 – INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Erste Group has reported on its approach to complaints, channels to raise them and on remediation of negative impacts in chapters *S1-2* and *S1-3*. Channels for raising concerns have been identified in each entity and the number of complaints submitted to the company's reporting tool has been recorded. There have been in total 28 (2024: 26) reported incidents of discrimination. The data has been compiled in Erste Group's reporting tool in accordance with the ESRS definition.

Entities within Erste Group have implemented processes to mitigate and solve discrimination cases. Erste Group's commitment to providing a safe and inclusive workplace means all claims of discrimination are taken seriously and Erste Group strives to resolve them in a timely and effective manner. As part of these established processes, every employee has the opportunity to have their specific case examined by internal, independent bodies. This ensures that each individual case is followed up accordingly, with empathy and respect for all parties involved as well as utmost confidentiality.

Erste Group strives to resolve matters internally in a respectful manner and in most cases, this approach is successful. If an employee is not satisfied with the outcome, they have the right to seek resolution through an external body. This reflects Erste Group's commitment to fostering a culture of trust, respect and equality throughout its organisation.

In 2025, the company received 156 (2024: 160) total complaints from its workforce regarding various topics related to unacceptable behavior, discrimination, termination of employment and entitlements and workplace management, thereof 56 (2024: 84) in Česka spořitelna. The higher number of complaints in Česká spořitelna reflects the high level of awareness and trust employees place in the Ombudsman function. It demonstrates a strong culture of openness, where employees feel safe to speak up and seek resolution internally. This proactive approach contributes to a respectful, inclusive and well-informed workplace environment. In 2025, the number of complaints reported in S1-17 was reduced in Česka spořitelna due to a methodology alignment with Erste Group Bank AG, so that it now relates only to complaints to its own workforce.

In both 2025 and 2024, there have been no fines, penalties, or compensation for damages resulting from incidents of discrimination and complaints or relating to severe human rights issues or incidents connected to the company's own workforce. No incidents related to human rights have been reported in either 2025 and 2024.

Affected communities

This chapter focuses on Erste Group's impact on the communities it touches - defined as people whose community life is influenced by the Group's activities. It focuses on the sustainability topic of Social Banking, highlighting positive contributions such as improving access to products and services for vulnerable groups and fostering financial inclusion.

S3 SBM-3 – MATERIAL IMPACT AND ITS INTERACTION WITH STRATEGY AND BUSINESS MODEL

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
S3- Social Banking (entity specific)	Positive impact	By ensuring that financial education programmes, as well as all banking products and services are accessible to marginalised individuals as well as underserved starting enterprises and social organisations/projects, Erste Group promotes their autonomy, social and professional integration and active participation in community life.	Downstream	All time horizons

SOCIAL BANKING (ENTITY SPECIFIC)

Providing support to society was one of the founding ideas of Erste Oesterreichische Spar-Casse and this continues to shape the Group to this day. Erste Group's responsibility goes beyond simply financial business to support institutions, initiatives and projects relating to social issues. Therefore, an aspect of Erste Group's strategy and business model is to provide financial services to socially vulnerable people, small enterprises and social organisations (hereafter referred to as Social Banking clients), including those who would otherwise be excluded from access to financial services, positively impacting those effected. Initiatives supporting the financial health, transparency and inclusivity of these groups are key to its value proposition and helps build long-term relationships while improving their financial autonomy and subsequent wider social impact through capacity building for small enterprises and subsequent job creation and retention. Furthermore, Group Social Banking engages with various social organisations to ensure the effectiveness of its impact throughout the regions it operates in. These efforts ensure a strong socio-economic environment to form the basis for sustainable success.

S3-1 – POLICIES RELATED TO AFFECTED COMMUNITIES

Impacts, risks and opportunities	Strategy / Policy	Actions	Targets
By ensuring that financial education programmes, as well as all banking products and services are accessible to marginalised individuals as well as underserved starting enterprises and social organisations/projects, Erste Group promotes their autonomy, social and professional integration and active participation in community life.	Social Banking Strategy	Social organisations Microfinancing Time Bank FLiP (Erste Financial Life Park) Financial Literacy Workshops	Target on Social Banking financing volume Target on FLiP (Erste Financial Life Park)

SOCIAL BANKING

Social banking in Erste Group aims to generate an economic, social and environmental return as well as to support generating jobs by financing social organisations, micro clients/starting entrepreneurs, private individuals and special impact projects with tailor-made solutions and preferential offerings. Financing activities shall directly or indirectly aim to achieve the primary objectives:
_ Improving financial stability and inclusion for people on low incomes,
_ Enabling job creation and self-employment and
_ Fostering social innovations and enlarging the impact of social organisations.

Social banking at Erste Group seeks to strengthen and support communities in the regions where the Group operates in (Austria, Czechia, Slovakia, Hungary, Romania, Croatia, Serbia), focusing on vulnerable groups who might otherwise experience social exclusion and/or are at risk of poverty. This is achieved indirectly by supporting social organisations such as NGOs and social enterprises in increasing their impact and directly by improving access to financial goods and services for vulnerable groups and underserved enterprises. Indirect support focuses on enabling social organisations to deliver essential services and address social

challenges more effectively. To achieve this, Erste Group provides them with financial instruments such as bridge and investment loans and capacity-building programs. These measures help social organisations enhance their operational resilience, expand their reach and amplify their social impact. Direct support targets individuals and small businesses such as starting entrepreneurs that face financial exclusion.

This support contributes to the overarching goal of fighting poverty and increasing prosperity. In order to support sustainable and inclusive/social investments, innovation and job creation, Social Banking benefits from support programs such as EIF guarantees funded by the European Union under the InvestEU Programme. These overarching objectives are linked to specific targets that Group Social Banking has set related to financing and job creation and retention. Further information on these targets can be found under '*S3-5 - Targets related to advancing positive impacts*'.

Group Social Banking, which reports to the CEO is responsible for the overall implementation of the Social Banking Strategy. In its impact report, Erste Group Social Banking publishes information related to its activities as well as the direct and intended outcomes of its clients once every two years (the previous version of the Impact Report having been published in 2023). Data in the 2025 impact report was collected through 1,266 (1,190 in the 2023 Impact Report) interviews within its client base. Information about the overarching Social Banking Strategy as well as the Impact Report are publicly available on Erste Group's website.

S3-2 – PROCESSES FOR ENGAGING WITH AFFECTED COMMUNITIES ABOUT IMPACTS

SOCIAL BANKING

Erste Group engages with affected communities through a combination of indirect engagement via social organisations and direct engagement with vulnerable individuals and underserved enterprises on an ongoing basis. These processes aim to identify needs, assess impacts and continuously improve the effectiveness of financial and non-financial support. Social Banking departments are established in all core markets with dedicated full-time employees. The Management Board is entrusted with the responsibility for engaging with affected communities with regards to social banking.

Indirect engagement through social organisations

Social organisations such as NGOs and social enterprises act as key partners in reaching vulnerable groups and addressing social challenges. Engagement occurs through partnership programs and advisory exchanges to understand emerging needs and to co-design solutions. Capacity-building initiatives, including the High-Impact Enterprises Scaling Programme (Marc), launched in 2024, provide mentoring, training and technical support to strengthen business models and ensure financial sustainability for social enterprises. Feedback mechanisms are integrated into the programs to ensure continuous improvement. The 2025 Social Banking Impact Report includes findings from participating organisations, confirming the relevance and value of non-financial support in improving operational resilience and social impact.

Erste Group is also a member of multiple national organisations, such as the Social Entrepreneurship Network Austria (SENA).

Direct engagement with vulnerable clients and underserved enterprises

Engagement with individuals and micro-entrepreneurs occurs through advisory and mentoring sessions in branches and online which promotes active customer engagement and financial health. Financial education and readiness programs, including bespoke counselling and training, promote financial literacy and strengthen the participants' resilience.

Impact Assessment and Continuous Improvement

Erste Group monitors the effectiveness of its social banking activities through a structured impact assessment process. Every two years, a comprehensive social impact assessment is conducted, including ex-post client surveys, to evaluate the outcomes of financial and non-financial support. The results are published in the Social Banking Impact Report, which serves as a key tool for transparency and accountability.

In 2025, the assessment included 1,266 (1,190 in the 2023 Impact Report) client interviews, which influences product design, risk management and strategic priorities. For example, identified gaps in business know-how led to the development of the High-Impact Enterprises Scaling Programme (Marc), which addresses capacity-building needs among social enterprises.

This ongoing evaluation process ensures that Erste Group's social banking activities remain relevant and effective, while client feedback indicates necessary steps to maximise positive impacts for customers and communities.

S3-4 – TAKING ACTION ON MATERIAL IMPACTS ON AFFECTED COMMUNITIES AND MANAGING THE EFFECTIVENESS OF THOSE ACTIONS

Social Banking identifies necessary and appropriate actions in response to actual impacts on the affected communities through structured processes, with loan origination and monitoring strictly following Erste Group's standards, as tailored in the Group Social Banking Risk Policy.

Social Banking exists as a separate department within the group and is assigned a budget based on a proposal to the management board. The following actions are taken in the reporting year and are also planned to continue in the future to bring a continuous positive impact. The effectiveness of the following actions are tracked through the 2025 Social Banking Impact Report, including feedback from the intended recipients in the form of surveys and interviews.

Sub-topic	List of key-actions	Policy
S3 - Social Banking (entity-specific)	Social organisations	Social Banking Strategy
	Microfinancing	Social Banking Strategy
	Time Bank	-
	FLiP (Erste Financial Life Park)	Policy Framework
	Financial Literacy Workshops	Social Banking Strategy

Social organisations

Erste Group supports social organisations such as NGOs and social enterprises through financial and non-financial measures aimed at strengthening their capacity and impact in the communities where the Group operates. Social banking provides tailored financial solutions to social organisations, including working capital loans, bridging loans and investment loans as part of the ongoing operations. These offerings are supported by portfolio guarantees from the European Investment Fund (EIF) under the InvestEU Programme, enabling preferential terms for eligible organisations. In addition, ERSTE Foundation provides a complementary guarantee, allowing Erste Group to finance social organisations that are not covered by EIF guarantees.

Beyond financial products, Erste Group offers free non-financial support such as bespoke counselling, mentoring, training and technical assistance for social and sustainable entrepreneurs. In 2024, Erste Group launched the High-Impact Enterprises Scaling Programme (Marc), a capacity-building initiative designed to strengthen and scale social businesses across key markets, including Austria, Croatia, Czechia, Hungary, Romania, Serbia and, starting next year, Slovakia. The Marc program addresses gaps in business know how and funding by helping social enterprises develop sustainable operating models. It also fosters an ecosystem for growth through knowledge exchange, networking opportunities and access to markets. The program's objective is to enable high-impact enterprises to achieve financial sustainability while amplifying their social impact.

Microfinancing

Erste Group's social banking initiative includes financing entrepreneurs to fund starting enterprises and micros that are not covered by regular retail business, specifically targeting clients who do not meet the eligibility criteria of the regular Retail Lending Policy, as part of its ongoing operations. This initiative ensures that these individuals have access to necessary financial resources, contributing to the economic stability and growth of their businesses.

Specific programmes include 'Der Mikrokredit' in Austria, which focuses on currently unemployed individuals and dedicated financing initiatives in Slovakia, Romania, Croatia and Serbia. For example, in Romania, BCR Social Finance supports financially excluded micros. In Serbia, the 'Naše selo' programme, in cooperation with Delta Holding, is dedicated to the restoration and modernisation of villages.

Time Bank

Time Bank – the volunteering portal of Erste Group - makes a meaningful contribution to civil society by involving employees in various forms of volunteer engagement, such as in-kind donations, collection campaigns, ad hoc aid initiatives, the implementation of charitable ideas and marketing support for NGOs. Donating time has a tangible impact: it allows people to connect with others, gain new experiences and improve the lives of those in need. It is a valuable and positive contribution to the well-being of civil society and this engagement is continuously taking place in Austria.

FLiP (Erste Financial Life Park)

FLiP is a financial education project that offers a broad range of options aiming to promote access to products and services as well as financial health with a focus on adolescents and young adults. In light of the rising levels of debt among young people, the need for financial education initiatives is becoming increasingly evident. FLiP has played a leading role in the field of financial education in Austria since 2016 and advocates on a socio-political level that financial education be included in the national curriculum. Furthermore, FLiP played a key role in the development of the National Financial Literacy Strategy. Since April 2023, FLiP has been a non-profit limited liability company and a wholly owned subsidiary of Erste Social Finance Holding GmbH, 49% of which is owned by Erste Group and 51% by Erste Foundation. This step laid the foundation for the development of a social franchising

system, which by 2025 included six social franchise partners. In 2025, the first FLiP locations operated by social franchise partners were opened in Graz and Klagenfurt. For the purposes of CSRD reporting, FLiP is considered as a part of Erste Group's value chain.

FLiP guided tours convey the importance of a successful financial life for people's personal lives in a fun and interactive way. Since FLiP opened its doors in October 2016, more than 109,000 (96,000 in 2024) visitors from all types of schools and age groups have taken part in the interactive tours offered in Vienna. Supported by Erste Bank Oesterreich and the regional savings banks, FLiP2Go, the mobile version of FLiP launched in April 2019, has attracted more than 55,000 (44,000 in 2024) visitors on its tours across all of Austria. The success of the FLiP app can be measured using session tracking with the figure for 2025 sitting at 45,000 (20,648 in 2024). In 2025, the FLiP app even received the eAward. The eAward is an Austrian business award that has been presented annually by Report Verlag since 2005 and honors outstanding IT projects. The number of downloads of FLiP's teaching materials also provides an indication of its reach as well as an alignment with its goal of advancing the field of financial education. This number has gone up continuously since FLiP was first opened and has amounted to a total of 7,200 (6,900 in 2024) downloads in 2025. The blog articles focusing on financial literacy from the 'Geld und so' series was viewed a total of 9,124 (8,813 in 2024) times in 2025.

FLiP provides the colleagues responsible for financial education in countries in which Erste Group is active with all the content of the FLiP app and supports them in developing a new language version. FLiP has not only expanded geographically in recent years; the target groups reached by FLiP measures are also constantly being expanded. In addition to pupils, students, people in education, refugees and migrants, FLiP is developing workshops, special tours and teaching materials for girls and women. In addition, FLiP is the coordinator of FinEd4NPOs, an initiative aimed at improving financial literacy among women. The project supports NGO workers, community leaders and volunteers by equipping them with the knowledge and tools to provide financial education in their communities.

Financial Literacy Workshops

Erste Group promotes financial literacy and education in all its markets through structured workshops tailored to diverse target groups as part of its ongoing operations. Delivered both online and in-person, these programs strengthen financial literacy and equip individuals with practical tools for managing personal finances. The following are just a few examples of these initiatives.

In **Croatia**, Erste Bank's School of Smart Finance offers free workshops for adults and school-aged students. Sessions last up to 120 minutes and are held in small groups to ensure effective learning. Participants gain hands-on experience with budgeting tools, saving strategies and responsible spending habits.

In **Romania**, the Money School provides financial literacy education from kindergarten to adulthood. Supported by a dedicated website, the program offers accessible resources to help users improve their financial health. LifeLab, a complementary initiative, integrates financial literacy into school curricula and is available at www.lifelab.ro.

Financial Literacy Workshops for Children and Youth

In **Slovakia**, the FinQ program has been active since 2019, helping primary and secondary students develop financial competencies alongside critical and systemic thinking. Structured around a competency framework (A1–B2), FinQ integrates financial education with broader cognitive development across subjects.

In **Serbia**, Erste Bank runs both online and offline workshops for youth, alongside the four-year Money School project in partnership with the Ministry of Education. The initiative includes a book, game and theatre play titled Guardians of the Dragon's Treasure, designed to make financial concepts accessible and entertaining.

Launched in 2025 in **Romania**, Zbor HUBs – community centres in nine locations nationwide - offer financial literacy classes for youth. For schoolchildren, the Money School provides workshops and classes, particularly during the national 'Different Week' initiative. Complementary materials include the Kids and Money financial health game and a three-part storybook series titled Well-Raised Money School Book, which introduces concepts of money and entrepreneurship in an engaging format.

In **Croatia**, a new Financial Literacy Program for Students is being developed, with the first workshops expected to launch in Q1 2026. The curriculum includes modules on personal finance, budgeting, debt management, investment and digital safety.

S3-5 – TARGETS RELATED TO ADVANCING POSITIVE IMPACTS

SOCIAL BANKING

Target on Social Banking financing volume

Erste Group is committed to promoting social banking to improve access to products and services those who would otherwise be excluded. The set targets directly support these objectives and contribute to the economic stability of communities. The targets for social banking financing, job creation and retention as well as education support initiatives are related to measuring the effectiveness of Erste Group's Social Banking initiatives. The targets focus on Erste Group's core markets (Austria, Czech Republic, Slovakia, Hungary, Romania, Croatia and Serbia).

The target of social banking financing volume focuses on increasing access to financial services for individuals across all core markets. This is achieved by financing social enterprises, micro companies, start-ups and individuals that do not meet regular retail lending criteria. The target related to education support participants aims to increase capacity building abilities of organisations, financial education and knowledge of employees and private individuals. These educational activities are organised and conducted in all core markets. The target of job creation and retention refers to the number of jobs created or retained as a result of social banking financing. This is assessed through regular surveys and reports. These targets are continuously monitored and evaluated to ensure their effectiveness and positive impact through the performance indicators shown below. Targets were determined by analysing historical performance and extrapolating future developments, taking into account the available resources and operational capacities.

By promoting social banking and achieving these targets, Erste Group contributes to the financial health and economic stability of its customers, ultimately leading to a better quality of life and a stronger market position.

	Metric	Baseline 2017	2024	2025	Target 2025	Target 2030
Social banking financing	in EUR million, cumulative	115	713	814	650	1,000
Education support participants[1]	Number in thousand, cumulative	7	90	111	—	80
Job creation and retention	Number in thousand, cumulative	20	—	110	—	200

[1] The target shows the total number of persons participating in educational activities organised or initiated by Group Social Banking.

Performance indicators

Erste Group has developed social banking yearly performance indicators. Part of them serve as a measure to track the progress of the social banking targets, which have been set.

The individual yearly social banking performance indicators shown below measure the progress and summarise the social banking targets. Social banking financing includes private individuals, microfinance, start-up financing and financing for social organisations. The volume of social banking financing is reported quarterly by local entity departments to Erste Group.

The target for education support participants is based on the number of participants in educational activities organised or initiated by social banking each year. The number of educational support participants is reported annually by local entity departments.

Job creation and retention are assessed through the social banking impact report, performed every second year based on a representative sample of social banking clients. Due to this data only being collected once every two years, the figure in the table represents a cumulative number of both this year and the previous year. The number of created or preserved jobs is calculated using survey results from the previous year and is therefore estimated data.

The financing provided to financial individuals in difficulty (as a part of the total of the sum of social banking financing volume) is presented in '*S4-5 Targets related to managing negative impacts and advancing positive impacts*'.

Calculation of indicators

The number of newly created or preserved jobs is calculated in two steps. First, the average number of jobs per client based on survey responses is determined. Then this average is multiplied by the total number of new financed clients within each segment, country, and timeframe. The data is not validated by an external body.

The overall number of created and preserved jobs is determined using the following formula: *Jobs created or preserved = Jobs created or preserved through 2023 + Average jobs created or preserved by interviewed clients X all new financed Social Banking clients in 2024-2025*

Social Banking yearly performance indicators

	2024	2025
New social banking financing in EUR million	97.7	101.4
New social banking financing in number of new clients	2,078	2,208
Microfinance and start-up finance in EUR million	55.4	53.4
Microfinance and start-up finance in number of new clients	1,879	1,712
Social organisation finance in EUR million	42.3	44.6
Social organisation finance in number of new clients	199	182
Number of education support participants	18,367	20,930
Number of preserved and created jobs (cumulative)	—	110,531

Target on FLiP (Erste Financial Life Park)

FLiP is a financial education project that offers a wide range of options for promoting financial literacy, with a focus on teenagers and young adults. The success of this initiative can be measured by the reach achieved among these groups. The goal of reaching a total of 15,000 visitors in 2025 was achieved and even exceeded with over 17,000 visitors (16,302 in 2024). The goal for the FLiP app was to reach 20,000 sessions. In 2025, over 45,000 (20,648 in 2024) sessions were recorded, exceeding the set goal by twice as much.

Consumers and end-users

This chapter focuses on Erste Group's impacts on consumers and end-users. The scope of this chapter covers the impacts that Erste Group has identified towards the company's retail customer base. As part of Erste Group's commitment to transparency and sustainability, Erste Group places the interests and needs of its customers at the core of its business activities.

Erste Group identified a positive impact on the financial health of its vulnerable customer base. Furthermore, Erste Group recognised a potential negative impact on the topic of privacy that will also be disclosed in this chapter.

S4 SBM-3 – MATERIAL IMPACT AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
S4-Financial health (entity specific)	Positive impact	Through educational programs, financial advice and tools Erste Group has a positive impact on the financial health of customers contributing to customers overall economic stability, leading to a better quality of life.	Portfolio	All time horizons
S4-Privacy	Potential negative impact	Data breaches or cyberattacks could lead to compromised sense of security and privacy for individuals, leaking private and financial data of affected customers.	Portfolio	All time horizons

FINANCIAL HEALTH (ENTITY SPECIFIC)

Financial Health serves as an aspect of Erste Group's strategy, positively impacting financially vulnerable customers through offering financial services to individuals that would otherwise be excluded as well as access to financial literacy programmes. These ongoing programmes develop a combination of financial awareness, knowledge, skills, attitudes and behaviours necessary to achieve individual financial well-being. Examples of financially vulnerable clients include those who are unable to meet debt repayments as well as those who experience financial exclusion and a lack of financial literacy. The outcomes of actions to improve the financial health of customers continuously influence Erste Group's strategy and business model. Further information regarding actions and outcomes can be seen under '*S4-4 - Taking action on material impacts*'.

PRIVACY

Handling customer data is a crucial part of Erste Group's business model. As such, the company is dedicated to protecting this data and must be vigilant about potential data breaches or cyberattacks. Examples of this are identity theft, fraud and financial loss. Such incidents could compromise the security and privacy of customers by exposing their private and financial data. Data breaches and cyberattacks can potentially affect all customers whose personal data is processed by the bank. The outcomes of actions to address data breaches and cyberattacks continuously influence improvements to Erste Group's strategy and business model. Further information regarding actions and outcomes can be seen under '*S4-4 - Taking action on material impacts*'.

S4-1 – POLICIES RELATED TO CONSUMERS AND END-USERS

Impacts, risks and opportunities	Strategy / Policy	Actions	Targets
Through educational programs, financial advice and tools Erste Group has a positive impact on the financial health of customers contributing to customers overall economic stability, leading to a better quality of life.	Social Banking Strategy Zweite Sparkasse Strategy	Private Individuals Zweite Sparkasse Financial Literacy	Target on Social Banking financing volume (see S3-5 - Targets for affected communities) Zweite Sparkasse Target
Data breaches or cyberattacks could lead to compromised sense of security and privacy for individuals, leaking private and financial data of affected customers.	Group Security Strategy Group Data Protection Policy Group Cybersecurity Policy	Cyber Security and Data Protection, Employee Trainings	No target

FINANCIAL HEALTH (ENTITY SPECIFIC)

Erste Group improves the financial health of its vulnerable customers by providing access to financial goods and services for groups who might otherwise be excluded, offering them financial products, sound financial advice as well as mentoring. As part of its Social Banking strategy, Erste Group supports individuals currently in financial difficulty by providing these customers with the essential tools, such as financial literacy programmes and debt counselling to enhance their knowledge. The Group then guides them through important decisions that allow them to improve their financial health. This support contributes to the overarching goal of fighting poverty and increasing prosperity. Further information related to the Social Banking Strategy can be found under '*S3-1 - Policies related to affected communities*'.

The Zweite Sparkasse strategy focuses on financial inclusion and providing services to people without access to regular banking, and is directly tied to the defined positive impact of improved accessibility, which promotes autonomy, social/professional integration and participation. Zweite Sparkasse is a fully-fledged Austrian credit institution with an established strategy and policy framework. The institution is governed by a dedicated Managing Board, which holds full responsibility for the strategic direction and policy oversight. This governance structure ensures that Zweite Sparkasse operates in alignment with its social mission and regulatory obligations. Information about the Zweite Sparkasse Strategy is publically available on its website.

PRIVACY

Erste Group prioritises the protection of customer data, recognising that the right to data protection is enshrined in the EU Charter of Fundamental Rights. The Group Security Strategy outlines the Group Security Principles that serve as a foundation for reasoning and decision making regarding the direction of Group Security. These five principles are as follows:

- **Security as a part of Erste DNA** to involve and train key business areas to integrate 'security and resilience by design' in major critical processes and trends.
- **Striving simplicity** to reduce interfaces, roles involved, approvals/reviews required, data sources and user interactions in the security process.
- **Data Driven Security** to govern security maturity and compliance that is supported by the collection and analysis of real raw data directly from Group security solutions rather than information interpreted and delivered by key people.
- **Risk integration** to prioritise the implementation of new/enhanced controls, using the group's Cyber Risk Profiles for decision making.
- **Customer orientation** to provide improved customer experience across key security processes and tools as well as in the execution of key operations.

These principles rest on collaboration within the group through in-person and online channels as well as an emphasis on the responsibility for security being shared by all employees. The Group Security Strategy is approved by the Management Board and aligned with regulatory standards, specifically the objectives of international instruments such as the GDPR, which aims to protect individuals in regard to their personal data.

Additionally, many security policies and procedures govern security-related requirements and controls for systems, infrastructure and Erste Group's own employees to protect the data of its customers. Compliance with these policies is mandatory for Erste Group Bank AG, their relevant security entities as well as all subsidiaries of the Group. Further details on the specifics of these policies as they relate to Data Protection and Cybersecurity are outlined below under the relevant sub-heading.

Erste Group places significant emphasis on providing customers with clear and comprehensible information regarding the processing of their personal data. Where necessary, prior consent for the processing of personal data is obtained. Further information related to data protection is made available to Erste Group's customers on the website. This includes the rights of its clients regarding their data as well as whom to contact in case of any concerns related to data processing or potential breaches.

Erste Group ensures that employees are well-informed about the implementation of Group policies related to privacy through yearly trainings. This comprehensive understanding enables Erste Group's staff to better serve its customers by adhering to high standards of service and data protection. Consequently, these policies directly support Erste Group's commitment to meeting the needs and rights of its customers, while mitigating the potential negative impact of any cyberattacks or data breaches.

Group Data Protection

Erste Group's Group Data Protection Policy, along with its associated procedures, aim to ensure and sustain the appropriate safeguarding of all personal data in alignment with both regulatory requirements and business needs. This objective is focused on achieving compliance with the General Data Protection Regulation (GDPR). In alignment with the GDPR, the focus of the Data Protection Policy is the personal data of natural persons. Additionally, personal data pertaining to natural persons acting for or on behalf of a legal person are included within the scope of this policy. The relevant local Data Protection Management department is

responsible for monitoring data breaches while the Group Data Protection Officer ensures a consistently high level of data protection throughout Erste Group at both local and group levels.

In addition to the Data Protection Policy, the following mandatory requirements ensure that data protection governance is effectively implemented across the Group:

- **Data Controller Responsibility Procedure**: The Data Controller Responsibility Procedure aims to ensure the adequate protection of all personal data and information assets to meet regulatory and business requirements in data processing. The standards require data privacy by design and by default, records of processing activities, technical and organisational security requirements (including data secrecy), responses to data breaches, data protection impact assessments and awareness and training programmes.
- **Data Protection Officer Procedure:** The Data Protection Officer Procedure outlines detailed provisions governing the tasks and other legal functions related to data protection.
- **Data Processing Legitimacy Procedure:** The Data Processing Legitimacy Procedure sets out the fundamental principles for data processing, including data transfer and storage limitations. The standards cover, among other things, key prerequisites for processing personal data, the commissioning of processors, data transfers to third countries or international organisations as well as time limits for data storage and deletion.
- **Transparency and Data Subjects Rights Procedure:** The Transparency and Data Subjects Rights Procedure defines the functions and conditions relating to data processing transparency and the rights of affected individuals.

Cyber Security

Cyber security of Erste Group operates under a robust set of cyber security policies and procedures. The Group Cyber Security Policy outlines clear objectives, governance structures and technical safeguards to protect customer data and assets. The overarching objective of the cyber security framework is to protect all types of information assets from cyber threats. Additionally, it outlines the organisational structure, related roles and responsibilities as well as definitions and implementation activities to be performed at both group and local levels. Due to the dynamic nature of cyberthreats, Erste Group's Cyber Security Policy is annually reviewed and aligned to reflect developing technologies, or changing legal or regulator requirements like the Digital Operational Resilience Act (DORA).

The Group Chief Information Security Officer (Group CISO) is specifically accountable for cyber and information security control and management within Erste Group, including the definition of Erste Group's cyber and information security strategy. A primary task of the Group CISO is to monitor and support the local implementation of cyber and information security, ensuring it follows 'good practices' and is executed effectively, efficiently and consistently in daily operations.

The rules and requirements stipulated by the Cyber Security Policy are binding for all Erste Group employees, contractors or service providers who implement, manage or operate ICT solutions used by or for Erste Group entities, their employees and customers.

S4-2 – PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

FINANCIAL HEALTH (ENTITY SPECIFIC)

Both direct and indirect engagement is undertaken by the Group to gain insight into the perspectives of vulnerable retail customers. As detailed in '*S3-2 - Processes for engaging with affected communities about impacts*', the effectiveness of the Group's financial health initiatives are monitored through a Social Banking Impact Report, published every two years (the previous version having been published in 2023), that includes client surveys to evaluate the outcomes of financial support for vulnerable customers. In 2025 the impact report included 158 (162 in the 2023 impact report) client interviews with individuals in financial difficulty that provided insight into how Group initiatives contribute to improving the financial stability of these individuals. The results of this assessment influence product design, risk management and strategic priorities. For further details on the impact report, as well as social banking engagement with clients, refer to '*S3-2 - Processes for engaging with affected communities about impacts*'. Group Social Banking is the department responsible for ensuring engagement with the Erste Group's vulnerable retail customers occurs.

PRIVACY

The processes surrounding the GDPR are regulated and thus are valid for all customers, regardless of their background. Therefore, Erste Group does not directly engage with its customer base for insight into an already heavily regulated process. For further information please refer to chapter '*S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns*'.

S4-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

PRIVACY

Data breaches are defined as breaches of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed. The reasons for a data breach can vary, e.g. from an email sent erroneously to the wrong recipient, to a system malfunction. Data breaches can be detected through internal technical or organisational measures (e.g., through the data leak prevention system or through internal reports from employees that became aware of the data breach) or through external reports (e.g., through a notification from the wrong recipient).

Reported data breaches are handled by expert teams who assess the potential risks using an internally developed data breach risk assessment tool, based on the methodology provided by the European Union Agency for Cybersecurity. Remedial action is taken by active engagement, such as directly contacting the person who reported or caused the data breach and instructing them on how to remediate the threats to the rights and freedoms of the data subjects. The relevant actions range from deleting data to changing passwords or giving general advice on how to secure data or how to adapt processes to make them even more data-protection friendly. Refresher courses and ultimately disciplinary measures are also actions that help to prevent data breaches and mitigate the associated risks. Developing and refining Erste Group's response to data breaches and cyberattacks is a crucial element of its risk mitigation efforts. This includes clear protocols for identifying, reporting, investigating, lessons learned and mitigating any potential negative impact on customers.

Erste Group's Contact Centre is the first port of call for instant customer support, playing a crucial role in maintaining strong business relationships. Available 24/7 and reachable by telephone and e-mail, the Contact Centre ensures that Erste Group's clients receive timely and effective assistance. Complaints raised by the customer base are seen as a crucial in helping to refine and improve upon processes in place. For specific privacy-related matters, contact details are provided online and in the data protection notice. Further reinforcing Erste Group's commitment to transparency and trust in its business interactions, customer complaints can be reported on an anonymised basis via a whistleblowing platform (for more information, see chapter *G1-1*). In 2025 0.28% (0.33% in 2024) of group customer complaints were related to privacy matters. Furthermore, research is conducted into the levels of satisfaction with the customer complaints processes to determine effectiveness as well as their overall levels of usage and knowledge of the channels available. This information is collected in the form of structured online interviews targeted at those who have submitted complaints. Further trust of these processes is facilitated through reporting on an anonymised basis. Any complaints involving Erste Group's business relationships can also be made through Erste Group's call centre and online, with each complaint being treated as important with the aim to resolve them in the best possible way. Information on how to contact the service is publicly available on Erste Group's website.

S4-4 – TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS AND EFFECTIVENESS OF THOSE ACTIONS

Erste Group's various initiatives promote the financial health of vulnerable clients, while also mitigating the potential negative impact of data breaches and cyberattacks. These actions are designed to address the diverse needs of different demographic groups, from individuals facing financial exclusion to clients at risk of data or cybersecurity breaches. Continuous monitoring, regular assessments and stakeholder engagement are integral to ensure the effectiveness and adaptability of these actions. By focusing on education, financial stability and social innovation, Erste Group aims to create a positive and lasting impact on its customer base.

Resources for actions related to financial health and privacy are allocated within the respective teams at both group and local levels. All the following actions are performed on an ongoing basis. In 2025 there were no incidents of severe human rights abuses towards the Group's retail customer base.

Sub-topic	List of key-actions	Policy
S4-Financial health (entity specific)	Private Individuals	Social Banking Strategy
	Zweite Sparkasse	Zweite Sparkasse Strategy
	Financial Literacy	Overarching group objective
S4-Privacy	Employee Trainings	Group Security Strategy
	Cyber Security and Data Protection	Group Cyber Security Policy, Group Data Protection Policy

FINANCIAL HEALTH (ENTITY SPECIFIC)

Private Individuals

Erste Group supports financially vulnerable individuals who might otherwise be excluded from basic financial services, as part of its ongoing operations. The aim is to improve financial inclusion and stability through tailored financial products and complementary non-financial support. Group Social Banking offers specialised accounts, housing microloans and education loans to help individuals manage unexpected financial challenges and gain access to social/affordable housing and education. In Romania and Austria, study loans enable access to higher education, while housing programs in several countries provide solutions for affordable living.

To strengthen financial health and resilience, Erste Group provides debt counselling, financial education and advisory services. For example, Slovenská sporiteľňa offers debt counselling to help low-income customers manage household finances and reduce over-indebtedness. These initiatives aim to empower individuals to take control of their financial situation and improve long-term stability.

The effectiveness of these initiatives are monitored through the Social Banking Impact report based on client feedback. In 2025 the results found that 83% of clients were now able to pay their debt obligations on time as a result of Erste Group's support, based on a sample group that would originally have been unable to do so. This metric is based on a survey provided to 158 (162 in the 2023 Impact Report) clients of Social Banking.

Zweite Sparkasse

Based in Austria, Zweite Sparkasse seeks to address social challenges and acknowledge the dignity of every individual. The goal of Zweite Sparkasse is to permanently reintegrate its customers into organised economic conditions. This is achieved by providing financial services to anyone who cannot find a partner to take control of their financial life. Customer eligibility is determined by partner social organisations that specialise in providing financial guidance and support to people facing financial difficulties. Zweite Sparkasse has confidence in the expertise of these partners and collaborates closely with them in providing customer service.

Support for vulnerable customers contributes to Erste Group's positive impacts through improving their accessibility to financial products and services which creates a deeper understanding of steps they can take to improve their own financial health and stability. The effectiveness of this action is monitored by the number of new clients that Zweite Sparkasse reaches each year. More information on this target can be found under '*S4-5 - Targets related to managing material negative impacts and advancing positive impacts*'.

Financial literacy

Financial Literacy Workshops

Erste Group promotes financial literacy in all its markets through structured workshops tailored to diverse target groups as part of its ongoing operations. Delivered both online and in-person, these programs strengthen financial literacy and equip individuals with practical tools for managing personal finances.

In **Austria**, the ongoing financial education initiative 'she invests' offers female customers an opportunity to improve their financial knowledge and make informed decisions. The program addresses persistent gender gaps in financial literacy through targeted workshops and events, including three online and one in-person session annually, along with a monthly newsletter covering relevant financial topics. The initiative ensures unbiased treatment of female customers by providing equal access to financial education resources, regardless of background or financial status.

Erste Group tracks the effectiveness of the 'she Invests' initiative through obtaining qualitative feedback from participants, as well as tracking engagement in the programme, which typically is around 1,000 participants. Resources allocated to this initiative are split between Group Diversity and the Group Communications and Marketing departments.

PRIVACY

Cyber Security and Data Protection

Erste Group's proactive approach reflects its deep dedication to have the trust of its customers, partners and stakeholders. It continuously invests in advanced and innovative technologies, robust infrastructure and expert teams to ensure that all the data of Erste Group is handled in a secure and confidential manner. In todays increasingly digital banking world, Erste Group is committed to protect its assets and customer data with state-of-the art cyber security services and tools. Erste Group's multi-layer security architecture includes, for example, advanced firewall technologies, distributed denial of service (DDoS) protection,

comprehensive endpoint detection and response (EDR) solutions, cyber threat intelligence (CTI), security operation centre (SOC) as well as robust intrusion prevention systems (IPS).

A specific Control Framework is used for the core markets to ensure ongoing adherence to cybersecurity and data protection standards and to identify any areas requiring improvement. The design and execution of the control framework is derived from requirements defined in the Group Cyber Security and Data Protection Policies and Procedures. The scope of the control framework is to monitor the proper implementation of policy and procedure requirements. A self-assessment is done on a local level and afterwards approved on group level. Continuous monitoring also includes the regular reporting of groupwide Key Performance Indicators by Local entities to identify the effectiveness of implemented preventive, detective and corrective measures.

Furthermore, Erste Group publishes current warnings of cyber threats (e.g. social engineering attacks, phishing, fake calls) on different channels, such as the George online banking system, on the website in the 'SicherheitsCenter' and on social media channels. Also, Erste Group supports public private partnership with the Federal Ministry of Interior, Payment Services Austria, Austrian Post and Watchlist Internet to foster a common counterweight against fraudulent activities and to raise public awareness in campaigns such as 'Phishen Impossible' or '10 Tage gegen Phishing'.

In 2025, Erste Group spending on the topic of cybersecurity totalled EUR 67.83 million (2024: EUR 59.68 million). Information on resource management in relation to the topic of privacy can be found under '*S4-1 - Policies related to consumers and end-users*'

Employee Trainings

Investing in customer-centric training programmes ensures all staff members are well equipped with the knowledge and skills necessary to handle customer data securely. In the training material, great emphasis is put on the detection, prevention and handling of data breaches. In addition, Erste Group's employees are then expected to be able to communicate effectively to its customers about the processing of their personal data. By emphasising the importance of data protection, Erste Group aims to not only safeguard its customers' information and maintain their trust in its organisation, but also to foster a culture of responsibility by raising awareness among its employees about potential risks.

Erste Group also invests in cyber security trainings and awareness campaigns to help employees recognise and avoid cyber threats such as phishing campaigns or social engineering attacks. Therefore, Erste Group regularly educates its employees, executives, board members and specific user groups (such as branch office employees, newcomers and trainees) through Erste Group's cybersecurity awareness programme, including mandatory annual web-based training, as well as phishing simulations and security awareness events. In addition to the cyber security awareness program focusing on internal and external personnel, Erste Group also sets activities to help its customers strengthening their cyber security awareness. Erste Group offers best-practice recommendations and cyber security awareness sessions to educate on how to detect, prevent and respond to cyber threats.

Employees are required to undertake the training once a year to ensure that employee's knowledge is always accurate given new developments and threats, while Erste Group monitors the participation rate. The effectiveness of this action can be assessed through the participation rate (98,9%, 2024: 97%) and subsequent dissemination of knowledge about Cyber Security Awareness. The training programmes in Austria is overseen by the Group Data Protection Officer, with dedicated teams per subgroup responsible for organising and conducting the training sessions in their respective entities. The Group Data Protection Officer is in communication with the entities regarding the completion rates of these programmes.

S4-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS AND ADVANCING POSITIVE IMPACTS

FINANCIAL HEALTH

Target on number of new clients reached in 2025 through Zweite Sparkasse.

The impact on the financial health of Erste Group's vulnerable customer base can be reflected in the number of individuals supported by Zweite Sparkasse, who would otherwise be unable to access financial services. In 2024, Zweite Sparkasse set a new target for an increase in 1,000 new clients for each subsequent year. To this end, Zweite Sparkasse reported 1,794 new clients in 2025, exceeding the target by a significant amount.

Target on Social Banking financing for private individuals

The financing of private individuals in financial difficulty (presented below) serve as a component of the total financing target for Social Banking. Information on the target of Social Banking financing can be found under '*S3-5 - Targets related to managing material negative impacts and advancing positive impacts*'.

Social Banking yearly performance indicators for private individuals

	2024	2025
Finance for private clients with difficulties in EUR million	—	3.4
Finance for private clients with difficulties in number of new clients	—	314
Number of new supported private clients in financial difficulties	2,878	7,156

PRIVACY

Due to the high level of regulation within the fields of data protection and cybersecurity, Erste Group has set no additional quantitative targets. However, Erste Group's aim is continued strict compliance with the GDPR to ensure the highest level of protection for customer data and to prevent regulatory penalties.

Governance information

Business conduct

This section focuses on Erste Group's business conduct and its commitment to ethical behaviour. Erste Group places a high value on ethically correct behaviour, considering it as a fundamental prerequisite for its business activities and strategic priorities. This commitment is reflected in its Statement of Purpose, which requires employees to consider not only the legality and profitability of business decisions but also whether they are the right thing to do. Building on this foundation, Erste Group's Code of Conduct, approved by the Management Board in 2015 and updated in January 2025, sets forth binding rules and ethical principles for all employees and board members. The Code emphasises responsibility, respect and sustainability in all business activities. Additionally, Erste Group is committed to the principles of the UN Global Compact, which include upholding human rights, labour standards and combating corruption, drawing from key international declarations and conventions.

In the context of the double materiality assessment (DMA), two sustainability matters have been identified within Business Conduct, each with potential negative impact:

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
G1-Protection of whistleblowers	Potential negative impact	The potential lack of protection for whistle-blowers interferes with freedom of expression, potentially leading to retaliation and reprisal, social exclusion and psychological stress for whistle-blowers.	Own operations	All time horizons
G1-Corruption and bribery - Prevention and detection including training	Potential negative impact	A lack of awareness and internal measures could potentially lead to corruption or bribery incidents with legal consequences including labour law sanctions as well as civil and criminal proceedings for employees. (also material for Incidents of corruption or bribery)	Own operations	All time horizons

Protection of whistleblowers

The established protection mechanisms for whistleblowers at Erste Group play a crucial role in preventing individual risks for whistle-blowers. Without these secure and confidential reporting channels, individuals who expose misconduct could face serious consequences, such as retaliation, professional disadvantages or social exclusion. Such outcomes could also have a lasting impact on trust in the organisation.

The established reporting channels for all stakeholders serve to prevent individual whistleblowers from facing isolation or disadvantage resulting from inadequate protection. They limit potential harm to single cases, as regular audits and transparent processes ensure the effectiveness of the mechanisms.

Corruption and bribery – prevention and detection including training

Training programs aimed at preventing and detecting corruption and bribery are a key pillar of Erste Group's anti-bribery and corruption (ABC) strategy. Offered to all employees, these initiatives play a crucial role in fostering awareness and understanding of ethical conduct. Without such measures, a lack of knowledge and sensitivity to conflict of interest (CoI) and ABC risks could result in employees failing to identify corrupt practices or becoming unintentionally involved in them, whether through active or passive participation.

In the event of a corruption-related incident, the consequences can be severe. The resulting loss of trust in the organisation would be difficult to restore and could necessitate extensive and prolonged remediation efforts. Moreover, such incidents may lead to significant reputational damage, financial losses and even criminal consequences for the individuals involved or the company itself.

Ultimately, these preventive initiatives help cultivate a strong business conduct for the sake of zero tolerance to bribery and corruption, reinforcing Erste Group's reputation as a principled and trustworthy financial institution.

G1-1 – BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

Erste Group's policies relating to business conduct comprise the Code of Conduct at Erste Group, which fosters its corporate culture by embedding its core values of people, fairness and transparency into every aspect of its operations. Therefore, Erste Group's culture is aligned with its group and business strategy. Leadership plays a pivotal role in Erste Group's culture, guided by its five leadership dimensions: out of comfort zone, servant leadership, performance impact, future orientation and client orientation. The Code of Conduct also serves as a guide for leaders to ensure the organisation is fit for the future while adhering to all relevant ethical standards. Erste Group regularly monitors and refines its culture through exchanges, employee feedback and 360° leadership evaluations to ensure it remains strong and effective. Erste Group enhances its corporate culture through leadership development, employee training on values and ethics and engagement surveys. Erste Group also offers town halls, open forums and onboarding programs. Erste Group's cultural initiatives include diversity and inclusion, social responsibility and sustainability efforts.

To ensure the integrity and trust in the organisation, Erste Group has implemented two key policies: the Group Risk Policy Whistleblowing and the Policy on CoI and Anti-Bribery and ABC. These policies are essential components of its governance structure and contribute to an ethical and transparent work environment.

Protection of whistleblowers

The Group Risk Policy Whistleblowing at Erste Group establishes group-wide standards to identify, report and investigate concerns about unlawful behaviour, including such behaviour in contradiction to the code of conduct. The policy is based on the EU Directive 2019/1937, the Austrian Whistleblower Protection Act and the Austrian Banking Act §99g.

Erste Group provides various channels for reporting concerns, including an internet portal, mail, telephone and personal meetings. These channels are accessible not only to employees but also to third parties, in accordance with applicable whistleblower protection laws. Information about whistleblowing is provided through Erste Group websites, internal mandatory trainings, annual mandatory information sessions by team and department heads. Whistleblowing officers receive specialised training, particularly in data protection and maintain the independence necessary for their role.

Detailed information regarding the process and protection against retaliation is available in the FAQ section of Erste Group's Whistleblowing platform, Erste Integrity. The 'Erste Integrity' program includes an internal reporting office where employees can report suspected cases or ask questions about possible violations. This office, under the CRO division, is staffed by qualified and authorised employees within the Non-Financial Risk function. Reports are received and processed confidentially according to a standardised process, with all reports being investigated and appropriate measures taken if necessary. The system provides safeguards for whistleblowers, including anonymity protection, protection of involved individuals and protection against false accusations. Correct processing of concerns is ensured through regular reporting to the Management and Supervisory Board, as well as internal and external audits.

The Group Risk Policy Whistleblowing covers all employees, customers and third parties and includes a category for 'Unacceptable behaviour' to address concerns of violence, discrimination, harassment and similar misconduct. The Non-Financial Risk team within the CRO division is responsible for implementing this policy with the involvement and support of employee representatives to ensure better acceptance among employees, facilitated by a specific mutual works agreement.

Whistleblowing policies (group and local) related to employees are available on the intranet, accessible to internal stakeholders. External stakeholders are informed via Erste Group websites and the 'Erste Integrity' Whistleblowing platform on the internet.

Corruption and bribery – Prevention and detection including training

The Policy on CoI and ABC directly addresses the potential negative impacts identified in the materiality assessment, corruption and bribery - prevention and detection including training. The policy establishes comprehensive standards to prevent and detect conflicts of interest, bribery and corruption. The policy is derived from the Statement of Purpose and the Code of Conduct. Responsibilities and standardised procedures for managing conflicts of interest and anti-bribery and corruption throughout all levels of Erste Group's business are defined in the policy. It aims to prevent legal breaches and protect the company's reputation through a responsible corporate culture, a clear compliance framework and appropriate employee qualifications. This policy is implemented through prevention training offered to all employees. This training effectively counteracts potential corruption and bribery, benefiting the interests of consumers, employees and business partners and promoting a trusting and ethical business environment.

All individuals are considered at risk for bribery and corruption therefore Erste Group does not differentiate between employees. Thus, the Conflict of Interest and Anti-Bribery and Corruption web-based trainings (WBT) are mandatory for all Erste Group employees. The WBT must be repeated every two years. The training provides an overview of different types of conflicts of interest, such as organisational CoI, confidential CoI and CoI regarding procurement or the supply chain. The WBT consists of four

categories: general information, treatment of benefits, treatment of secondary activities and personal and close relationships. It details various terms to ensure a uniform understanding and presents the reporting and approval processes for different types of CoI involving various stakeholders. The trainings are centrally defined in English and German and rolled out to the entities, where they are adapted to local legislation and language. Employees must pass a knowledge test with a rate of at least 80% at the end of the training. All employees are considered at risk of bribery and corruption. However, an additional targeted training course is conducted for those at Erste Group who are particularly exposed to situations where corruption or bribery could occur, in addition to the basic mandatory training for all employees. This training is aimed at members of the Management Board, as well as employees working in sales, sponsorship, cooperation, donations and marketing, due to a risk-based approach.

Monitoring processes include reporting obligations via a reporting tool or email, data analysis by the Group Conduct Compliance unit to detect material gaps for training purposes, impromptu controls when conflicts of interest arise and desk reviews. All relevant Erste Group entities and their staff must implement necessary policies, processes and infrastructure to fully support compliance with the defined minimum standards. The policy applies across all geographies in which Erste Group operates and addresses the needs and concerns of all affected stakeholder groups.

The policy is approved by all members of the Management Board, who are legally accountable and liable for the group-wide ABC policy. The document is owned by Group Conduct Compliance and follows a review cycle of two years, during which contents are reviewed and assessed based on changes in legal acts or recommendations from public authorities. Investigations regarding the prevention and detection of corruption and bribery are carried out by the Conduct Compliance department independently of business units (including staff and management).

The policy is made available through the intranet for all employees and is part of the WBT that all employees must complete. Local process owners define detailed processes and regulations, which are rolled out via the intranet or the communication platform ('Anweisungsportal') to employees. General information about Erste Group's Policy on CoI and ABC is also made available to external stakeholders on its website.

G1-3 – PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Internal fraud involving bribery and/or corruption occurs when an employee unlawfully accepts or offers bribes to influence decisions or gain undue advantages. A corruption incident is defined as the abuse of entrusted public or business power, office, or resources for private gain, either by elected government officials or by other private individuals. Bribery, a form of corruption, is defined as the act of receiving a benefit, whether financial or non-financial, that alters the behaviour of the recipient. A bribery incident involves intentionally offering, giving, receiving, or soliciting the benefit, directly or indirectly, or through a third party, to improperly influence a person in the performance of a duty, to obtain or retain a benefit or any undue advantage, or to influence the actions of an official or other person in charge of a public or business duty.

When an incident of internal fraud involving bribery or corruption is suspected, the Internal Audit function is involved to perform a thorough audit on the matter. This ensures that all allegations are investigated independently and comprehensively. The Conduct Compliance department, which operates separately from the chain of management, also plays a crucial role in investigating these incidents according to the 3-Lines-of-Defense Model. This model ensures that responsibility for compliance matters, including breaches of corruption and bribery, lies with Group Conduct Compliance, which reports directly to the Management Board. In case a suspicion on internal fraud occurs for an employee, who has already been dismissed, Internal Audit will perform audit steps on the matter, which might lead to legal actions.

Erste Group has established rigorous procedures to prevent, detect and address allegations or incidents of corruption and bribery. These efforts focus on ensuring compliance with financial sanctions, embargoes, securities compliance and good conduct compliance, which includes anti-bribery and anti-corruption agendas. Regular risk-based monitoring by Compliance units ensures adherence to these procedures and raises awareness of compliance risks among all relevant staff. Critical conflicts of interest, particularly those indicating corruption, are reported to the Board and Supervisory Board of Erste Group Bank AG. Reports are submitted through Group Conduct Compliance to Group Internal Audit, the Management Board and the Supervisory Board.

Compliance officers are provided with specific internal working instructions outlining procedures to prevent, detect and address allegations or incidents of corruption and bribery. An escalation process involving various stakeholders (Internal Audit, Compliance, People & Culture, Non-Financial Risk function) is followed to investigate potential cases of corruption or bribery. Investigations are carried out by the Conduct Compliance department, which operates independently from the chain of management, ensuring unbiased and thorough investigations.

Group Anti-Financial Crime provides a comprehensive and mandatory fraud prevention training to employees. This training educates employees on common fraud schemes, red flags, preventive measures and reporting procedures, including internal fraud

awareness. It includes Erste Group's legal/regulatory framework around fraud, addressing its Zero Tolerance Policy and elaboration of all types of fraud. The training tackles techniques how to detect fraud, strategies to prevent and how to report fraud. The training is designed for both new and existing employees, with specific formats and frequencies to ensure comprehensive coverage. New employees receive on-site fraud training available in both English and German, conducted regularly at least once a month. All employees must complete the mandatory web-based fraud training available on the internal learning platform every two years.

In 2022, the Policy on Conflict of Interest and Anti-Bribery and Corruption was rolled out to Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG, including their major shareholdings, as well as to CEE banks making it applicable to over 90 entities within the Erste Group and the Austrian savings banks sector. All entities of the Haftungsverbund (cross-guarantee system) implemented the Policy in form of the HV-Rulebook. At the end of 2024, a revised second version of the Group Policy on CoI an ABC was implemented. It places enhanced emphasis on conflicts of interest arising from political mandates held as secondary occupations, as well as on donations and sponsorships in favour of political parties and politically linked groups, aiming to address potential risks more precisely and further strengthen the Group's integrity. The implementation of the revised second version of the HV Rulebook will be finalised in the beginning of 2026.

Group Conduct Compliance monitors the completion of e-learning modules, supported by the Group People Development & Culture department, which is locally responsible for implementation, oversight and escalation in cases of non-completion. Completion rates vary depending on local factors such as the technical infrastructure of the e-learning platform, assignment dates and logic, escalation processes and the scope and definition of management across entities in Austria and CEE. These discrepancies have led to a comparatively low completion rate of 69,2% (2024: 73,6%) among management bodies (see table '*Anti-corruption and bribery training*' for details).

In 2025, significant steps were taken to harmonise training records across the Group. Through the CSRD Manual, key measures related to CoI and ABC were standardised and newly defined at Group level. This provides a consistent foundation for the assignment and tracking of training content.

In addition, Group People Development introduced a new regulatory training framework called RegONE. This framework establishes a uniform, audit-ready and scalable structure that covers all employee groups subject to regulatory training requirements. RegONE standardises processes, ensures ongoing compliance and creates clarity, reliability and controllability across the Group. It encompasses the entire lifecycle of regulatory training. from definition and assignment to escalation, governance and audit readiness - and includes an escalation logic for non-completion. The rollout of the framework will initially begin in Austria.

The following data includes the completion rates for the COI and ABC WBT of staff at risk, defined as all employees including management (but excluding supervisory board members), across all entities within the Group Compliance steering perimeter. This perimeter is basically based on majority stakes and Compliance's risk-based approach and may therefore differ from the IFRS consolidation scope. For the purpose of this report, all employees are considered staff in risk functions. Nevertheless, the table presents the data in a manner by distinguishing between staff-at-risk (all employees) and management bodies/management board.

Compared to the previous report, the completion rate differs due to the application of a different observation period. The previous reporting cycle applied a longer observation period, whereas the current cycle applies a shorter one.

Anti-corruption and bribery training

	2024		2025	
	Staff at-risk functions	Management bodies - board members	Staff at-risk functions	Management bodies - board members
Training coverage	92.4%	73.6%	90.4%	69.2%
Total trainings completed	30,101	53	31,199	74

Erste Group implements a comprehensive training concept to prevent corruption, bribery and conflicts of interest. The foundation is a mandatory groupwide WBT on CoI and ABC, which is also available in locally adapted versions. Training data are primarily based on the completion of this groupwide WBT on CoI and ABC or its localised versions.

The training provides practical knowledge on typical forms of conflicts of interest, corruption and bribery, as well as on their prevention and reporting. It is based on Erste Group´s legal and regulatory framework and the group-wide CoI and ABC policy, which establishes a zero-tolerance approach towards any form of corruption and bribery. The total duration of the WBT is approximately 60 minutes, with 45 minutes dedicated to the theoretical part and 15 minutes to a final knowledge check.

Additional trainings are conducted as needed, with content and duration tailored to the specific risks and requirements of the respective local entities.

G1-4 – INCIDENTS OF CORRUPTION OR BRIBERY

Incidents of corruption or bribery within an organisation can severely undermine its integrity and ethical standards. At Erste Group, such incidents are treated with the utmost seriousness in accordance with the Policy on CoI and ABC. The Group maintains a strict zero tolerance approach towards any form of bribery or corruption.

There have been zero convictions for violations of anti-corruption and anti-bribery laws and the amount of fines for such violations is zero in 2025. This mirrors the situation from the previous year, where both convictions and fines were also zero (2024: zero). The data is not validated by an external body.

Subtopic	List of key-actions	Policy
G1-Corruption and bribery - prevention and detection including training	Training programmes to prevent and detect corruption and bribery	Policy on Conflict of Interest and Anti-Bribery and Corruption

Training programmes to prevent and detect corruption and bribery

Erste Group has established comprehensive training programmes to prevent and detect corruption and bribery, aligned with the Policy on CoI and ABC. These ongoing actions are designed to raise awareness, prevent corruptive behaviour and address any material gaps, thereby supporting the positive impact of promoting a trusting and ethical business environment (see *G1-1* and *G1-3* for further details).

An additional implementation of a group-wide compliance platform is in progress. The platform is designed to serve as a central hub for knowledge sharing on key compliance topics; including conflicts of interest, the CoI and ABC policies, relevant points of contact and links to WBT resources. Its objective is to enhance accessibility and promote the consistent dissemination of essential compliance information across the organisation.

The progress of these actions is monitored through evaluations of the web-based training, data analysis of the reporting tool, checks and risk assessments (see *G1-3*). Group Conduct Compliance, with support from the department of Group People Development, monitors the completion rates of the e-learning programmes and escalates cases of non-completion.

G1-5 - POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

Erste Group engages in advocacy activities both on the national as well as EU level. Erste Group priorities during 2025 included the creation of a strong Savings and Investments Union, increasing the EU's and CEE region's competitiveness as well as fostering domestic policies that are conducive for the economy. Additionally, Erste Group also addressed the following sustainability matters, which have been identified as material:

- Climate change mitigation/energy: During the reporting year, Erste Group advocated for a well-balanced simplification agenda, e.g. in the context of CSRD/CSDDD, that aligns with bank's reporting requirements.
- Financial health: In 2025 Erste Group focused on the Commission's recommendation on Savings and Investment Accounts, with a view to strengthening financial health across the EU.
- Gender equality and equal pay for work of equal value: Erste Group contributed ideas on how to effectively implement the EU Directive on Pay Transparency.

Erste Group is a member of several trade associations. Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG do not provide donations to political parties (or their sub-organizations), candidates, active politicians with political mandates at all levels, party-political action committees or for party-political causes. This is in line with the group's Political Engagement Statement, which provides these restrictions and applies to all employees, management board members, representatives and third parties acting on behalf of Erste Group Bank AG and its entities in political or lobbying contexts.

Selected memberships and affiliations are:

- Institute of International Finance (IIF) (international),
- Eurofi (international),
- Austrian Federal Economic Chamber (national – mandatory membership by law),
- Federation of Austrian Industries (national) and
- Austrian Savings Banks Association (national).

Erste Group is registered in the Austrian Lobbying and Advocacy Register under the number LIVR-00179 as well as in the EU's Transparency register under the number 910859715397-14.

Among the Supervisory Board members newly appointed during the reporting period, one member had held a position in public administration within the two years preceding their appointment.

Group Corporate Affairs & Stakeholder Management is responsible for steering the political engagement and responsible lobbying for Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG. Its division reports directly to the CEO.

Subsequent events after balance sheet date

For events of particular importance after balance sheet date, Erste Group refers to the disclosures in *Note 67 Events after the balance sheet date* in the consolidated financial statements.

Management Board	
Peter Bosek mp, Chairman	
Ingo Bleier mp, Member	Stefan Dörfler mp, Member
Alexandra Habeler-Drabek mp, Member	Maurizio Poletto mp, Member

Vienna, 25 February 2026

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Consolidated statement of income

in EUR million	Notes	1-12 24	1-12 25
Net interest income	2	7,528	7,788
Interest income	2	15,353	13,693
Other similar income	2	3,756	2,914
Interest expenses	2	-7,549	-5,990
Other similar expenses	2	-4,032	-2,829
Net fee and commission income	3	2,938	3,191
Fee and commission income	3	3,454	3,810
Fee and commission expenses	3	-517	-620
Dividend income	4	39	36
Net trading result	5	519	313
Gains/losses from financial instruments measured at fair value through profit or loss	6	-82	107
Net result from equity method investments		27	46
Rental income from investment properties & other operating leases	7	210	179
Personnel expenses	8	-3,202	-3,335
Other administrative expenses	8	-1,529	-1,688
Depreciation and amortisation	8	-547	-560
Gains/losses from derecognition of financial assets measured at amortised cost	9	-90	-49
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	10	-1	9
Impairment result from financial instruments	11	-397	-478
Other operating result	12	-414	-158
Levies on banking activities	12	-245	-372
Pre-tax result from continuing operations		**4,997**	**5,400**
Taxes on income	13	-1,053	-1,103
Net result for the period		**3,945**	**4,297**
Net result attributable to non-controlling interests		819	788
Net result attributable to owners of the parent		**3,125**	**3,510**

Earnings per share

Earnings per share constitute net profit/loss for the year attributable to owners of the parent divided by the average number of ordinary shares outstanding. The average number of outstanding shares is net of the average number of treasury shares, considering the shares buyback in the previous year. Diluted earnings per share represent the maximum potential dilution (through an increase in the average number of shares) that would occur if all subscription and conversion rights granted were exercised. The difference between the weighted average number of outstanding shares and the weighted average diluted number of outstanding shares results from share-based payment transactions with employees. For information on share-based payments please refer to *Note 62 Share-based payments*.

		1-12 24	1-12 25
Net result attributable to owners of the parent	in EUR thousand	3,125,299	3,509,552
Dividend on AT1 capital (after tax effect)	in EUR thousand	-132,593	-138,564
Net result for the period attributable to owners of the parent after deduction of AT1 capital dividend	in EUR thousand	2,992,706	3,370,988
Weighted average undiluted number of outstanding shares		415,854,514	408,949,788
Earnings per share	**in EUR**	**7.20**	**8.24**
Weighted average diluted number of outstanding shares		416,176,925	409,244,552
Diluted earnings per share	**in EUR**	**7.19**	**8.24**

For details regarding the number of outstanding shares please refer to *Note 55 Total equity*.

Consolidated statement of comprehensive income

in EUR million	Notes	1-12 24	1-12 25
Net result for the period		**3,945**	**4,297**
Other comprehensive income			
Items that may not be reclassified to profit or loss		**-19**	**25**
Remeasurement of defined benefit plans	53	19	41
Fair value reserve of equity instruments	20	7	4
Own credit risk reserve	25	-59	-12
Deferred taxes relating to items that may not be reclassified	13	14	-8
Items that may be reclassified to profit or loss		**-139**	**212**
Fair value reserve of debt instruments	19	45	33
Gains/losses during the period		38	53
Reclassification adjustments		10	-19
Credit loss allowances		-2	0
Cash flow hedge reserve	27	29	-7
Gains/losses during the period		76	-64
Reclassification adjustments		-47	57
Currency reserve		-195	194
Gains/losses during the period		-197	260
Net investment hedge gains/losses during the period	27	3	-67
Reclassification adjustments		0	1
Deferred taxes relating to items that may be reclassified	13	-19	-8
Gains/losses during the period		-30	0
Reclassification adjustments		11	-8
Total other comprehensive income		**-158**	**237**
Total comprehensive income		**3,787**	**4,535**
Total comprehensive income attributable to non-controlling interests		829	813
Total comprehensive income attributable to owners of the parent		**2,958**	**3,721**

For a detailed split of income tax items within other comprehensive income please refer to *Note 13 Taxes on income*.

Consolidated balance sheet

in EUR million	Notes	Dec 24	Dec 25
Assets			
Cash and cash balances	15	25,129	27,573
Financial assets held for trading	21, 22	11,463	9,377
Derivatives	21	1,226	829
Other financial assets held for trading	22	10,236	8,548
Pledged as collateral	29	483	248
Non-trading financial assets at fair value through profit or loss	23	3,040	3,833
Pledged as collateral	29	0	0
Equity instruments	23	464	523
Debt securities	23	1,468	1,786
Loans and advances to customers	23	1,108	1,524
Financial assets at fair value through other comprehensive income	19, 20	9,498	9,181
Pledged as collateral	29	107	275
Equity instruments	20	109	113
Debt securities	19	9,388	9,068
Financial assets at amortised cost	16	288,894	301,707
Pledged as collateral	29	4,066	2,708
Debt securities	16	52,889	58,655
Loans and advances to banks	16	26,972	20,827
Loans and advances to customers	16	209,034	222,225
Finance lease receivables	50	5,248	5,290
Hedge accounting derivatives	27	181	231
Fair value changes of hedged items in portfolio hedge of interest rate risk	27	-19	-64
Property and equipment	47	2,754	2,941
Investment properties	47	1,678	1,913
Intangible assets	48	1,382	1,413
Investments in associates and joint ventures	59	280	465
Current tax assets	13	45	84
Deferred tax assets	13	266	171
Assets held for sale	64	154	211
Trade and other receivables	17	2,677	2,946
Other assets	49	1,066	1,301
Total assets		**353,736**	**368,574**

in EUR million	Notes	Dec 24	Dec 25
Liabilities and equity			
Financial liabilities held for trading	21, 24	1,821	2,412
Derivatives	21	1,149	1,092
Other financial liabilities held for trading	24	672	1,321
Financial liabilities at fair value through profit or loss	25	10,281	9,857
Deposits from customers	25	115	174
Debt securities issued	25	10,030	9,268
Other financial liabilities	25	136	415
Financial liabilities at amortised cost	18	305,332	316,168
Deposits from banks	18	21,261	16,919
Deposits from customers	18	241,535	252,817
Debt securities issued	18	41,859	45,604
Other financial liabilities		676	829
Lease liabilities	51	691	721
Hedge accounting derivatives	27	194	170
Provisions	53	1,626	1,416
Current tax liabilities	13	241	323
Deferred tax liabilities	13	31	52
Liabilities associated with assets held for sale	64	93	84
Other liabilities	52	2,658	2,706
Total equity	55	30,767	34,665
Equity attributable to non-controlling interests	55	7,633	8,367
Additional equity instruments	55	2,688	3,479
Equity attributable to owners of the parent	55	20,447	22,819
Subscribed capital	55	821	821
Additional paid-in capital	55	1,516	1,516
Retained earnings and other reserves	55	18,110	20,481
Total liabilities and equity		**353,736**	**368,574**

Consolidated statement of changes in equity

in EUR million	Subscribed capital	Additional paid-in capital	Retained earnings	Cash flow hedge reserve	Fair value reserve	Own credit risk reserve	Currency reserve	Remeasurement of defined benefit plans	Equity attributable to owners of the parent	Additional equity instruments	Equity attributable to non-controlling interests	Total equity
As of 01 January 2025	**821**	**1,516**	**19,517**	**-6**	**69**	**-102**	**-889**	**-480**	**20,447**	**2,688**	**7,633**	**30,767**
Changes in treasury shares	0	0	-5	0	0	0	0	0	-5	0	0	-5
Dividends paid	0	0	-1,344	0	0	0	0	0	-1,344	0	-95	-1,439
Capital increase/decrease	0	0	0	0	0	0	0	0	0	792	2	793
Changes in scope of consolidation and ownership interest	0	0	1	0	0	0	0	0	1	0	0	1
Reclassification from other comprehensive income to retained earnings	0	0	-1	0	0	1	0	0	0	0	0	0
Share-based payments	0	0	-2	0	0	0	0	0	-2	0	0	-2
Other changes	0	0	1	0	0	0	0	0	1	0	14	14
Total comprehensive income	0	0	3,510	-5	17	-7	194	13	3,721	0	813	4,535
Net result for the period	0	0	3,510	0	0	0	0	0	3,510	0	788	4,297
Other comprehensive income	0	0	0	-5	17	-7	194	13	212	0	26	237
Change from remeasurement of defined benefit plans	0	0	0	0	0	0	0	13	13	0	18	31
Change in fair value reserve	0	0	0	0	17	0	0	0	17	0	9	27
Change in cash flow hedge reserve	0	0	0	-5	0	0	0	0	-5	0	0	-5
Change in currency reserve	0	0	0	0	0	0	194	0	194	0	0	194
Change in own credit risk reserve	0	0	0	0	0	-7	0	0	-7	0	-2	-9
As of 31 December 2025	**821**	**1,516**	**21,675**	**-12**	**87**	**-108**	**-695**	**-466**	**22,819**	**3,479**	**8,367**	**34,665**

in EUR million	Subscribed capital	Additional paid-in capital	Retained earnings	Cash flow hedge reserve	Fair value reserve	Own credit risk reserve	Currency reserve	Remeasurement of defined benefit plans	Equity attributable to owners of the parent	Additional equity instruments	Equity attributable to non-controlling interests	Total equity
As of 01 January 2024	**843**	**1,494**	**18,143**	**-31**	**51**	**-69**	**-694**	**-495**	**19,243**	**2,405**	**6,853**	**28,502**
Changes in treasury shares	0	0	0	0	0	0	0	0	0	0	0	0
Dividends paid	0	0	-1,217	0	0	0	0	0	-1,217	0	-132	-1,348
Capital increase/decrease	-22	22	-507	0	0	0	0	0	-507	283	7	-217
Changes in scope of consolidation and ownership interest	0	0	-31	0	0	0	0	0	-31	0	81	50
Reclassification from other comprehensive income to retained earnings	0	0	2	0	-3	0	0	0	0	0	0	0
Share based payments	0	0	3	0	0	0	0	0	3	0	0	3
Other changes	0	0	-2	0	0	0	0	0	-2	0	-6	-8
Total comprehensive income	0	0	3,125	24	21	-33	-195	15	2,958	0	829	3,787
Net result for the period	0	0	3,125	0	0	0	0	0	3,125	0	819	3,945
Other comprehensive income	0	0	0	24	21	-33	-195	15	-167	0	9	-158
Change from remeasurement of defined benefit plans	0	0	0	0	0	0	0	15	15	0	0	16
Change in fair value reserve	0	0	0	0	21	0	0	0	21	0	16	37
Change in cash flow hedge reserve	0	0	0	24	0	0	0	0	24	0	0	24
Change in currency reserve	0	0	0	0	0	0	-195	0	-195	0	0	-195
Change in own credit risk reserve	0	0	0	0	0	-33	0	0	-33	0	-7	-40
As of 31 December 2024	**821**	**1,516**	**19,517**	**-6**	**69**	**-102**	**-889**	**-480**	**20,447**	**2,688**	**7,633**	**30,767**

Consolidated statement of cash flow

in EUR million	Notes	1-12 24	1-12 25
Net result for the period		**3,945**	**4,297**
Non-cash adjustments for items in net profit/loss for the year			
Depreciation, amortisation and net impairment of non-financial assets	47, 48	554	550
Net allocation of credit loss allowances and other provisions	11,12	427	490
Gains/losses from measurement and derecognition of financial assets and financial liabilities	9, 10	-876	1,419
Other adjustments		-43	187
Changes in assets and liabilities from operating activities after adjustment for non-cash components			
Financial assets held for trading	21, 22	-2,641	2,164
Non-trading financial assets at fair value through profit or loss	23		0
Equity instruments	23	-50	-58
Debt securities	23	139	-284
Loans and advances to customers	23	-54	-410
Financial assets at fair value through other comprehensive income: debt securities	19	-581	355
Financial assets at amortised cost	16		
Debt securities	16	-8,925	-5,817
Loans and advances to banks	16	-5,556	6,136
Loans and advances to customers	16	-10,190	-13,741
Finance lease receivables	50	-277	-46
Hedge accounting derivatives - assets	27	26	-56
Other assets from operating activities	17, 49	61	-536
Financial liabilities held for trading	21, 24	542	-920
Financial liabilities at fair value through profit or loss	25	-1,075	-427
Financial liabilities measured at amortised cost	18		
Deposits from banks	18	-1,649	-4,343
Deposits from customers	18	9,313	11,306
Debt securities issued	18	8,529	3,744
Other financial liabilities		-672	153
Hedge accounting derivatives - liabilities	27	-91	-24
Other liabilities from operating activities	52	115	-102
Cash flow from operating activities		**-9,029**	**4,039**
Proceeds of disposal			
Financial assets at fair value through other comprehensive income: equity instruments	20	0	3
Investments in associates and joint ventures	59	-21	-28
Property and equipment and intangible assets	47, 48	51	62
Investment properties	47	12	12
Acquisition of			
Property and equipment and intangible assets	47, 48	-746	-753
Investment properties	47	-84	-341
Acquisition of subsidiaries (net of cash and cash equivalents acquired)		-88	-21
Disposal of subsidiaries		28	67
Cash flow from investing activities		**-850**	**-1,000**
Capital increase	55	290	1,013
Capital decrease	55	-545	-205
Changes in ownership interests that do not result in a loss of control	55	50	1
Dividends paid to equity holders of the parent	55	-1,217	-1,344
Dividends paid to non-controlling interests	55	-132	-95
Cash flow from financing activities		**-1,553**	**-630**
Cash and cash equivalents at the beginning of the period	**15**	**36,685**	**25,129**
Cash flow from operating activities		-9,029	4,039
Cash flow from investing activities		-850	-1,000
Cash flow from financing activities		-1,553	-630
Effect of currency translation		-123	34
Cash and cash equivalents at the end of period	**15**	**25,129**	**27,573**
Cash flows related to taxes, interest and dividends (included in cash flow from operating activities)		**6,423**	**6,680**
Payments for taxes on income	13	-807	-856
Interest received	2	23,003	20,764
Dividends received	4	39	36
Interest paid	2	-15,812	-13,265

Cash and cash equivalents are equal to the amount in the balance sheet line item ‘Cash and cash balances’. Within the cash flow from investing activities, the cash inflows and outflows related to equity transactions have been presented separately to enhance transparency.

Notes to the group financial statements of Erste Group

General information

Erste Group Bank AG is Austria's oldest savings bank and listed on the Vienna Stock Exchange. It is also quoted on the Prague Stock Exchange and on the Bucharest Stock Exchange. The registered office of Erste Group Bank AG is located at Am Belvedere 1, 1100 Vienna, Austria.

The group of Erste Group Bank AG (hereinafter referred to as 'Erste Group' or 'Group') offers a complete range of banking and other financial services, such as savings accounts, asset management (including investment funds), consumer credit and mortgage lending, investment banking, securities and derivatives trading, portfolio management, project finance, foreign trade financing, corporate finance, capital market and money market services, foreign exchange trading, leasing and factoring.

In 2025, Erste Group significantly expanded its geographical presence by entering the Polish market through an agreement to acquire a controlling stake in Santander Bank Polska. The acquisition was completed in January 2026. Further information is provided in *Note 57 Scope of consolidation - additions and disposals*.

These consolidated financial statements have been prepared and authorised for issue by the Management Board as at the signing date of this report. Both, the Supervisory Board (12 March 2026) and the annual general meeting (17 April 2026) may amend the individual financial statements of Erste Group Bank AG, which in turn may have an impact on these consolidated financial statements. The consolidated financial statements have not been accepted by the Supervisory Board and the financial statements of Erste Group Bank AG have not been approved by the Supervisory Board at the date of this report. This is also applicable to the majority of the individual financial statements, which are relevant for the calculation of own funds.

Erste Group is subject to the regulatory requirements of Austrian and European supervisory bodies (National Bank, Financial Market Authority, Single Supervisory Mechanism). These regulations include those pertaining to minimum capital adequacy requirements, categorisation of exposures and off-balance sheet commitments, credit risk connected with clients of the Group, market risk (including interest rate and foreign exchange risk) and operational risk.

In addition to the banking entities, some Group companies are subject to regulatory requirements, specifically in relation to asset management.

Material accounting policies

a) Basis of preparation

The consolidated financial statements of Erste Group for the financial year ending on 31 December 2025 and the related comparative information were prepared in compliance with applicable IFRS Accounting Standards as adopted by the European Union on the basis of IAS Regulation (EC) No. 1606/2002. The requirements of Section 59a of the Austrian Banking Act and Section 245a of the Austrian Commercial Code are fulfilled.

The consolidated financial statements have been prepared on a going concern basis.

Erste Group is subject to regulatory restrictions on capital distributions stemming from the EU-wide capital requirements regulations applicable to all credit institutions based in the EU. Erste Group does not have any other significant restrictions on its ability to access or use the assets and settle the liabilities of the Group. Also, the owners of non-controlling interests in Group subsidiaries do not have rights that can restrict the Group's ability to access or use the assets and settle the liabilities of the Group.

Except as otherwise indicated, all amounts are stated in millions of euro. The tables in this report may contain rounding differences. The abbreviations used in the consolidated financial statements of Erste Group are explained in the appendix 'Glossary' at the end of this report.

b) Foreign currency translation

The consolidated financial statements are presented in euro, which is the functional currency of Erste Group Bank AG, the parent company of Erste Group. The functional currency is the currency of the primary business environment in which an entity operates. Each entity in Erste Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

For foreign currency translation, exchange rates quoted by the central banks in each country are used. For Erste Group entities with the euro as functional currency, these are the European Central Bank reference rates.

i. Transactions and balances in foreign currency

Transactions in foreign currencies are initially recorded at the functional currency exchange rate effective as of the date of the transaction. Subsequently, monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate as of the balance sheet date. All resulting exchange differences that arise are recognised in the statement of income under the line item 'Net trading result'. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as of the dates of the initial transactions, i.e. they do not give rise to exchange differences. Non-monetary items that are measured at fair value (such as equity investments) in a foreign currency are translated using the exchange rates at the date when the fair value is measured, thus the exchange differences are part of the fair value gains or losses.

ii. Translation of the statements of Group companies

Assets and liabilities of foreign operations (foreign subsidiaries and branches) are translated into Erste Group's presentation currency, the euro, at the rate of exchange as of the balance sheet date (closing rate). Their consolidated statement of income and consolidated statement of comprehensive income are translated at the average exchange rate of the respective reporting period calculated on the basis of daily rates. Goodwill, intangible assets and fair value adjustments to the carrying amounts of assets and liabilities recognised on acquisition of foreign subsidiaries are treated as assets and liabilities of the foreign subsidiaries and are translated at the closing rate. However, goodwill of Česká spořitelna a.s. is translated at the historical FX rate as allowed by the transitional provisions in IAS 21.59.

Exchange differences arising on translation are recognised in OCI in the line 'Currency reserve' of the statement of comprehensive income. The accumulated OCI is presented in equity, specifically under 'Currency reserve' in the statement of changes in equity. On disposal of a foreign subsidiary, the cumulative amount of translation differences recognised in other comprehensive income is recognised in the statement of income under the line item 'Other operating result'.

c) Material accounting judgements, assumptions and estimates

The consolidated financial statements contain amounts that have been determined on the basis of judgements and by the use of estimates and assumptions. The estimates and assumptions used are based on historical experience and other factors, such as planning as well as expectations and forecasts of future events that are currently deemed to be reasonable. As a consequence of the uncertainty associated with these assumptions and estimates, actual results could in future periods lead to adjustments in the carrying amounts of the related assets or liabilities. The most significant uses of judgements, assumptions and estimates are described in the notes of the respective assets and liabilities and relate in particular to:

_ Taxes on income and deferred tax assets (*Note 13 Taxes on income*)
_ SPPI assessment of financial instruments (*Chapter Financial instruments – Material accounting policies*)
_ Business model assessment of financial instruments (*Chapter Financial instruments – Material accounting policies*)
_ Fair value of financial instruments (*Note 26 Fair value of financial instruments*)
_ Impairment of financial instruments (*Chapter Financial instruments – Material accounting policies*, *Note 37 Measurement of expected credit losses* and *Note 40 Scenarios used in forward looking information and crises effects*)
_ Impairment of non-financial assets (*Chapter Non-current assets and other investments*)
_ Provisions (*Note 53 Provisions*)
_ Defined employees benefit plans (*Note 53 Provisions*)
_ Control of subsidiaries (*Note 58 Subsidiaries*)
_ Significant influence in associates and joint control in joint ventures (*Note 59 Investments in associates and joint ventures*)
_ Interest in structured entities (*Note 60 Unconsolidated structured entities*)

d) Application of amended and new IFRS/IAS

The accounting policies adopted are consistent with those used in the previous financial year except for standards and interpretations that became effective for financial years beginning after 1 January 2025. As regards new standards and interpretations and their amendments, only those that are relevant for the business of Erste Group are listed below.

EFFECTIVE STANDARDS AND INTERPRETATIONS

The following amendments of standards have become mandatory for the financial year 2025 and have been endorsed by the EU:
_ Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

Application of the amendments in 2025 did not have a significant impact on Erste Group's financial statements.

STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The standards and amendments shown below were issued by the IASB but are not yet effective. All of them have been endorsed by the EU.

IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 was issued in April 2024 and become effective for annual periods beginning on or after 1 January 2027. The standard replaces IAS 1. It sets out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

Application of IFRS 18 will result in adjustments in the structure of the consolidated statement of income of Erste Group driven by a new mandatory subtotal 'Operating profit or loss'. New disclosures in the area of management-defined performance measures will be provided.

Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments. The amendments to IFRS 7 and IFRS 9 were issued in May 2024 and become effective for annual periods beginning on or after 1 January 2026. Erste Group revised its original intention to early apply these amendments in 2025 and will apply them from 2026.

The amendments to IFRS 9 permit an entity to deem a financial liability that will be settled using an electronic payment system to be discharged before the settlement date. Further, they bring clarifications for classification of financial assets in the areas of contractual terms which are consistent with a basic lending agreement, assets with non-recourse features and contractually linked instruments. The amendments to IFRS 7 bring new disclosure requirements for investment in equity instruments measured at fair value through other comprehensive income and for contractual terms that could change the timing or amount of contractual cash flows.

The amendments to IFRS 9 will result in a different way of SPPI assessment for financial assets whose interest is adjusted based on meeting certain ESG-linked targets by the borrowers. Erste Group will no longer assess them based on whether the effect of the adjustments is de-minimis but whether the adjusted cash flows could be significantly different from the contractual cash flows of a financial asset with identical contractual terms but without such an ESG-linked feature. The new assessment is not expected to change the measurement of the affected financial assets. Other amendments to IFRS 9 are not expected to have a significant impact on Erste Group's financial statements. Erste Group will not make use of the option to deem a financial liability that will be settled using an electronic payment system to be discharged before the settlement date. Amendments to IFRS 7 will result in new disclosures.

Annual Improvements Volume 11. In July 2024 the IASB issued a set of amendments to various standards. The amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 are effective for annual periods beginning on or after 1 January 2026. Application of these amendments is not expected to have a significant impact on Erste Group's financial statements.

Performance / Return

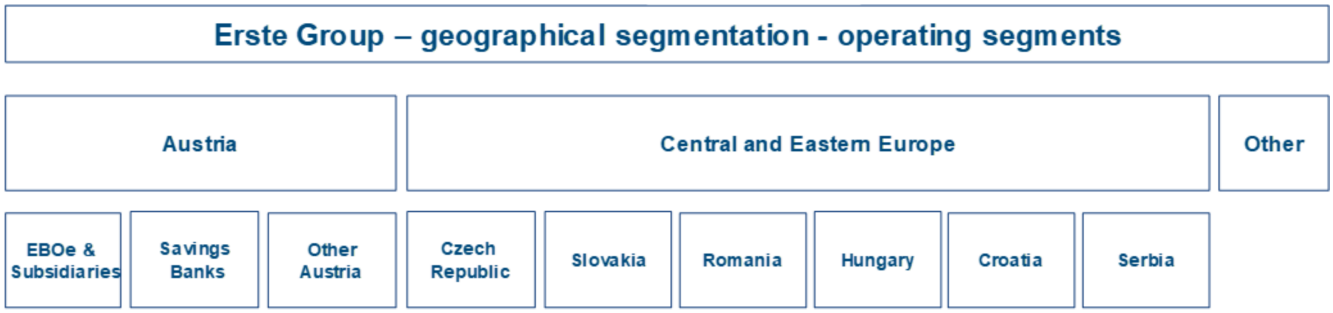
1. Segment reporting

Erste Group's segment reporting is based on IFRS 8 Operating Segments, which adopts the management approach. Accordingly, segment information is prepared on the basis of internal management reporting that is regularly reviewed by the chief operating decision maker to assess the performance of the segments and make decisions regarding the allocation of resources. Within Erste Group the function of the chief operating decision maker is exercised by the Management Board. Erste Group uses a matrix organisational structure with geographical segmentation and business segments. Since the chief operating decision maker performs the steering primarily based on geographical segments, those are defined as operating segments according to IFRS 8. In order to provide more comprehensive information, the performance of the business segments is reported additionally.

Geographical segmentation (operating segments)

For the purpose of segment reporting geographical segments are defined as operating segments, for which the information is presented on the basis of the booking entity's location (not the country of risk). In case of information regarding a partial group, the allocation is based on the location of the respective parent entity according to the local management responsibility.

Geographical areas are defined according to the core markets in which Erste Group operates. Based on the locations of the banking and other financial institution participations, the geographical areas consist of two core markets, Austria and Central and Eastern Europe and a residual segment Other that comprises the remaining business activities of Erste Group outside its core markets as well as the reconciliation to the consolidated accounting result.



The geographical area Austria consists of the following three operating segments:

_ The **Erste Bank Oesterreich & Subsidiaries** (EBOe & Subsidiaries) segment comprises Erste Bank der oesterreichischen Sparkassen AG (Erste Bank Oesterreich) and its main subsidiaries (e.g. sBausparkasse, Tiroler Sparkasse, Sparkasse Hainburg). Salzburger Sparkasse was merged with Erste Bank Oesterreich as of 1 August 2025.
_ The **Savings banks** segment includes those savings banks which are members of the Haftungsverbund (cross-guarantee system) of the Austrian savings banks sector and in which Erste Group does not hold a majority stake but which are fully controlled according to IFRS 10. The fully or majority owned Erste Bank Oesterreich, Tiroler Sparkasse, and Sparkasse Hainburg are not part of the Savings Banks segment.
_ The **Other Austria** segment comprises Erste Group Bank AG (Holding) with its Corporates and Group Markets business, Erste Group Immorent GmbH, Erste Asset Management GmbH and Intermarket Bank AG.

The geographical area Central and Eastern Europe (CEE) consists of six operating segments covering Erste Group's banking subsidi-aries located in the respective CEE countries:

_ **Czech Republic** (comprising Česká spořitelna Group)
_ **Slovakia** (comprising Slovenská sporitel'ňa Group)
_ **Romania** (comprising Banca Comercială Română Group)
_ **Hungary** (comprising Erste Bank Hungary Group)
_ **Croatia** (comprising Erste Bank Croatia Group)
_ **Serbia** (comprising Erste Bank Serbia Group).

The residual segment **Other** covers mainly centrally managed activities and items that are not directly allocated to other segments. It comprises the corporate center of Erste Group Bank AG (and thus dividends and the refinancing costs from participations, general administrative expenses), internal service providers (facility management, IT, procurement), the banking tax of Erste Group Bank AG as well as free capital of Erste Group (defined as the difference of the total average IFRS equity and the average

economical equity allocated to the segments). Asset/Liability Management of Erste Group Bank AG as well as the reconciliation to the consolidated accounting result (e.g. intragroup eliminations, dividend eliminations) are also part of the segment Other. Intragroup eliminations are equal to the Intragroup eliminations shown in the business segmentation view (see the table '*Business segments (2)*').

Business segmentation

Apart from geographical segments, which are Erste Group's operating segments, business segments are reported as well.

Retail. The Retail segment comprises the business with private individuals, micros and free professionals within the responsibility of account managers in the retail network. This business is operated by the local banks in cooperation with their subsidiaries such as leasing and asset management companies with a focus on simple products ranging from mortgage and consumer loans, investment products, current accounts, savings products to credit cards and cross selling products such as leasing, insurance and building society products.

Corporates. The Corporates segment comprises business done with corporate customers of different turnover size (small and medium-sized enterprises and Large Corporate customers) as well as commercial real estate and public sector business.

Group Markets. The Group Markets (GM) segment comprises trading and markets services as well as customer business with financial institutions. It includes all activities related to the trading books of Erste Group, including the execution of trade, market making and short-term liquidity management. In addition, it comprises business connected with servicing financial institutions as clients.

Asset/Liability Management & Local Corporate Center. The Asset/Liability Management & Local Corporate Center (ALM & LCC) segment includes all asset/liability management functions – local and of Erste Group Bank AG (Holding) – as well as the local corporate centers which comprise all non-core banking business activities such as internal service providers and reconciliation items to local entity results. The corporate center of Erste Group Bank AG is included in the Group Corporate Center segment.

Savings Banks. The Savings Banks segment is identical to the operating segment Savings banks.

Group Corporate Center. The Group Corporate Center (GCC) segment covers mainly centrally managed activities and items that are not directly allocated to other segments. It comprises the corporate center of Erste Group Bank AG (and thus dividends and the refinancing costs from participations, general administrative expenses), internal service providers (facility management, IT, procurement), the banking tax of Erste Group Bank AG as well as free capital of Erste Group (defined as the difference of the total average IFRS equity and the average economical equity allocated to the segments).

Intragroup Elimination. Intragroup Elimination (IC) is not defined as a segment but is the reconciliation to the consolidated accounting result. It includes intragroup eliminations between participations of Erste Group (e.g. intragroup funding, internal cost charges). Intragroup eliminations within partial groups are disclosed in the respective segments.

Dividend elimination between Erste Group Bank AG and its fully consolidated subsidiaries is performed in Group Corporate Center. Consolidation differences arising between the segments, which are eliminated over the lifespan of the underlying transaction, are part of Group Corporate Center.

Measurement

The profit and loss statement of the segment report is based on the measures reported to the Erste Group Management Board for the purpose of allocating resources to the segments and assessing their performance. Management reporting as well as the segment

report of Erste Group are based on IFRS. Accounting standards and methods as well as measurements used in segment reporting are the same as for the consolidated financial statements of accounting.

Interest revenues are not reported separately from interest expenses for each reportable segment. Those measures are reported on the net basis within the position 'Net interest income' as interest revenues and interest expenses are neither included into the measure of segment profit or loss reviewed by the chief operating decision maker nor otherwise regularly provided to the chief operating decision maker. Chief operating decision maker relies solely on net interest income to assess the performance of the segments and make decisions about resources to be allocated to the segments. Net fee and commission income and Other operating result are reported on a net basis according to the regular reporting to the chief operating decision maker.

Capital consumption per segment is regularly reviewed by the management of Erste Group to assess the performance of the segments. The average allocated capital is determined by the credit risk, market risk, operational risk and business strategic risk. According to the regular internal reporting to Erste Group Management Board, total assets and total liabilities as well as risk weighted assets and allocated capital are disclosed per segment. Total average allocated capital for the Group equals average total equity of the Group.

For measuring and assessing the profitability of segments within Erste Group, such key measures as return on allocated capital and cost/income ratio are used. Return on allocated capital is defined as net result for the period before minorities in relation to the aver-age allocated capital of the respective segment. Cost/income ratio is defined as operating expenses (general administrative expenses) in relation to operating income (total of net interest income, net fee and commission income, dividend income, net trading result, gains/losses from financial instruments measured at fair value through profit or loss, net result from equity method investments, rental income from investment properties and other operating lease).

Operating segments: Geographical segmentation – overview

	Austria		Central and Eastern Europe		Other		Group total	
in EUR million	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25
Net interest income	3,520	3,386	3,749	3,893	259	509	7,528	7,788
Net fee and commission income	1,625	1,788	1,434	1,550	-121	-147	2,938	3,191
Dividend income	27	24	4	4	8	8	39	36
Net trading result	94	29	359	355	66	-71	519	313
Gains/losses from financial instruments at FVPL	-4	70	29	18	-107	19	-82	107
Net result from equity method investments	11	7	17	18	-2	20	27	46
Rental income from investment properties & other operating leases	153	158	39	36	17	-15	210	179
General administrative expenses	-2,535	-2,662	-2,455	-2,597	-289	-325	-5,279	-5,583
thereof depreciation and amortization	-175	-184	-278	-292	-95	-84	-547	-560
Gains/losses from derecognition of financial assets at AC	-6	-10	-57	-58	-27	19	-90	-49
Other gains/losses from derecognition of financial instruments not at FVPL	0	-2	-48	-4	47	14	-1	9
Impairment result from financial instruments	-398	-343	5	-134	-4	0	-397	-478
Other operating result	-82	-56	-254	-117	-78	16	-414	-158
Levies on banking activities	-14	-41	-204	-238	-27	-92	-245	-372
Pre-tax result from continuing operations	**2,405**	**2,389**	**2,823**	**2,964**	**-231**	**48**	**4,997**	**5,400**
Taxes on income	-560	-541	-568	-564	75	1	-1,053	-1,103
Net result for the period	**1,845**	**1,848**	**2,255**	**2,400**	**-156**	**49**	**3,945**	**4,297**
Net result attributable to non-controlling interests	727	679	85	84	7	25	819	788
Net result attributable to owners of the parent	**1,118**	**1,169**	**2,170**	**2,316**	**-163**	**24**	**3,125**	**3,510**
Operating income	5,427	5,462	5,631	5,874	121	324	11,178	11,659
Operating expenses	-2,535	-2,662	-2,455	-2,597	-289	-325	-5,279	-5,583
Operating result	**2,892**	**2,800**	**3,176**	**3,277**	**-169**	**-1**	**5,900**	**6,076**
Risk-weighted assets (credit risk, eop)	70,355	64,163	61,651	58,758	1,694	-2,699	133,700	120,222
Average allocated capital	10,570	11,140	10,872	10,923	8,105	10,677	29,547	32,740
Cost/income ratio	46.7%	48.7%	43.6%	44.2%	>100%	>100%	47.2%	47.9%
Return on allocated capital	17.5%	16.6%	20.7%	22.0%	-1.9%	0.5%	13.4%	13.1%
Total assets (eop)	209,416	211,492	163,716	173,289	-19,396	-16,207	353,736	368,574
Total liabilities excluding equity (eop)	160,985	158,799	148,325	156,941	13,659	18,170	322,969	333,909
Impairments	**-401**	**-328**	**5**	**-133**	**-4**	**19**	**-399**	**-442**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-352	-355	7	-132	2	1	-343	-486
Net impairment loss on commitments and guarantees given	-46	12	-2	-3	-6	-1	-54	8
Impairment of goodwill	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	8	-1	20	-1	27
Net impairment on other non-financial assets	-3	15	1	-6	1	0	-1	9

Operating segments: Geographical area Austria

	EBOe & Subsidiaries		Savings Banks		Other Austria		Austria total	
in EUR million	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25
Net interest income	1,102	1,035	1,838	1,756	580	595	3,520	3,386
Net fee and commission income	549	591	721	770	356	427	1,625	1,788
Dividend income	8	9	11	7	8	7	27	24
Net trading result	29	2	40	11	25	15	94	29
Gains/losses from financial instruments at FVPL	1	20	-2	34	-3	16	-4	70
Net result from equity method investments	11	8	0	0	0	-1	11	7
Rental income from investment properties & other operating leases	61	62	39	37	53	58	153	158
General administrative expenses	-786	-810	-1,332	-1,403	-417	-448	-2,535	-2,662
thereof depreciation and amortization	-49	-53	-85	-87	-41	-44	-175	-184
Gains/losses from derecognition of financial assets at AC	-6	-13	1	0	-1	2	-6	-10
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	-2	-1	2	0	0	-2
Impairment result from financial instruments	-146	-128	-248	-213	-3	-3	-398	-343
Other operating result	-38	-52	-40	-38	-4	33	-82	-56
Levies on banking activities	-7	-20	-7	-20	0	-1	-14	-41
Pre-tax result from continuing operations	**785**	**725**	**1,026**	**960**	**594**	**703**	**2,405**	**2,389**
Taxes on income	-192	-162	-232	-220	-136	-159	-560	-541
Net result for the period	**593**	**564**	**794**	**740**	**458**	**544**	**1,845**	**1,848**
Net result attributable to non-controlling interests	24	26	692	641	11	11	727	679
Net result attributable to owners of the parent	**569**	**537**	**102**	**99**	**447**	**533**	**1,118**	**1,169**
Operating income	1,762	1,728	2,648	2,616	1,017	1,118	5,427	5,462
Operating expenses	-786	-810	-1,332	-1,403	-417	-448	-2,535	-2,662
Operating result	**975**	**917**	**1,316**	**1,212**	**601**	**670**	**2,892**	**2,800**
Risk-weighted assets (credit risk, eop)	17,100	16,158	30,355	29,158	22,900	18,848	70,355	64,163
Average allocated capital	2,360	2,684	5,271	5,638	2,940	2,818	10,570	11,140
Cost/income ratio	44.6%	46.9%	50.3%	53.7%	41.0%	40.1%	46.7%	48.7%
Return on allocated capital	25.1%	21.0%	15.1%	13.1%	15.6%	19.3%	17.5%	16.6%
Total assets (eop)	57,456	59,704	84,989	89,557	66,970	62,231	209,416	211,492
Total liabilities excluding equity (eop)	54,070	56,270	77,201	80,847	29,714	21,682	160,985	158,799
Impairments	**-146**	**-128**	**-251**	**-214**	**-3**	**14**	**-401**	**-328**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-146	-124	-215	-205	9	-26	-352	-355
Net impairment loss on commitments and guarantees given	-1	-4	-33	-8	-12	24	-46	12
Impairment of goodwill	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0	0	0
Net impairment on other non-financial assets	0	0	-3	-1	0	16	-3	15

Operating segments: Geographical area Central and Eastern Europe

	Czech Republic		Slovakia		Romania		Hungary		Croatia		Serbia		Central and Eastern Europe total	
in EUR million	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25
Net interest income	1,464	1,551	552	615	775	778	425	417	421	418	112	114	3,749	3,893
Net fee and commission income	509	533	232	242	227	241	305	358	133	144	27	32	1,434	1,550
Dividend income	2	2	0	1	1	1	0	0	0	0	0	0	4	4
Net trading result	136	131	19	22	99	106	77	67	16	16	12	13	359	355
Gains/losses from financial instruments at FVPL	-2	2	7	-1	5	4	18	10	1	2	0	0	29	18
Net result from equity method investments	10	11	4	7	2	-1	0	0	1	2	0	0	17	18
Rental income from investment properties & other operating leases	9	11	0	0	7	3	11	8	7	7	4	7	39	36
General administrative expenses	-967	-1,024	-354	-376	-456	-475	-301	-325	-280	-293	-96	-104	-2,455	-2,597
thereof depreciation and amortization	-110	-114	-34	-35	-52	-54	-36	-41	-30	-29	-15	-19	-278	-292
Gains/losses from derecognition of financial assets at AC	-34	-54	-10	0	-5	0	-7	-3	0	0	0	0	-57	-58
Other gains/losses from derecognition of financial instruments not at FVPL	0	-4	0	0	-1	0	-41	0	-5	0	0	0	-48	-4
Impairment result from financial instruments	10	-18	-13	-51	-21	-50	20	3	18	-8	-9	-10	5	-134
Other operating result	10	69	1	-13	-80	12	-171	-181	-15	-5	2	1	-254	-117
Levies on banking activities	0	0	0	-1	-37	-63	-168	-175	0	0	0	0	-204	-238
Pre-tax result from continuing operations	**1,147**	**1,210**	**437**	**444**	**551**	**619**	**337**	**355**	**298**	**282**	**53**	**52**	**2,823**	**2,964**
Taxes on income	-198	-204	-163	-152	-87	-98	-56	-54	-59	-50	-6	-6	-568	-564
Net result for the period	**949**	**1,006**	**275**	**292**	**464**	**521**	**281**	**301**	**239**	**233**	**47**	**47**	**2,255**	**2,400**
Net result attributable to non-controlling interests	0	0	0	0	1	1	0	0	75	73	9	10	85	84
Net result attributable to owners of the parent	**949**	**1,006**	**275**	**292**	**463**	**521**	**281**	**301**	**164**	**159**	**38**	**37**	**2,170**	**2,316**
Operating income	2,128	2,242	814	885	1,115	1,132	837	860	580	588	156	165	5,631	5,874
Operating expenses	-967	-1,024	-354	-376	-456	-475	-301	-325	-280	-293	-96	-104	-2,455	-2,597
Operating result	**1,160**	**1,218**	**460**	**509**	**659**	**657**	**536**	**536**	**300**	**295**	**60**	**61**	**3,176**	**3,277**
Risk-weighted assets (credit risk, eop)	27,012	23,905	10,428	9,527	10,122	11,141	4,930	4,717	7,140	7,145	2,019	2,322	61,651	58,758
Average allocated capital	4,506	4,439	1,530	1,430	2,122	2,276	1,314	1,231	1,037	1,184	363	363	10,872	10,923
Cost/income ratio	45.5%	45.7%	43.4%	42.5%	40.9%	42.0%	35.9%	37.7%	48.3%	49.8%	61.6%	62.9%	43.6%	44.2%
Return on allocated capital	21.1%	22.7%	18.0%	20.4%	21.9%	22.9%	21.4%	24.5%	23.1%	19.6%	13.0%	12.8%	20.7%	22.0%
Total assets (eop)	80,607	84,108	26,392	28,013	24,286	25,880	12,181	13,642	16,507	17,626	3,744	4,020	163,716	173,289
Total liabilities excluding equity (eop)	74,461	77,900	23,875	25,588	21,473	22,382	10,579	11,847	14,681	15,760	3,255	3,465	148,325	156,941
Impairments	**18**	**-30**	**-13**	**-42**	**-33**	**-53**	**24**	**10**	**18**	**-8**	**-9**	**-10**	**5**	**-133**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	16	-6	-10	-52	-42	-70	19	0	33	5	-8	-9	7	-132
Net impairment loss on commitments and guarantees given	-6	-12	-3	1	20	20	1	3	-14	-13	-1	-1	-2	-3
Impairment of goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	8	0	0	0	0	0	0	0	0	0	8
Net impairment on other non-financial assets	8	-12	1	2	-11	-3	4	6	0	0	0	0	1	-6

Business segments (1)

	Retail		Corporates		Group Markets		ALM&LCC	
in EUR million	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25
Net interest income	3,151	3,217	1,865	1,795	341	382	-62	110
Net fee and commission income	1,580	1,709	440	485	333	395	-106	-118
Dividend income	1	1	2	2	6	5	12	12
Net trading result	173	196	115	123	102	68	96	-82
Gains/losses from financial instruments at FVPL	16	8	-13	13	7	4	-121	16
Net result from equity method investments	9	12	3	3	0	0	15	10
Rental income from investment properties & other operating leases	11	13	138	106	1	1	36	37
General administrative expenses	-2,573	-2,710	-682	-732	-287	-311	-131	-121
thereof depreciation and amortization	-274	-296	-69	-74	-15	-17	-11	-2
Gains/losses from derecognition of financial assets at AC	0	0	-2	-1	0	3	-44	-50
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	2	0	0	0	-40	9
Impairment result from financial instruments	-38	-145	-129	-129	4	-2	19	11
Other operating result	-109	-38	-97	-80	-17	-13	-73	-5
Levies on banking activities	-110	-132	-67	-86	-12	-10	-23	-31
Pre-tax result from continuing operations	**2,221**	**2,264**	**1,642**	**1,586**	**491**	**532**	**-398**	**-172**
Taxes on income	-441	-438	-310	-314	-99	-109	17	19
Net result for the period	**1,780**	**1,826**	**1,332**	**1,272**	**393**	**423**	**-381**	**-153**
Net result attributable to non-controlling interests	34	33	67	62	5	6	15	21
Net result attributable to owners of the parent	**1,746**	**1,793**	**1,266**	**1,210**	**388**	**417**	**-396**	**-174**
Operating income	4,941	5,157	2,550	2,528	790	855	-129	-15
Operating expenses	-2,573	-2,710	-682	-732	-287	-311	-131	-121
Operating result	**2,368**	**2,447**	**1,868**	**1,795**	**504**	**544**	**-260**	**-136**
Risk-weighted assets (credit risk, eop)	27,799	29,858	63,620	57,898	4,285	3,477	6,738	3,068
Average allocated capital	3,988	4,070	6,787	6,676	1,077	996	6,323	6,957
Cost/income ratio	52.1%	52.6%	26.8%	29.0%	36.3%	36.4%	>100%	>100%
Return on allocated capital	44.6%	44.9%	19.6%	19.1%	36.4%	42.5%	-6.0%	-2.2%
Total assets (eop)	81,035	88,180	84,201	88,855	47,398	42,479	96,936	98,284
Total liabilities excluding equity (eop)	119,385	125,991	46,346	49,309	44,444	36,295	77,440	81,235
Impairments	**-38**	**-146**	**-132**	**-113**	**5**	**-2**	**23**	**13**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-48	-133	-109	-162	8	5	20	9
Net impairment loss on commitments and guarantees given	10	-12	-20	32	-4	-6	-1	2
Impairment of goodwill	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0	0	8
Net impairment on other non-financial assets	0	-1	-3	16	0	0	4	-6

Business segments (2)

	Savings Banks		Group Corporate Center		Intragroup Elimination		Group total	
in EUR million	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25	1-12 24	1-12 25
Net interest income	1,838	1,756	363	501	32	27	7,528	7,788
Net fee and commission income	721	770	10	-14	-40	-36	2,938	3,191
Dividend income	11	7	8	8	0	0	39	36
Net trading result	40	11	2	2	-9	-5	519	313
Gains/losses from financial instruments at FVPL	-2	34	30	32	0	0	-82	107
Net result from equity method investments	0	0	-2	20	0	0	27	46
Rental income from investment properties & other operating leases	39	37	7	8	-23	-24	210	179
General administrative expenses	-1,332	-1,403	-1,240	-1,353	966	1,048	-5,279	-5,583
thereof depreciation and amortization	-85	-87	-97	-87	3	4	-547	-560
Gains/losses from derecognition of financial assets at AC	1	0	0	0	-45	-2	-90	-49
Other gains/losses from derecognition of financial instruments not at FVPL	-2	-1	-7	0	46	2	-1	9
Impairment result from financial instruments	-248	-213	-5	0	0	0	-397	-478
Other operating result	-40	-38	848	1,025	-927	-1,010	-414	-158
Levies on banking activities	-7	-20	-27	-92	0	0	-245	-372
Pre-tax result from continuing operations	**1,026**	**960**	**15**	**229**	**0**	**0**	**4,997**	**5,400**
Taxes on income	-232	-220	13	-40	0	0	-1,053	-1,103
Net result for the period	**794**	**740**	**27**	**189**	**0**	**0**	**3,945**	**4,297**
Net result attributable to non-controlling interests	692	641	7	25	0	0	819	788
Net result attributable to owners of the parent	**102**	**99**	**20**	**164**	**0**	**0**	**3,125**	**3,510**
Operating income	2,648	2,616	418	557	-40	-38	11,178	11,659
Operating expenses	-1,332	-1,403	-1,240	-1,353	966	1,048	-5,279	-5,583
Operating result	**1,316**	**1,212**	**-822**	**-796**	**926**	**1,010**	**5,900**	**6,076**
Risk-weighted assets (credit risk, eop)	30,355	29,158	901	-3,237	0	0	133,700	120,222
Average allocated capital	5,271	5,638	6,101	8,403	0	0	29,547	32,740
Cost/income ratio	50.3%	53.7%	>100%	>100%	>100%	>100%	47.2%	47.9%
Return on allocated capital	15.1%	13.1%	0.4%	2.2%			13.4%	13.1%
Total assets (eop)	84,989	89,557	4,021	3,534	-44,844	-42,315	353,736	368,574
Total liabilities excluding equity (eop)	77,201	80,847	3,021	2,549	-44,869	-42,317	322,969	333,909
Impairments	**-251**	**-214**	**-5**	**19**	**0**	**0**	**-399**	**-442**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-215	-205	1	1	0	0	-343	-486
Net impairment loss on commitments and guarantees given	-33	-8	-6	-1	0	0	-54	8
Impairment of goodwill	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	-1	20	0	0	-1	27
Net impairment on other non-financial assets	-3	-1	1	0	0	0	-1	9

2. Net interest income

Net interest income is broken down into line items of interest income, other similar income, interest expenses and other similar expenses. The distinguishing factor is whether the EIR method is mandatorily applied for recognition of interest income or expense in accordance with IFRS 9.

'Interest income' relates to interest revenue from financial assets measured at amortised cost and at fair value through other comprehensive income. It is calculated using the EIR method as discussed in chapter 'Financial instruments – Material accounting policies'.

'Other similar income' captures interest-like sources of income resulting from non-derivative financial assets measured at fair value through profit or loss, held for trading derivatives, hedge accounting derivatives, finance lease receivables and negative interest on financial liabilities.

'Interest expenses' relate to interest expense from financial liabilities measured at amortised cost calculated using effective interest rate.

'Other similar expenses' capture interest-like sources of expense resulting from non-derivative financial liabilities measured at fair value through profit or loss, held for trading derivatives, hedge accounting derivatives, lease liabilities, provisions recognised under IFRS 9 and IAS 37 (unwinding of the time value of the money effect due to passage of time) and net defined liabilities (net interest cost on severance payments, pensions and jubilee obligations) under IAS 19.

As regards types of financial instruments, interest income and other similar income include interest income on loans and advances to banks and customers, on cash balances, on debt securities in all measurement categories of financial assets, on trade and other receivables and on finance lease receivables. Interest expenses and other similar expenses include interest paid on deposits from customers, deposits from banks, debt securities issued and other financial liabilities in all measurement categories of financial liabilities and interest paid on lease liabilities. Net interest income also includes interest on derivative financial instruments.

Interest income also includes modification gains and losses recognised on financial assets in Stage 1. Further, the unamortised balance of the origination fees/transaction costs upon derecognition of assets in Stage 1 and 2 considered in the effective interest rate is presented as interest income at the derecognition date.

in EUR million	1-12 24	1-12 25
Interest income	15,353	13,693
Financial assets at AC	14,968	13,282
Financial assets at FVOCI	385	411
Other similar income	3,756	2,914
Non-trading financial assets at FVPL	96	128
Financial assets HfT	3,317	2,489
Hedge accounting derivatives, interest rate risk	34	14
Other assets	295	272
Negative interest from financial liabilities	15	10
Interest and other similar income	**19,109**	**16,607**
Interest expenses	-7,549	-5,990
Financial liabilities at AC	-7,549	-5,990
Other similar expenses	-4,032	-2,829
Financial liabilities at FVPL	-353	-305
Financial liabilities HfT	-3,067	-2,272
Hedge accounting derivatives, interest rate risk	-558	-196
Other liabilities	-54	-54
Negative interest from financial assets	-1	-1
Interest and other similar expenses	**-11,581**	**-8,819**
Net interest income	**7,528**	**7,788**

An amount of EUR 145 million (2024: EUR 169 million) relating to impaired financial assets is included in interest income.

3. Net fee and commission income

Erste Group earns fee and commission income from a diverse range of services that it provides to its customers. Fee and commission income is measured based on the consideration specified in the contract with a customer. Erste Group recognises revenue when it transfers a promised service to a customer.

Fees earned for the provision of services over a period of time are accrued over that period. These fees include commitment fees, premiums received for financial guarantees and other fees from lending business, commission income from asset management, custody and other management and advisory fees. Services provided over a period of time also include certain payment services like periodic card fees.

Fee income earned from providing transaction services, such as arranging the acquisition and sale of shares or other securities on behalf of customers or foreign exchange transactions, as well as commission income earned from services such as the sale of collective investments and insurance products, are recognised upon completion of the underlying transaction. Transaction based services also include certain payment services like withdrawal fees.

A contract with a customer that results in the recognition of a financial instrument in the Group's financial statements may be partially in the scope of IFRS 9 and partially in the scope of IFRS 15. If this is the case, then Erste Group first applies IFRS 9 to separate and measure the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual. For example, loan servicing fees agreed in a loan contract that are not integral to the effective interest rate of a financial instrument are included in the net fee and commission income.

	1-12 24		1-12 25	
in EUR million	Income	Expenses	Income	Expenses
Securities	314	-57	378	-66
Issues	53	-2	76	-2
Transfer orders	249	-43	287	-51
Other	12	-12	15	-13
Clearing and settlement	2	-1	3	-1
Asset management	667	-43	753	-52
Custody	153	-21	165	-24
Fiduciary transactions	1	0	1	0
Payment services	1,614	-291	1,688	-338
Card business	496	-188	632	-223
Current accounts from customers	686	0	847	0
Other	432	-103	209	-114
Customer resources distributed but not managed	318	-13	348	-15
Collective investment	28	-2	37	-3
Insurance products	261	-2	281	-1
Foreign exchange transactions	26	-2	27	-2
Other	3	-7	3	-9
Structured finance	6	0	7	0
Servicing fees from securitization activities	0	-2	0	-15
Lending business	252	-46	329	-65
Guarantees given, guarantees received	100	-5	97	-14
Loan commitments given, loan commitments received	60	-1	77	-1
Other lending business	92	-40	155	-50
Other	127	-41	137	-44
Total fee and commission income and expenses	**3,454**	**-517**	**3,810**	**-620**
Net fee and commission income	**2,938**		**3,191**	

Asset management, custody and fiduciary transactions fees relate to fees earned by Erste Group on trust and other fiduciary activities in which Erste Group holds or invests assets on behalf of its customers and amount to EUR 844 million on a net basis (2024: EUR 756 million). Net fee and commission income above include income of EUR 1,233 million (2024: EUR 1,126 million) relating to financial assets and financial liabilities not measured at FVPL.

The total amount of revenue from administrative and agency services to third parties amounts to EUR 1,177 million (2024: EUR 1,061 million).

4. Dividend income

Dividend income is recognised when the right to receive the payment is established. This line item includes dividends from all shares and other equity investments, i.e. from those that are held for trading, non-trading equity instruments at FVPL and at FVOCI.

in EUR million	1-12 24	1-12 25
Financial assets HfT	7	6
Non-trading financial assets at FVPL	22	18
Financial assets at FVOCI	10	13
Dividend income	**39**	**36**

5. Net trading result

Results arising from trading activities include all gains and losses from changes in the fair value (clean price) of financial assets and financial liabilities classified as held for trading, including all derivatives not designated as hedging instruments and gains and losses from their derecognition. Further, the net trading result includes any ineffective portions recorded in fair value and cash flow hedge transactions. Also, foreign exchange gains and losses on all monetary assets and liabilities and from spot currency conversions are included here.

The Accounting Policy for recognition of foreign exchange gains and losses is described in the *chapter 'Material accounting policies', b) 'Foreign currency translations', i. 'Transactions and balances in foreign currency'*. Detailed information relating to hedge accounting can be found in *Note 27 Hedge accounting*.

in EUR million	1-12 24	1-12 25
Securities and derivatives trading	116	-38
Foreign exchange transactions	419	354
Result from hedge accounting	-16	-3
Net trading result	**519**	**313**

6. Gains/losses from financial instruments measured at fair value through profit or loss

Changes in fair value (clean price) of non-trading financial assets at fair value through profit or loss, including gains and losses on their derecognition, are presented under this line item. This concerns both non-trading financial assets designated and those mandatorily measured at FVPL. Gains and losses (clean price) of financial liabilities designated at FVPL, including gains and losses on their derecognition, are also presented under this line item. However, the fair value changes resulting from own credit risk of the liability are recognised in OCI.

in EUR million	1-12 24	1-12 25
Result from measurement/sale of financial assets designated at FVPL	3	0
Result from measurement/repurchase of financial liabilities designated at FVPL	-170	5
Result from financial assets and liabilities designated at FVPL	**-168**	**5**
Result from measurement/sale of financial assets mandatorily at FVPL	86	102
Gains/losses from financial instruments measured at fair value through profit or loss	**-82**	**107**

7. Rental income from investment properties & other operating leases

Rental income from investment properties and other operating leases is recognised on a straight-line basis over the lease term. Operating expenses for investment properties are reported in line item 'Other operating result'. For further details Erste Group refers to *Note 12 Other operating result*.

in EUR million	1-12 24	1-12 25
Investment properties	132	140
Other operating leases	77	39
Rental income from investment properties & other operating leases	**210**	**179**

8. General administrative expenses

PERSONNEL EXPENSES

Personnel expenses include wages and salaries, expenses for variable remuneration, statutory and voluntary social security contributions, staff-related taxes and levies. They also include service costs for severance payments, pension and jubilee obligations and remeasurements of jubilee obligations. Furthermore, restructuring provision expenses may be part of personnel expenses.

Information about remuneration of management including performance-linked remuneration can be found in *Note 61 Related-party transactions*. Information about share-based payments to the Management Board and to employees can be found in *Note 62 Share-based payments*.

OTHER ADMINISTRATIVE EXPENSES

Other administrative expenses include primarily information technology expenses, expenses for office space, office operating expenses, advertising and marketing and expenditures for legal and other consultants. Furthermore, the line item contains deposit insurance contributions. Restructuring provision expenses may also be presented in other administrative expenses.

DEPRECIATION AND AMORTISATION

This line item comprises depreciation of property and equipment, depreciation of investment property and amortisation of intangible assets. In the line item 'Depreciation and amortisation', also the depreciation of right-of-use assets according to IFRS 16 is disclosed.

General administrative expenses

in EUR million	1-12 24	1-12 25
Personnel expenses	**-3,202**	**-3,335**
Wages and salaries	-2,474	-2,558
Compulsory social security	-575	-608
Long-term employee provisions	-14	-6
Other personnel expenses	-139	-163
Other administrative expenses	**-1,529**	**-1,688**
Deposit insurance contribution	-72	-53
IT expenses	-622	-717
Expenses for office space	-199	-206
Office operating expenses	-163	-167
Advertising/marketing/events	-237	-254
Legal and consulting costs	-158	-205
Sundry administrative expenses	-78	-86
Depreciation and amortisation	**-547**	**-560**
Software and other intangible assets	-179	-175
Owner occupied real estate	-162	-164
Investment properties	-33	-36
Customer relationships	-4	-7
Office furniture and equipment and sundry property and equipment	-169	-178
General administrative expenses	**-5,279**	**-5,583**

Personnel expenses include expenses of EUR 59 million (2024: EUR 56 million) for defined contribution plans.

Average number of employees during the financial period (weighted according to the level of employment)

	1-12 24	1-12 25
Austria	**16,614**	**16,902**
Erste Group Bank AG, Erste Bank Oesterreich and subsidiaries	9,256	9,364
Cross-guarantee system companies	7,358	7,539
Outside Austria	**29,031**	**29,005**
Česká spořitelna Group	9,653	9,597
Banca Comercială Română Group	5,227	5,115
Slovenská sporiteľňa Group	3,501	3,540
Erste Bank Hungary Group	3,360	3,416
Erste Bank Croatia Group	3,283	3,188
Erste Bank Serbia Group	1,282	1,277
Savings banks subsidiaries	1,546	1,567
Other subsidiaries and foreign branch offices	1,179	1,307
Total	**45,645**	**45,908**

For better comparability, prior-year figures have been adjusted to align with the current presentation format. The line item 'Savings banks' has been replaced by 'Cross-guarantee system companies', resulting in a reallocation from the line 'Erste Group, EB Oesterreich and subsidiaries' to 'Cross-guarantee system companies' of 100,84 FTE as of 31.12.2025 (2024: 22,03 FTE).

9. Gains/losses from derecognition of financial assets measured at amortised cost

This line item includes selling and other derecognition gains or losses on financial assets measured at amortised cost. However, if such gains/losses relate to derecognition of financial assets in Stage 3, they are included in the line item 'Impairment result from financial instruments'.

in EUR million	1-12 24	1-12 25
Gains from derecognition of financial assets at AC	0	26
Losses from derecognition of financial assets at AC	-90	-76
Gains/losses from derecognition of financial assets measured at amortised cost	**-90**	**-49**

In order to optimise the portfolio of debt securities measured at amortised cost, certain bonds were sold during 2024 and 2025 within existing internal retrospective thresholds for the 'held to collect' business model assessment. The objective was to sell low yielding bonds thereby improving the interest income in the consecutive years. Additionally, the gains reported in 2025 relate to sales of bonds carried out to manage Erste Group's capital position in relation to the acquisition of Santander Bank Polska.

10. Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss

This line item includes selling and other derecognition gains or losses on financial assets at FVOCI, financial liabilities measured at amortised cost and other financial instruments not measured at FVPL, such as finance lease receivables or financial guarantees. However, if such gains/losses relate to financial assets in Stage 3 they are included in the line item 'Impairment result from financial instruments'.

in EUR million	1-12 24	1-12 25
Sale of financial assets at FVOCI	-8	10
Sale of financial lease receivables	2	0
Derecognition of financial liabilities at AC	6	-1
Derecognition of the separate line item in portfolio fair value hedges of interest rate risk	0	0
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	**-1**	**9**

11. Impairment result from financial instruments

Net impairment losses on financial instruments comprise impairment losses and reversals of impairment on all kinds of financial instruments, to which the IFRS 9 expected credit loss impairment model applies. The impairment result also includes recoveries on written-off financial assets. Modification gains and losses recognised on financial assets in Stage 2 and Stage 3 and POCI assets are also included in this line item. Moreover, gains/losses from derecognition of financial assets in Stage 3 and POCI assets are presented as part of the impairment result.

in EUR million	1-12 24	1-12 25
Financial assets at FVOCI	1	7
Financial assets at AC	-347	-491
allocation/reversal to credit loss allowances (net)	-395	-556
Direct write-offs	-6	-4
Recoveries recorded directly to the income statement	69	77
Modification gains or losses	-16	-8
Finance lease receivables	2	-2
allocation/reversal to credit loss allowances (net)	1	-1
Direct write-offs	-1	-2
Recoveries recorded directly to the income statement	2	1
Credit loss allowances for loan commitments and financial guarantees given	-54	8
Impairment result from financial instruments	**-397**	**-478**

In the following table, the change of the credit loss allowance recognised in balance sheet is compared to the impairment result from financial instruments.

Changes of credit loss allowances

in EUR million	Impairment result of financial instruments	Other changes through profit or loss	Changes not affecting profit or loss	Total
Credit loss allowances Jan 25				**-4,628**
Net allocation to credit loss allowances	-529			-529
Increase due to passage of time (unwinding correction)		-120		-120
Derecognition due to sales			143	143
Write-offs			683	683
Changes in scope of consolidation			0	0
Foreign exchange differences		-27		-27
Other		20		20
Credit loss allowances Dec 25				**-4,458**
Impairment gains or losses on POCIs without CLA	-13			
Direct write-offs	-5			
Recoveries recorded directly to the income statement	78			
Modification gains or losses	-8			
Impairment result from financial instruments	**-478**			

in EUR million	Impairment result of financial instruments	Other changes through profit or loss	Changes not affecting profit or loss	Total
Credit loss allowances Jan 24				**-4,530**
Net allocation to credit loss allowances	-456			-456
Increase due to passage of time (unwinding correction)		-124		-124
Derecognition due to sales			52	52
Write-offs			399	399
Changes in scope of consolidation			0	0
Foreign exchange differences		29		29
Other		2		2
Credit loss allowances Dec 24				**-4,628**
Impairment gains or losses on POCIs without CLA	9			
Direct write-offs	-7			
Recoveries recorded directly to the income statement	72			
Modification gains or losses	-16			
Impairment result from financial instruments	**-397**			

12. Other operating result

The other operating result reflects all other income and expenses not directly attributable to Erste Group's ordinary activities.

It includes expenses for allocations to and income from release of provisions in scope of IAS 37. Further, impairment losses or any reversal of impairment losses as well as results on the sale of property and equipment, investment property and intangible assets are presented as other operating result. Any impairment losses on goodwill are also included in this line item.

In addition, the other operating result encompasses the following: resolution fund contributions, expenses for other taxes as well as selling gains and losses on equity investments accounted for using the equity method and gains or losses from derecognition of subsidiaries.

Furthermore, levies on banking activities are considered as part of the other operating result. For further details on levies on banking activities we refer to the Management report, chapter *Other operating result*. Erste Group recognises a liability or a provision for the levy when the activity that triggers payment, as identified by the relevant legislation, occurs.

in EUR million	1-12 24	1-12 25
Other operating expenses	**-337**	**-517**
Allocation to other provisions	-51	-108
Levies on banking activities	-245	-372
Banking tax	-153	-244
Financial transaction tax	-91	-128
Other taxes	-14	-22
Resolution fund contributions	-28	-15
Impairment of goodwill	0	0
Other operating income	**74**	**155**
Release of other provisions	74	155
Result from properties and equipment, investment properties and other intangible assets	16	22
Result from other operating expenses/income	-167	182
Other operating result	**-414**	**-158**

Operating expenses (including repair and maintenance) for investment properties held for rental income totalled to EUR 33 million (2024: EUR 29 million).

In 2024, the result from other operating expenses/income includes an allocation in the amount of EUR 102 million to a provision relating to the interbank exemption pursuant to Art 6 sec 1 subsec 28 (2nd sentence) Austrian VAT Act. More details can be found in *Note 53 Provisions*.

Impairment loss on assets held for sale has been recognized in the amount of EUR 4 million (2024: EUR 0 million).

13. Taxes on income

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period. However, they are recognised in other comprehensive income or directly in equity if they arise from a transaction or event which itself is recognised in OCI or equity.

Coupon payments made to the holders of Additional Tier 1 equity instruments issued by Erste Group Bank AG are tax-deductible interest payments under the Austrian Tax Regulations. Since the AT1 coupons are considered as distributions of profit the income tax effects are recognised in profit or loss.

PILLAR 2

Erste Group is subject to the requirements of the EU-wide minimum taxation system Pillar 2 and must reflect this in its group-wide processes. At 31 December 2025 Erste Group applied the temporary exception according to IAS 12.88A under which a company discloses limited information about deferred tax assets and liabilities related to the proposed OECD/G20 BEPS Pillar 2 model rules.

Under the legislation, the group is liable to pay a top-up tax for the difference between the Global Anti-Base Erosion Rules (GloBE) effective tax rate for each jurisdiction and the 15% minimum rate. The group has effective tax rates that exceed 15% in all relevant jurisdictions in which it operates (Austria, Czech Republic, Germany, Hongkong, Croatia, Luxemburg, Montenegro, Malta, Poland,

Romania, Slovenia, Slovakia and US) except for the jurisdictions Hungary, Serbia, North Macedonia and Bosnia-Herzegovina where some of its subsidiaries operate. However, although the average effective tax rate is below 15%, the group's exposure to paying Pillar 2 income taxes might not be for the full difference in tax rates in relation to these jurisdictions. This is due to the impact of specific adjustments envisaged in the Pillar 2 legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12. Top-up tax for Hungary and North Macedonia was provisioned locally, as these jurisdictions have also introduced Pillar 2 legislation. As their legislation did not include any Pillar 2 rules 2024, Serbia and Bosnia-Herzegovina were provisioned in Austria.

MATERIAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND ESTIMATES

Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies. For this purpose a planning period of 5 years is used.

CURRENT AND DEFERRED TAXES

Taxes on income are made up of current taxes on income calculated in each of the Group companies based on the results reported for tax purposes, corrections to taxes on income for previous years and the change in deferred taxes.

in EUR million	1-12 24	1-12 25
Current tax expense/income	-848	-1,004
current period	-875	-993
prior period	27	-11
Deferred tax expense/income	-205	-99
current period	-212	-103
prior period	8	4
Total	**-1,053**	**-1,103**

The following table reconciles the income taxes reported in the income statement to the pre-tax result from continuing operations multiplied by the nominal Austrian tax rate.

in EUR million	1-12 24	1-12 25
Pre-tax result from continuing operations	4,997	5,400
Income tax expense for the financial year at the Austrian statutory tax rate (23%)	-1,149	-1,242
Impact of different foreign tax rates	178	188
Impact of tax-exempt earnings of investments and other tax-exempt income	240	285
Tax increases due to non-deductible expenses, additional business tax and similar elements	-199	-213
Impact on deferred taxes from topics on Group level	-67	-71
Current period's recognition through P&L of DTA from tax losses, assessed non-recoverable at the end of the prior period	3	39
Current period's recognition through P&L of DTA from temporary differences, assessed non-recoverable at the end of the prior period	29	0
Impact of current non-recoverable fiscal losses and temporary differences for the year	-1	-1
Tax expense attributable to Windfall Tax	-103	-67
Tax expense attributable to Pillar 2 Model Top-Up Tax	-12	-11
Tax expense/income not attributable to the reporting period	35	-7
Tax expense/income from changes of the tax rate or the imposition of new taxes	11	0
Tax expense/income attributable to other effects	-18	-4
Total	**-1,053**	**-1,103**

The windfall tax relates to the special levy for banks reintroduced in Slovakia from December 31, 2023, which amounts to 25% of the pre-tax profits in 2025. This percentage will be reduced by 5 percentage points each year and will amount to 15% from 2027.

The current tax expense related to total Pillar 2 income taxes amounts to EUR 11 million.

The following table shows the income tax effects relating to each component of other comprehensive income:

in EUR million	1-12 24 Pre-tax amount	1-12 24 Income tax	1-12 24 Net-of-tax amount	1-12 25 Pre-tax amount	1-12 25 Income tax	1-12 25 Net-of-tax amount
Fair value reserve of equity instruments	7	-2	6	4	-1	3
Fair value reserve of debt instruments	45	-15	31	33	-10	24
Own credit risk reserve	-59	19	-40	-12	3	-9
Cash flow hedge reserve	29	-5	24	-7	1	-5
Remeasurement of defined benefit plans	19	-4	16	41	-9	31
Currency reserve	-197	0	-197	261	0	261
Other comprehensive income	**-155**	**-5**	**-161**	**321**	**-16**	**305**

Taxes on income within other comprehensive income are influenced by the consideration of the result of recoverability assessments allocated against OCI-related deferred tax assets. The allocation of the result of recoverability assessments is based on Erste Group's methodology of allocating non-recoverable deferred tax assets per P&L and OCI. This approach proportionately reflects how the underlying temporary differences arose from IFRS-based adjustments of the accounting values of the related items.

Besides, the income tax related to the fair value reserve and the cash flow hedge reserve is influenced by differences of tax rates applicable on contrary changes within the fair value reserve.

Major components of deferred tax assets and deferred tax liabilities

in EUR million	Tax assets Dec 25	Tax assets Jan 25	Tax liabilities Dec 25	Tax liabilities Jan 25	Net variance 2025 Total	Net variance 2025 Profit or loss	Net variance 2025 Other comprehen-sive income
Temporary differences related to the following items:							
Financial assets and liabilities HfT and non-trading financial assets and liabilities at FVPL	136	129	-224	-239	23	20	3
Financial assets at FVOCI	5	8	-37	-7	-32	-21	-11
Financial assets at AC and finance lease receivables	310	356	-13	-7	-53	-54	0
Hedge accounting derivatives	57	48	-33	-32	8	7	1
Property, plant and equipment	26	27	-93	-74	-20	-20	0
Equity Investments in subsidiaries, associates and joint-ventures	31	32	0	-4	2	2	0
Financial liabilities at AC	15	11	-175	-154	-17	-17	0
Long-term employee provisions (tax valuation different)	65	93	-2	-4	-26	-16	-9
Other provisions (tax valuation different)	28	40	-11	-6	-17	-17	0
Customer relationships, brands and other intangibles	2	2	-64	-69	4	6	0
Other	136	134	-44	-53	11	10	0
Non-recoverable tax position from temporary differences	0	0	0	0	0	0	0
Deferred tax position from accumulated tax loss carried forward after recoverability considerations	3	2	0	0	1	1	0
Effect of netting according IAS 12.71	-645	-617	645	617	0	0	0
Total deferred taxes	**171**	**266**	**-52**	**-31**	**-115**	**-98**	**-16**
Current taxes	**84**	**45**	**-323**	**-241**		**-1,004**	**0**
Total taxes	**255**	**311**	**-374**	**-272**		**-1,102**	**-16**

	Tax assets		Tax liabilities		Net variance 2024		
in EUR million	Dec 24	Jan 24	Dec 24	Jan 24	Total	Profit or loss	Other comprehen-sive income
Temporary differences related to the following items:							
Financial assets and liabilities HfT and non-trading financial assets and liabilities at FVPL	129	214	-239	-292	-31	-50	19
Financial assets at FVOCI	8	20	-7	-16	-4	13	-16
Financial assets at AC and finance lease receivables	356	504	-7	-41	-113	-112	0
Hedge accounting derivatives	48	56	-32	-31	-9	-5	-4
Property, plant and equipment	27	26	-74	-118	45	45	0
Equity Investments in subsidiaries, associates and joint-ventures	32	49	-4	-1	-19	-19	0
Financial liabilities at AC	11	92	-154	-298	64	64	0
Long-term employee provisions (tax valuation different)	93	105	-4	-5	-11	-7	-4
Other provisions (tax valuation different)	40	44	-6	-5	-5	-5	0
Customer relationships, brands and other intangibles	2	3	-69	-72	3	9	0
Other	134	155	-53	-48	-26	-25	0
Non-recoverable tax position from temporary differences	0	-52	0	0	52	52	0
Deferred tax position from accumulated tax loss carried forward after recoverability considerations	2	167	0	0	-166	-165	0
Effect of netting according IAS 12.71	-617	-914	617	915	0	0	0
Total deferred taxes	**266**	**468**	**-31**	**-14**	**-219**	**-205**	**-6**
Current taxes	**45**	**72**	**-241**	**-265**		**-848**	**0**
Total taxes	**311**	**540**	**-272**	**-279**		**-1,053**	**-6**

The deferred tax assets and liabilities are presented prior to subsidiary-level balance-sheet netting of attributable gross deferred tax assets and gross deferred tax liabilities. The amounts shown in the table are gross amounts before recoverability assessments except for the position deferred tax assets resulting from tax loss carry-forward. Any remaining non-recoverable amounts are considered in line 'Non-recoverable tax position from temporary differences' in the table. The position 'Other' comprises all deferred tax positions not being shown as separate positions in the table above.

Out of the decrease of the total net deferred tax asset of EUR 115 million (2024: decrease EUR 219 million) an amount of EUR 98 million (2024: expense EUR 205 million) is reflected as deferred tax expense in the Group's income statement for the year 2025, whilst an expense amount of EUR 16 million (2024: expense EUR 6 million) represents the impact in the Group's other comprehensive expense for the year. Furthermore, deferred tax expense in the amount of EUR 0 million (2024: expense EUR 1 million) representing accumulated OCI in respect of deferred tax recognised for cumulative changes in own credit risk attributable to own issues repurchased during the year has been transferred into retained earnings, consequent to the related temporary differences reversing upon repurchase.

The Group's consolidated deferred tax asset position in amount of EUR 171 million as of 31 December 2025 (2024: EUR 266 million) is expected to be recoverable in the foreseeable future. This is also expected to be the case for deferred tax assets exceeding their deferred tax liabilities by an amount of EUR 13 million as of 31 December 2025 (2024: EUR 4 million) incurred by subsidiaries reporting losses in the current or prior period. These expectations result from year-end recoverability assessments undertaken by the Group's entities, either at individual level, or at relevant tax group level. Such assessments are comparing net temporary deductible differences and available fiscal losses at year-end - after offsetting with deferred tax liabilities at individual level or at relevant tax group level - with fiscal profit forecasts for a group-wide unified and unchanged time horizon of a maximum 5 years depending on the fiscal jurisdiction and applicable facts and circumstances. If the result of these assessments is negative, the deferred tax asset positions are correspondingly not recorded and the already existing deferred tax asset positions are correspondingly depreciated.

In accordance with IAS 12.39, no deferred tax liabilities were recognised for temporary differences relating to investments in subsidiaries with an amount of EUR 3,615 million (2024: EUR 3,665 million), as they are not expected to reverse in the foreseeable future. As of 31 December 2025, no deferred tax assets were recognised for tax loss carry-forward and deductible temporary differences with a total amount of EUR 2,414 million (2024: EUR 2,881 million), of which EUR 71 million (2024: EUR 333 million) relates to tax loss carry-forward, as they are not expected to be realized in the foreseeable future. The figure comprises an amount of EUR 2,343 million (2024: EUR 2,548 million) representing temporary differences in connection with investments in subsidiaries no deferred tax assets have been recognised for in accordance with IAS 12.44.

From the total of the not recorded deferred tax assets related to tax loss carry-forward in the following period EUR 0 million will expire (2024: EUR 0 million) and in later periods EUR 1 million (2024: EUR 1 million), EUR 16 million (2024: EUR 76 million) will not expire.

14. Appropriation of profit

In the reporting period, Erste Group Bank AG posted a post-tax profit of EUR 2,708 million (2024: EUR 2,406 million) under the Austrian accounting regulations, which increased its distributable capital accordingly.

The Management Board of Erste Group Bank AG will propose a 2025 dividend of EUR 0.75 (2024: EUR 3.00 per share) per share to the 2025 Annual General Meeting.

Financial instruments – Material accounting policies

Accounting and measurement methods for financial instruments

A financial instrument is any contract giving rise to a financial asset of one party and a financial liability or equity instrument of another party. In accordance with IFRS 9, all financial assets and liabilities – which also include derivative financial instruments – have to be recognised on the balance sheet and measured in accordance with their assigned categories.

Regular way (spot) purchases and sales of financial assets are recognised at the settlement date, which is the date that an asset is delivered.

Measurement of financial assets and financial liabilities is subject to two primary measurement methods: at amortised cost and fair value.

i. Amortised cost and effective interest rate

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount. For financial assets the amount is adjusted for any loss allowance.

The effective interest rate ('EIR') is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset (i.e. its amortised cost before adjusting for any loss allowance) or to the amortised cost of the financial liability. The estimated cash flows consider all the contractual terms of the financial instrument but disregard the expected credit losses. The calculation includes transaction costs, origination fees that are an integral part of the EIR and all other premiums and discounts to the par amount.

ii. Fair Value

Details on valuation techniques applied for fair value measurement and on the fair value hierarchy are disclosed in *Note 26 Fair value of financial instruments*.

Classification and subsequent measurement of financial assets

In accordance with IFRS 9, the classification and subsequent measurement of financial assets depend on the following two criteria:

_ The business model for managing the financial assets; and
_ The cash flow characteristics of the financial assets.

For further details refer to part '*Material accounting judgements, assumptions and estimates*' in this chapter.

Application of these criteria leads to classification of financial assets into three measurement categories described in the respective note.

_ Financial assets at amortised cost (AC)
_ Financial assets at fair value through other comprehensive income (FVOCI)
_ Financial assets at fair value through profit or loss (FVPL)

Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at amortised cost unless they are measured at fair value through profit or loss. Interest expense is calculated by applying the EIR to the amortised cost of a financial liability. Further details on financial liabilities at amortised cost and financial liabilities at FVPL are in the respective notes: *Note 18 Financial liabilities at amortised costs* and *Note 25 Financial liabilities at fair value through profit or loss*.

Impairment of financial instruments

Erste Group recognises loss allowances for impairment on its debt instrument financial assets, other than those measured at FVPL, its lease receivables and its off-balance credit risk exposures arising from financial guarantees and certain loan commitments.

The amount of the impairment loss is recognised as a loss allowance. For the purpose of the measurement of the amount of expected credit loss and recognition of interest income, Erste Group distinguishes between three stages of impairment.

Stage 1 relates to financial instruments for which no significant increase in credit risk has been recorded since their initial recognition or which are subject to the 'low credit risk exemption' allowed by IFRS 9. The impairment is measured in the amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Interest income is recognised by EIR applied to the gross carrying amount of the financial asset.

Financial instruments in Stage 2 are subject to significant increase in credit risk since their initial recognition (and the 'low credit risk exemption' does not apply). Stage 2 also includes trade receivables without significant financing component to which the 'simplified approach' is applied mandatorily based on IFRS 9 requirements. The impairment is measured in the amount of the lifetime expected credit loss. Interest income is recognised by EIR applied to the gross carrying amount of the financial asset (as for Stage 1). In the case of drawings by non-defaulted customers on previously committed credit lines, the whole exposure (on-balance and off-balance) is categorised as either Stage 1 or Stage 2, depending on the development of credit risk between the commitment date and the drawing date.

Financial instruments in Stage 3 are credit-impaired. In respect of applying the 'credit-impaired' concept of IFRS 9, Erste Group adopted the approach of aligning it with the regulatory concept of 'default' in accordance with guidelines of the European Banking Authority EBA/GL/2016/07 and Commission Delegated Regulation (EU) 2018/171. Erste Group generally applies a customer view for the default definition, which leads to Stage 3 classification of all transactions with the customer even if the customer defaults only on one of several transactions ('pulling effect'). On the other hand, an upgrade to a non-defaulted rating grade implies that all the transactions with the customer cease to be impaired. The impairment of financial instruments in Stage 3 is measured in the amount of the lifetime expected credit loss. Interest income is calculated by EIR applied to the amortised cost (i.e. the net carrying amount) of the financial asset. From a balance sheet perspective, interest is accrued based on the financial assets' gross carrying amount. The difference between the interest accrued on the assets and the interest income recognised is reflected through the allowance account (without impacting the impairment loss).

For financial assets that are credit-impaired at initial recognition (purchased or originated credit-impaired financial assets 'POCI') lifetime expected credit losses are initially reflected in the credit-adjusted EIR. As a result, no loss allowance is recognised at inception. Subsequently, only adverse changes in lifetime expected credit losses after the initial recognition are recognised as loss allowance, whilst favourable changes are recognised as impairment gains increasing the gross carrying amount of the POCI financial assets. No impairment stages are distinguished for the POCI financial assets.

Measurement of expected credit losses includes cash flows expected from collateral and those financial guarantees held by Erste Group which are considered as integral to the contractual terms of financial assets whose risk is guaranteed. Erste Group considers as integral those guarantees which are entered into at or close to the inception of the guaranteed financial assets. If the bank has in a loan contract an option to require provision of a guarantee, it is also considered as integral. Premiums paid for integral financial guarantees and other credit enhancements are considered in the EIR of the related financial assets.

Reimbursement assets from financial guarantees which are not considered integral are recognised under 'Other assets' in the balance sheet. In the statement of income they reduce the impairment loss incurred on guaranteed financial assets under 'Impairment result from financial instruments'. A precondition for this treatment is that it must be virtually certain that the guarantee would reimburse the bank for the loss. Premiums paid for non-integral financial guarantees are presented in the statement of income under the line item 'Fee and commission expense' under 'Net fee and commission income'. Typical example of non-integral guarantees in the business of Erste Group are synthetic securitisations of loan portfolios. Synthetic securitisations are undertaken with the aim of reducing risk-weighted assets for regulatory own funds requirement purposes. More details on synthetic securitisations are provided in *Note 36 Use of collateral* and other credit enhancements.

More detailed information about identification of significant increases in credit risk including collective assessment and estimation techniques used to measure 12-month and lifetime expected credit losses is provided in *Note 34 Credit risk*. For further information on the definition of default refer to *Note 37 Measurement of expected credit loss*.

For financial assets measured at amortised cost, the net carrying amount of the financial asset presented on the balance sheet is the difference between the gross carrying amount and the cumulative loss allowance. However, for financial assets measured at FVOCI, the loss allowance is recognised in the accumulated OCI, specifically under 'Fair value reserve' in the statement of changes in equity. Loss allowances for loan commitments and financial guarantees are presented under the balance sheet line item 'Provisions'.

Information about the development of the expected credit loss of the respective financial instruments is provided in *Note 37 Measurement of expected credit loss*.

In the statement of income, impairment losses and their reversals (gains) on all kinds of financial instruments are presented in the line item 'Impairment result from financial instruments'.

Derecognition of financial instruments including treatment of contractual modifications

i. Derecognition of financial assets

The difference between the carrying amount of the derecognised asset and the consideration received is presented in the statement of income in the line 'Gains/losses from derecognition of financial assets measured at amortised cost' or, for financial assets at FVOCI, in the line 'Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss'. For financial assets measured at FVPL the derecognition gains or losses are recognised together with the measurement result in the lines 'Net trading result' or 'Gains/losses from financial instruments measured at fair value through profit or loss'.

ii. Derecognition criteria with respect to contractual modifications of financial assets

In the normal course of running its lending business and in agreement with the respective debtors, Erste Group may renegotiate or otherwise modify some terms or conditions of the underlying contracts. This can involve either market-driven commercial renegotiations or contractual changes aimed at alleviating or preventing borrower's financial difficulty. For the purpose of capturing the economic substance and financial effect of such contractual modifications, Erste Group has developed a set of criteria to assess whether or not the modified terms are substantially different from the original terms and thus the financial asset has to be derecognised.

Commercial interest rate adjustments fulfilling specific conditions do not trigger the modification significance assessment. Instead, they result in a recalculation of the EIR of related loans. Such interest rate adjustments relate to performing non-forborne financial assets for which a prepayment/early termination option and a sufficiently competitive refinancing market exist. Furthermore, the costs that the debtor would incur in case of prepayment/early termination would have to be assessed as low. Such conditions introduce an implicit floating rate element to the contract. This kind of interest rate adjustments rarely applies to loan assets in Stage 2.

Substantial modifications lead to derecognition of the original financial asset and initial recognition of the modified financial asset as a new financial instrument. They include following events:

_ change of the contractual counterparty (unless this is a formal change such as changes in legal name);
_ change in the currency of the contract (unless the change results from exercising an embedded option in the original contract with pre-agreed conditions of the change, or if the new currency is pegged to the original currency);
_ introduction of a non-SPPI contractual feature (unless it is intended to improve recoveries from debtors by granting concessions supporting them to recover from financial difficulties); or
_ removal of a non-SPPI contractual feature.

Some derecognition criteria distinguish whether contractual modifications are applied to debtors facing financial difficulties. Application of certain modifications to debtors in financial difficulties is not considered as substantial since they are aimed at improving the prospects of the bank to recover the claims by tailoring the repayment schedules to specific financial conditions of those debtors. On the other hand, such contractual modifications applied to performing debtors may be considered as substantial enough to warrant the derecognition, as further detailed below.

From this perspective, the following criteria lead to derecognition unless they are considered as forbearance measures or they are applied to customers in default or they trigger default (i.e. the derecognition occurs if the modification does not relate to financial difficulties):

_ repayment schedule changed in a way that the weighted remaining maturity of the assets is modified by more than 100% and at least two years compared to the original asset;
_ change in timing/amount of contractual cash flows resulting in the present value of the modified cash flows (discounted at pre-modification effective interest rate) being different by more than 10% of the gross carrying amount of the asset immediately before the modification (cumulative assessment considering all modifications occurring over the last twelve months); or
_ altering a floating interest rate into a fixed interest rate or vice versa for the entire remaining life of the financial asset.

If contractual modifications that qualify as forbearance measures or they are applied to customers in default or they trigger default (i.e. they relate to customers in financial difficulties) are so significant that they are qualitatively assessed as an extinguishment of original contractual rights, they result in derecognition. Examples of such modifications are:

_ a new agreement with materially different terms signed up as part of distressed restructuring following a standstill agreement suspending the rights of the original assets;
_ consolidation of multiple original loans into one with substantially different terms; or
_ transformation of a revolving loan into non-revolving.

Contractual modifications leading to derecognition of the related original assets result in the initial recognition of new financial assets. If the debtor is in default or the significant modification leads to the default, then the new asset will be treated as POCI. The

difference between the carrying amount of the derecognised asset and initial fair value of the new POCI asset is presented in the statement of income in the line 'Impairment result from financial instruments'.

If the debtor is not in default or the significant modification does not lead to default, the new asset recognised after derecognition of the original asset will be in Stage 1. For loans measured at amortised cost, the unamortised balance of the origination fees/ transaction costs considered in the effective interest rate is presented in the line item 'Interest income' under 'Net interest income' at the derecognition date. The release of the credit loss allowance attached to the original asset at the date of that significant modification as well as the credit loss allowance recognised for the new asset are presented in the line 'Impairment result from financial instruments'. The remaining difference is presented in the line 'Gains/losses from derecognition of financial assets measured at amortised cost'.

For debt instrument assets not measured at FVPL that are subject to contractual modifications that do not result in derecognition, the gross carrying amount of the asset is adjusted against recognising a modification gain or loss in profit or loss. The modification gain or loss equals the difference between the gross carrying amount before the modification and the present value of the cash flows based on the modified terms discounted with the original EIR. In the statement of income, the modification gain or loss is presented in the line 'Interest income' under 'Net interest income' if the modification relates to financial assets in Stage 1. For financial assets in Stage 2 and 3 and POCI financial assets, the modification gain or loss is presented in the line 'Impairment result from financial instruments'. However, to the extent that the contractual modification involves the bank giving up its rights of collecting cash flows in respect of an outstanding amount of the asset, such as waiving (part of) principal or accrued interest amount, it is treated as a write-off.

iii. Write-offs

Erste Group writes off a financial asset or a part of it when it has no reasonable expectations of recovering the respective cash flows. When performing the write-off, the gross carrying amount of the asset is reduced simultaneously with the related loss allowance balance.

Erste Group has specified criteria for writing off the unrecoverable balances in its loan business. Write-off can result from forbearance measures whereby the bank contractually waives part of the existing balance in order to help the customers overcome financial difficulties and thus improve the prospects of recovering the remaining loan balance (normally this relates to going concern scenarios for corporate customers). For more information on Forbearance please refer to *Note 41 Restructuring, renegotiation and forbearance*.

In gone concern scenarios with corporate customers, write-offs of the unrecoverable exposure parts are triggered by enforcement activities such as filing or termination of legal proceedings (bankruptcy, liquidation, court case). Other write-off triggers may result from decisions about no enforcement due to worthlessness of the claim/collateral or generally from assessment that the receivable is economically lost. For retail customers, the non-recoverability and the timing and amounts of write-off crystallise during the collection process when it becomes evident that the amount due cannot be collected, e.g. due to ongoing bankruptcy proceedings. Residual uncollectable balances are written off after the collection process.

iv. Derecognition of financial liabilities

In the statement of income, the difference between the carrying amount of the derecognised financial liability and the consideration paid is presented in the line 'Other gains/losses from financial instruments not measured at fair value through profit or loss', 'Gains/losses from financial instruments measured at fair value through profit or loss' and 'Net trading result' depending on the measurement category of the derecognised financial liability.

MATERIAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND ESTIMATES

i. SPPI assessment

The assessment of whether the contractual cash flows of financial assets give rise to cash flows that are solely payments of principal and interest (SPPI) is subject to the application of significant judgements which rely on the guidance in IFRS 9. These judgements are crucial in the IFRS 9 classification and measurement process, as they determine whether the asset must be measured at FVPL or, depending on the business model assessment, at amortised cost or at FVOCI. When taking into consideration specific features of financial assets in the business of Erste Group, significant areas of judgement are prepayment fees, project financing loans and interest rate adjustments based on the fulfilment of certain ESG-related targets.

The assessment whether the prepayment fees applied to loans can be considered as a reasonable compensation for early terminations or prepayments is based on comparing the level of the fees with the economic costs incurred by the bank upon the early termination. For these purposes, Erste Group uses a quantitative test where the costs relate to the lost interest margin and the lost interest differential due to a potential decrease in the interest rates upon early termination or prepayment. The adequacy of the

fees can also be defended on a qualitative basis, such as common market practice regarding the level of prepayment fees and their acceptance by authorities.

For project financing loans Erste Group assesses whether they represent basic loan agreements rather than investments in the financed projects. In this respect, credit rating, level of collateralisation, existing sponsor guarantees and the extent of equity funding of the financed projects are considered.

In the last years financial assets whose interest is adjusted based on meeting certain ESG-linked targets by the borrowers (e.g. meeting specified CO_2 emission targets) became part of Erste Group's business. Erste Group has concluded that ESG-related interest adjustments have a de minimis effect on the contractual cash flows. As a result, they do not affect the SPPI assessment.

ii. Business model assessment

For each SPPI-compliant financial asset at initial recognition, Erste Group must assess whether it is part of a business model where the assets are held in order to collect contractual cash flows, to both collect the contractual cash flows and sell the assets, or they are held in other business models. As a consequence, the critical aspect in distinguishing the business models is frequency and significance of sales of assets in the respective business model. Since asset allocation to business models is based on the initial assessment, it may happen that in subsequent periods cash flows are realised differently than originally expected and a different measurement method may seem to be appropriate. In accordance with IFRS 9, such subsequent changes do not generally lead to reclassifications or prior period error corrections in respect of existing financial assets. The new information on how cash flows are realised may, however, indicate that the business model and thus the measurement method changes for newly acquired or newly originated financial assets.

At Erste Group, certain sales or other derecognition events are considered as not contradicting the held to collect contractual cash flows business model. Examples are sales due to increases in credit risk, sales close to assets' maturity, infrequent sales triggered by a non-recurring event (such as changes in regulatory or tax environment, major internal reorganisation or a business combination, severe liquidity crisis, etc.) or derecognitions resulting from replacements of bonds based on an issuer's offer. Other kinds of sales carried out in the 'held to collect' business model are assessed retrospectively and if they exceed certain quantitative thresholds, or whenever it is considered necessary with regard to new expectations, Erste Group performs a prospective test. If the outcome was that the carrying amount of assets expected to be sold over the expected life of the current business model portfolio, for reasons other than the cases above, exceeds 10% of the carrying amount of the portfolio, any new acquisitions or originations of assets would be classified in a different business model.

iii. Impairment of financial instruments

The expected credit loss impairment model is inherently based on judgement since it requires assessment of significant increases in credit risk and measurement of expected credit losses without providing detailed guidance. In respect of significant increases in credit risk, Erste Group has determined specific assessment rules consisting of qualitative information and quantitative thresholds. Another area of complexity relates to establishing groups of similar assets when credit risk deterioration has to be assessed on a collective basis before specific information is available at individual instrument level. Measurement of expected credit losses involves complex models relying on historical statistics of probabilities of default and loss rates in case of defaults, their extrapolations in case of insufficient observations, individual estimates of credit-adjusted cash flows and probabilities of various scenarios including forward-looking information. In addition, the life of the instruments has to be modelled in respect of behavioural life of revolving credit facilities.

Detailed disclosures about identification of significant increases in credit risk including collective assessment and estimation techniques used to measure 12-month and lifetime expected credit losses are provided in *Note 34 Credit risk*. For further information on the definition of default refer to *Note 37 Measurement of expected credit loss*. The development of loan loss provisions is described in *Note 39 Development of credit loss allowances*.

Financial instruments held at amortised cost

Financial assets are classified as measured at amortised cost if they are held in a business model whose objective is to collect contractual cash flows and their contractual cash flows are SPPI.

On the balance sheet, these assets are carried at amortised cost, i.e. the gross carrying amount net of the credit loss allowance. They are presented under the line 'Financial assets at amortised cost', 'Trade and other receivables' and 'Cash and cash balances'.

Interest income on these assets is calculated by effective interest method and is included under the line 'Interest income' under 'Net interest income' in the statement of income. Impairment gains or losses are included in the line 'Impairment result from financial instruments'. Gains and losses from derecognition (such as sales) of the assets are reported under the line item 'Gains/losses from derecognition of financial assets measured at amortised cost'.

At Erste Group, financial assets at amortised cost constitute the largest measurement category, which includes the vast majority of loan business to customers (except for certain loans measured at fair value through profit or loss), interbank lending business (including reverse repo transactions), deposits with central banks, investments in debt securities, amounts in the course of settlement, trade and other receivables.

For description of financial liabilities at measured amortised cost refer to *Note 18 Financial liabilities at amortised costs*.

15. Cash and cash balances

Cash balances include only claims (deposits) against central banks and credit institutions that are repayable on demand. Repayable on demand means that they may be withdrawn at any time or with a term of notice of only one business day or 24 hours. A part of 'Cash balances at central banks' represents the mandatory minimum reserve requirement deposits which amounted to EUR 6,566 million (2024: EUR 4,673 million) at the reporting date. The mandatory minimum reserve requirement is calculated from defined balance sheet items and has to be fulfilled in average through an extended period of time. Therefore, the mandatory minimum reserve requirement deposits are not subject to restraints.

in EUR million	Dec 24	Dec 25
Cash on hand	3,122	3,376
Cash balances at central banks	20,813	22,636
Other demand deposits at credit institutions	1,194	1,561
Cash and cash balances	**25,129**	**27,573**

16. Financial assets at amortised cost

DEBT SECURITIES

Investments in debt securities measured at amortised cost may be acquired with different business objectives (such as fulfilling internal/external liquidity risk requirements and efficient placement of the structural liquidity surplus, strategic positions decided by the board of directors, initiation and fostering of client relationships, substitution of loan business or other yield generating activities). Their common attribute is that significant and frequent sales of such securities are not expected. For a description of what sales are considered as compliant with the held to collect contractual cash flows business model, see paragraph '*Business model assessment*' in chapter '*Financial instruments - Material accounting policies*'.

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount				Credit loss allowances				
in EUR million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Carrying amount
Dec 25									
Central banks	26	0	0	26	0	0	0	0	26
General governments	49,024	8	0	49,032	-5	0	0	-5	49,027
Credit institutions	7,875	5	0	7,881	-3	0	0	-3	7,878
Other financial corporations	634	21	0	655	0	0	0	-1	654
Non-financial corporations	1,005	61	9	1,075	-1	-1	-4	-6	1,069
Total	**58,565**	**95**	**9**	**58,669**	**-8**	**-2**	**-4**	**-14**	**58,655**
Dec 24									
Central banks	22	0	0	22	0	0	0	0	22
General governments	42,278	73	0	42,350	-5	0	0	-5	42,346
Credit institutions	8,870	1	0	8,871	-3	0	0	-3	8,867
Other financial corporations	652	25	0	678	0	-1	0	-1	677
Non-financial corporations	926	47	9	982	-1	-1	-4	-6	977
Total	**52,748**	**146**	**9**	**52,904**	**-9**	**-2**	**-4**	**-15**	**52,889**

For information about the development of credit loss allowances refer to *Note 39 Development of credit loss allowances*.

LOANS AND ADVANCES TO BANKS

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount				Credit loss allowances				
in EUR million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Carrying amount
Dec 24									
Central banks	13,667	0	0	13,667	0	0	0	0	13,667
Credit institutions	7,163	0	0	7,163	-3	0	0	-3	7,159
Total	**20,830**	**0**	**0**	**20,830**	**-3**	**0**	**0**	**-3**	**20,827**
Dec 23									
Central banks	17,620	0	0	17,620	0	0	0	0	17,620
Credit institutions	9,352	6	0	9,358	-6	0	0	-6	9,352
Total	**26,972**	**6**	**0**	**26,978**	**-6**	**0**	**0**	**-6**	**26,972**

For information about the development of credit loss allowances refer to *Note 39 Development of credit loss allowances*.

LOANS AND ADVANCES TO CUSTOMERS

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount					Credit loss allowances					
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Carrying amount
Dec 25											
General governments	9,636	359	32	2	10,030	-4	-12	-1	-1	-19	10,011
Other financial corporations	6,167	417	56	0	6,640	-11	-15	-30	0	-56	6,583
Non-financial corporations	80,030	16,503	3,308	228	100,069	-231	-645	-1,296	-39	-2,211	97,858
Households	97,530	9,700	2,022	106	109,359	-155	-441	-977	-14	-1,586	107,773
Total	**193,363**	**26,979**	**5,418**	**337**	**226,097**	**-401**	**-1,113**	**-2,304**	**-54**	**-3,872**	**222,225**
Dec 24											
General governments	8,689	600	62	16	9,367	-5	-16	-4	0	-25	9,342
Other financial corporations	5,745	744	64	0	6,553	-12	-17	-28	0	-57	6,496
Non-financial corporations	71,722	20,079	3,190	239	95,229	-204	-770	-1,247	-54	-2,276	92,953
Households	88,288	11,443	2,030	115	101,876	-145	-460	-1,009	-19	-1,633	100,243
Total	**174,443**	**32,866**	**5,346**	**369**	**213,024**	**-366**	**-1,263**	**-2,289**	**-73**	**-3,991**	**209,034**

For information about the development of credit loss allowances refer to *Note 39 Development of credit loss allowances*.

17. Trade and other receivables

Trade receivables arise largely from the factoring business of Erste Group.

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount					Credit loss allowances					
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Carrying amount
Dec 25											
General governments	80	22	0	0	102	0	0	0	0	0	101
Credit institutions	34	3	0	0	37	0	0	0	0	0	37
Other financial corporations	143	18	0	0	161	0	0	0	0	-1	160
Non-financial corporations	1,681	857	36	1	2,576	-10	-2	-15	-1	-28	2,547
Households	60	43	15	0	118	0	-5	-13	0	-18	100
Total	**1,999**	**942**	**51**	**2**	**2,993**	**-11**	**-7**	**-28**	**-1**	**-47**	**2,946**
Dec 24											
General governments	61	19	0	0	80	0	0	0	0	0	80
Credit institutions	60	2	0	0	62	0	0	0	0	0	62
Other financial corporations	105	18	0	0	123	0	0	0	0	-1	122
Non-financial corporations	1,504	803	19	1	2,327	-9	-3	-12	-1	-25	2,302
Households	81	34	15	0	129	0	-5	-13	0	-18	111
Total	**1,811**	**876**	**34**	**1**	**2,722**	**-10**	**-8**	**-26**	**-1**	**-44**	**2,677**

For information about development of credit loss allowances refer to *Note 39 Development of credit loss allowances*.

18. Financial liabilities at amortised costs

The line item 'Financial liabilities at amortised cost' is further broken down into 'Deposits from banks', 'Deposits from customers', 'Debt securities issued' and 'Other financial liabilities'.

Interest expenses incurred are calculated using effective interest method are reported in the line item 'Interest expenses' under 'Net interest income' in the statement of income. Gains and losses from derecognition (mainly repurchase) are reported under the line item 'Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss'.

Deposits from banks

in EUR million	Dec 24	Dec 25
Deposits repayable on demand	2,853	2,565
Term deposits	10,720	10,923
Repurchase agreements	7,688	3,431
Deposits from banks	**21,261**	**16,919**

Deposits from customers

in EUR million	Dec 24	Dec 25
Deposits repayable on demand	**170,533**	**184,773**
Savings deposits	56,356	62,108
Other financial corporations	196	172
Non-financial corporations	3,689	3,885
Households	52,472	58,051
Non-savings deposits	114,177	122,665
General governments	9,234	9,405
Other financial corporations	5,307	5,689
Non-financial corporations	32,386	35,970
Households	67,250	71,602
Term deposits	**67,341**	**62,365**
Deposits with agreed maturity	66,073	60,534
Savings deposits	27,018	25,719
Other financial corporations	120	33
Non-financial corporations	1,277	757
Households	25,622	24,929
Non-savings deposits	39,055	34,815
General governments	3,955	2,726
Other financial corporations	8,507	6,089
Non-financial corporations	11,407	11,975
Households	15,186	14,025
Deposits redeemable at notice	1,268	1,831
General governments	0	10
Other financial corporations	0	6
Non-financial corporations	1	324
Households	1,267	1,489
Repurchase agreements	**3,661**	**5,679**
General governments	1,418	2,124
Other financial corporations	2,244	3,503
Non-financial corporations	0	52
Deposits from customers	**241,535**	**252,817**
General governments	14,607	14,265
Other financial corporations	16,373	15,492
Non-financial corporations	48,759	52,963
Households	161,797	170,096

Debt securities issued

in EUR million	Dec 24	Dec 25
Subordinated debt securities issued	3,410	3,746
Senior non-preferred bonds	5,066	6,263
Other debt securities issued	33,383	35,594
Bonds	12,300	13,702
Certificates of deposit	5,713	4,191
Other certificates of deposits/name certificates	94	94
Mortgage covered bonds	15,277	17,608
Debt securities issued	**41,859**	**45,604**

SUBORDINATED LIABILITIES

Subordinated liabilities are reported either in the item 'Financial liabilities at amortised costs' or 'Financial liabilities at fair value through profit or loss'. Securitized and non-securitized liabilities are subordinated if the claims can only be satisfied after the claims of other, non-subordinated creditors in the event of liquidation or bankruptcy.

Material subordinated liabilities

Issuer	ISIN	Currency	Nominal value	Initial fixed rate	Reset rate after the first call date	Due	Call Redemption Date
Erste Group Bank AG	AT0000A2J645	EUR	500 million	1.625%	5Y swap +2.100%	08.09.2031	01.04.2026
Erste Group Bank AG	AT0000A2YA29	EUR	500 million	4.000%	5Y swap +2.550%	07.06.2033	25.01.2028
Erste Group Bank AG	AT0000A3FY07	EUR	750 million	4.000%	5Y swap +1.200%	15.01.2035	04.12.2029
Erste Group Bank AG	AT0000A3NRE3	EUR	750 million	3.625%	5Y swap +1.300%	26.11.2035	21.11.2030

In the reporting period, expenses for subordinated liabilities of all measurement categories amounted to EUR 185 million (2024: EUR 170 million).

Financial assets at fair value through other comprehensive income

19. Financial assets at fair value through other comprehensive income – debt instruments

Debt instrument financial assets are measured at fair value through other comprehensive income (FVOCI) if their contractual cash flows are SPPI-compliant and they are held within a business model whose objective is achieved by both to collect contractual cash flows and sell the assets. On the balance sheet, they are included as 'Debt securities' under the line 'Financial asset at fair value through other comprehensive income'.

Interest income on these assets is calculated using the effective interest method and is included in the line 'Interest income' under 'Net interest income' in the statement of income. Impairment gains and losses are recognised in profit or loss in the line 'Impairment result from financial instruments' with opposite loss allowance entry in OCI rather than against the asset value. As a result, the measurement impact recognised in profit or loss is the same as for financial assets measured at amortised cost.

The difference between the fair value at which the assets are carried in the balance sheet and the amortised cost component is recognised as accumulated OCI in equity specifically under 'Fair value reserve' in the statement of changes in equity. The change for the period is reported as OCI in the statement of comprehensive income in the line 'Fair value reserve of debt instruments' which also includes the loss allowance OCI entry. When the financial asset is derecognised, the amount previously accumulated in OCI is reclassified to profit or loss and reported under the line 'Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss'.

Erste Group classifies investments in debt securities as measured at FVOCI, i.e. no loan business is included in this measurement category. Similarly to investments in debt securities measured at amortised cost, they relate to various business objectives such as fulfilling internal/external liquidity risk requirements and efficient placement of the structural liquidity surplus, strategic positions decided by the board of directors, initiation and fostering of client relationships, substitution of loan business or other yield-enhancement activities. The common attribute for investments in debt instruments at FVOCI is that an active yield optimisation via sales is integral to achieving the objectives. The sales are carried out in order to optimise the liquidity position or to realise fair value gains or losses. As a result, the business objectives are achieved through both collecting contractual cash flows and sales of the securities.

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount				Credit loss allowances						
in EUR million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Amortised cost	Accumulated OCI changes	Fair value
Dec 25											
General governments	7,461	0	0	7,461	-2	0	0	-2	7,460	31	7,490
Credit institutions	792	0	0	792	0	0	0	0	792	12	803
Other financial corporations	130	1	0	131	0	0	0	0	131	-1	130
Non-financial corporations	588	60	5	652	-1	0	-2	-3	649	-5	644
Total	**8,971**	**60**	**5**	**9,036**	**-3**	**0**	**-2**	**-5**	**9,031**	**37**	**9,068**
Dec 24											
General governments	6,951	0	0	6,951	-2	0	0	-2	6,949	-6	6,943
Credit institutions	1,449	0	0	1,449	-1	0	0	-1	1,448	17	1,465
Other financial corporations	133	40	0	174	0	-1	0	-1	173	-1	172
Non-financial corporations	658	162	4	824	0	-8	0	-9	815	-7	809
Total	**9,191**	**202**	**5**	**9,398**	**-3**	**-9**	**0**	**-13**	**9,385**	**3**	**9,388**

For information about the development of credit loss allowances refer to *Note 39 Development of credit loss allowances*.

20. Financial assets at fair value through other comprehensive income – equity instruments

For certain investments in equity instruments that are not held for trading, Erste Group makes use of the option to measure them at FVOCI. This election is applied to strategic, significant banking business relationship investments (except for insurance business). The fair value gains or losses for the period are reported as OCI in the line 'Fair value reserve of equity instruments' of the statement of comprehensive income. The cumulative gains or losses are included under 'Fair value reserve' in the statement of changes in equity. The amount recognised in OCI is never reclassified to profit or loss. However, upon derecognition of the investments in equity instruments at FVOCI the amount accumulated in OCI is transferred to retained earnings. Dividends received on these investments are reported under the line 'Dividend income' of the statement of income. On the balance sheet, financial assets measured at fair value through OCI are included as 'Equity instruments' under the line 'Financial asset at fair value through other comprehensive income'.

The carrying amount of Erste Group's equity instruments at FVOCI as at 31 December 2025 amounts to EUR 113 million (2024: EUR 109 million), the cumulative fair value change for equity instruments FVOCI before taxes recognised in other comprehensive income amounted to EUR 73 million (2024: EUR 69 million). During the year 2024 and 2025, no equity instruments FVOCI were sold due to strategic business decisions. The cumulative loss (net of tax) that was transferred from accumulated other comprehensive income into retained earnings amounted to EUR 0 million (2024: EUR 3 million).

Financial instruments at fair value through profit or loss

There are various reasons for assigning the fair value through profit or loss (FVPL) measurement category to debt instrument financial assets.

FVPL measurement relates to that are part of residual business models, i.e. they are neither held to collect contractual cash flows nor held to either collect contractual cash flows or sell the assets. These financial assets are generally expected to be sold before their maturity or they are managed and their performance is evaluated on a fair value basis. In the business of Erste Group, such business models are typical of assets that are held for trading (i.e. financial assets held by the trading function of the bank), of assets whose value is expected to be primarily realised through sales, such as loan syndications when the loan is offered for sale on the market. Further subject to FVPL measurement are financial assets held by funds consolidated by Erste Group since they are managed and their performance is evaluated on a fair value basis.

Another reason for the FVPL measurement are financial assets whose contractual cash flows are not considered as SPPI. At Erste Group, this concerns certain debt securities and loans to customers.

Erste Group also makes use of the option to designate some financial assets as measured at FVPL at initial recognition. Such a classification is used if it eliminates or significantly reduces an accounting mismatch between fixed interest rate financial assets, which in the absence of such a classification would be measured at amortised cost or at FVOCI and related derivatives measured at FVPL.

On the balance sheet, debt instrument financial assets measured at FVPL are presented as 'Financial assets held for trading', sub-item 'Other financial assets held for trading' and 'Non-trading financial assets at fair value through profit or loss', sub-items 'Debt securities' and 'Loans and advances to customers'. Non-trading financial assets at FVPL consist of two sub-categories disclosed in *Note 23 Non-trading financial assets at fair value through profit or loss* which are 'mandatorily at fair value through profit or loss' and 'designated at fair value through profit or loss'. Financial assets are mandatorily measured at fair value through profit or loss either because they are held as part of residual business models that are other than held for trading or their contractual cash flows are not SPPI.

Investments in equity instruments that are held for trading (i.e. financial assets held by the trading function of the bank) are measured at FVPL. They are included in the balance sheet under the line 'Financial assets held for trading', sub-item 'Other financial assets held for trading'. Investments in equity instruments that are not held for trading are also measured at FVPL (unless they are designated at FVOCI). They are presented in the balance sheet under 'Non-trading financial assets at fair value through profit or loss', sub-item 'Equity instruments', sub-category 'mandatorily at fair value through profit or loss' in *Note 23 Non-trading financial assets at fair value through profit or loss*.

From IFRS 9 perspective all derivatives which are not designated as hedging instruments are considered as held for trading. As a result, they are measured at FVPL. They are described in more detail in *Note 21 Derivative financial instruments*.

In the statement of income, the profit or loss effects of non-derivative financial assets measured at FVPL are split into interest income or dividend income and fair value gains and losses. The interest income on debt instruments is presented in the line 'Other similar income' under 'Net interest income' and is calculated by applying the EIR to the amortised cost component of the financial assets. The dividend income on equity instruments is presented in the line 'Dividend income'. The fair value gains or losses are calculated net of the interest or dividend income and they also include transaction costs and origination fees. They are reported in the line 'Net trading result' for financial assets held for trading and in the line 'Gains/losses from financial instruments measured at fair value through profit or loss' in case of non-trading financial assets at FVPL. For investments in funds, which are not consolidated by Erste Group, the interest or dividend component is not separated from the fair value gains or losses.

Financial liabilities at FVPL consist of financial liabilities held for trading and financial liabilities designated at FVPL.

On the balance sheet, financial liabilities at FVPL are presented as 'Financial liabilities held for trading', sub-items 'Derivatives' and 'Other financial liabilities held for trading' and as 'Financial liabilities at fair value through profit or loss' which are further broken down into 'Deposits from customers', 'Debt securities issued' and 'Other financial liabilities'. Accounting Policy related to financial liabilities at FVPL can be found in *Note 21 Derivative financial instrument*, *Note 24 Other financial liabilities held for trading* and *Note 25 Financial liabilities at fair value through profit or loss*.

21. Derivative financial instruments

Derivative financial instruments are used by Erste Group to manage exposures to interest rates, foreign currencies and other market price risks. Derivatives used by Erste Group include mainly interest rate swaps, futures, forward rate agreements, interest rate options, currency swaps and currency options as well as credit default swaps.

For presentation purposes, derivatives are split into:
_ Derivatives – held for trading; and
_ Derivatives – hedge accounting.

Hedge accounting derivatives are discussed in *Note 27 Hedge accounting*.

Derivative financial instruments are carried at fair value (dirty price) on the balance sheet. Derivatives are carried as assets if their fair value is positive and as liabilities if their fair value is negative.

Derivatives – held for trading are those that are not designated as hedging instruments for hedge accounting. They are presented in the line item 'Derivatives' under the heading 'Financial assets/Financial liabilities held for trading'. All kinds of non-hedging derivatives without regard to their internal classification, i.e. both derivatives held in the trading book and banking book, are presented in this line item.

Changes in the fair value (clean price) of derivatives – held for trading are reported in the statement of income in the line item 'Net trading result'. Interest income/expense related to held for trading derivatives is presented in the statement of income in the line item 'Other similar income' or 'Other similar expenses' under 'Net interest income'. Interest income/expense recognition is based on EIR-like accruals in respect of the derivative notional amount and includes amortisation of the inception value of the derivative (e.g. upfront fees, if any).

Embedded derivatives

Erste Group issues certain financial liabilities which contain structured features. Structured features mean that a derivative is embedded in non-derivative host instruments.

Embedded derivatives that are separated are accounted for as stand-alone derivatives and presented on the balance sheet under the line item 'Derivatives' in financial assets held for trading and financial liabilities held for trading. At Erste Group, these relate to bonds and deposits whose payments are linked to equity prices or FX rates.

In the business of Erste Group, the majority of non-closely related embedded derivatives relates to bonds issued for which fair value option has been applied. As a result, these embedded derivatives are part of the measurement of the entire hybrid instrument at FVPL and thus are not separated.

Derivatives held for trading

	Dec 24			Dec 25		
in EUR million	Notional value	Positive fair value	Negative fair value	Notional value	Positive fair value	Negative fair value
Derivatives held in the trading book	**235,383**	**3,892**	**3,704**	**260,413**	**3,390**	**3,481**
Interest rate	180,233	3,303	3,249	204,278	3,010	2,955
Equity	380	5	5	346	7	15
Foreign exchange	54,245	579	441	55,310	368	507
Credit	189	1	6	93	0	2
Commodity	7	0	0	11	0	0
Other	328	5	2	376	5	2
Derivatives held in the banking book	**30,760**	**471**	**535**	**42,150**	**367**	**406**
Interest rate	23,102	353	299	33,456	255	281
Equity	965	72	52	750	73	23
Foreign exchange	6,476	47	180	6,392	39	98
Credit	46	0	0	1,366	0	0
Other	170	0	4	186	0	4
Total gross amounts	**266,143**	**4,363**	**4,239**	**302,564**	**3,758**	**3,887**
Offset		-3,137	-3,090		-2,928	-2,795
Total		**1,226**	**1,149**		**829**	**1,092**

Erste Group undertakes a part of interest rate derivative and credit derivative transactions via Clearing Houses. These derivatives and related cash margin balances fulfil the requirements for balance sheet offsetting. For more details on balance sheet offsetting please refer to *Note 28 Offsetting of financial instruments*.

22. Other financial assets held for trading

in EUR million	Dec 24	Dec 25
Equity instruments	141	222
Debt securities	10,095	8,326
Central banks	3,539	1,595
General governments	3,941	4,036
Credit institutions	2,135	2,300
Other financial corporations	324	259
Non-financial corporations	155	135
Other financial assets held for trading	**10,236**	**8,548**

23. Non-trading financial assets at fair value through profit or loss

	Dec 24		Dec 25	
in EUR million	Designated	Mandatorily	Designated	Mandatorily
Equity instruments	0	464	0	523
Debt securities	44	1,424	0	1,786
General governments	0	364	0	484
Credit institutions	44	144	0	356
Other financial corporations	0	847	0	813
Non-financial corporations	0	69	0	133
Loans and advances to customers	0	1,108	0	1,524
General governments	0	0	0	0
Non-financial corporations	0	26	0	8
Households	0	1,081	0	1,515
Financial assets designated and mandatorily at FVPL	44	2,996	0	3,833
Non-trading financial assets at fair value through profit or loss	**3,040**		**3,833**	

Erste Group has designated debt securities at FVPL. The maximum exposure to credit risk on these securities is its fair value. In 2024 and 2025 there were no material changes in fair value due to changes in credit risk.

24. Other financial liabilities held for trading

Non-derivative held for trading liabilities largely comprise short sales. These arise from obligations to return securities, which are purchased under agreements to resell or are borrowed through securities lending transactions and subsequently sold to third parties. On the balance sheet such liabilities are presented under the line 'Financial liabilities held for trading', sub-item 'Other financial liabilities'. The gains or losses on financial liabilities held for trading are reported in the line 'Net trading result' in the statement of income.

in EUR million	Dec 24	Dec 25
Short positions	603	1,226
Equity instruments	61	40
Debt securities	543	1,187
Debt securities issued	69	94
Other financial liabilities held for trading	**672**	**1,321**

25. Financial liabilities at fair value through profit or loss

Erste Group makes use of the option to designate some financial liabilities as measured at FVPL at initial recognition (referred to as fair value option) if:

- such classification eliminates or significantly reduces an accounting mismatch between fixed interest rate financial liabilities otherwise measured at amortised cost and related derivatives measured at FVPL. Erste Group assesses quantitatively that the designation actually eliminates or significantly reduces the accounting mismatch in respect of fair value changes attributable to interest rate risk; or
- the entire hybrid contract contains a non-closely related embedded derivative.

Financial liabilities designated at FVPL are reported on the balance sheet under the line item 'Financial liabilities at fair value through profit or loss' and are further broken down into 'Deposits from customers', 'Debt securities issued' and 'Other financial liabilities'. Other financial liabilities relate to fund units issued by funds consolidated by Erste Group. Interest incurred is calculated by applying the EIR to the amortised cost of the financial liability and is reported in the statement of income under in line item 'Other similar expenses' under 'Net interest income'. Gains and losses resulting from changes in fair value are recognised net of the interest expense under the line item 'Gains/losses from financial instruments measured at fair value through profit or loss'.

The amount of the fair value change resulting from the credit risk of the financial liability for the period is presented as OCI in the statement of comprehensive income in the line 'Own credit risk reserve'. The cumulative amount is recognised as accumulated OCI, specifically under 'Own credit risk reserve' in the statement of changes in equity. The amount recognised in OCI is never reclassified to profit or loss. However, upon derecognition (mainly repurchases) of the financial liabilities designated at FVPL the amount accumulated in OCI is transferred to retained earnings.

The cumulative amount of the credit risk recognised as accumulated OCI is calculated as the difference between the present value of the liability determined by using the original credit spread and the fair value of the liability. The amount of fair value change attributable to changes in credit risk of the liability for the period which is recognised in OCI is the difference between the cumulative amount of the credit risk at the end of the period and at the beginning of the period. When calculating the present value of the liability by using the original credit spread, the rate used for discounting is the sum of the observed interest rate (swap yield curve) and the original credit spread. The original credit spread is determined at initial recognition of the liability and it equals the difference between the total yield of the liability and the observed interest rate (swap yield curve) at that time.

Delta between carrying amount and amount repayable for financial liabilities at FVPL

	Carrying amount		Amount repayable		Delta between carrying amount and amount repayable	
in EUR million	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25
Deposits	115	174	116	176	0	-2
Debt securities issued	10,030	9,268	10,248	9,687	-218	-419
Other financial liabilities	136	415	136	415	0	0
Financial liabilities at FVPL	**10,281**	**9,857**	**10,500**	**10,278**	**-219**	**-421**

Fair value changes that are attributable to changes in own credit risk

	For reporting period		Cumulative amount	
in EUR million	1-12 24	1-12 25	Dec 24	Dec 25
Deposits	3	1	3	4
Debt securities issued	57	11	136	145
Financial liabilities at FVPL	**60**	**12**	**139**	**149**

The line 'Other financial liabilities' contains fund units issued by investment funds fully consolidated by Erste Group. Their fair value changes are subject to asset-specific performance risk only and are not dependent on changes in the individual own credit risk of the respective investment funds.

Debt securities issued

in EUR million	Dec 24	Dec 25
Subordinated debt securities issued	1,985	1,768
Other debt securities issued	8,045	7,500
Bonds	5,557	5,083
Other certificates of deposits/name certificates	1,143	1,091
Mortgage covered bonds	1,269	1,249
Public sector covered bonds	74	77
Debt securities issued	**10,030**	**9,268**

In the reporting period, a loss of EUR 2 million (2024 EUR 0 million) was transferred from own credit risk reserve to retained earnings due to the repurchase of debt securities (own issues) issued.

Financial instruments – other disclosure matters

26. Fair value of financial instruments

The measurement of fair value at Erste Group is based primarily on external sources of data (stock market prices or broker quotes in highly liquid market segments). Financial instruments for which the fair value is determined on the basis of quoted market prices are mainly listed securities and listed derivatives as well as liquid OTC bonds.

Where the fair values of financial assets and financial liabilities recorded on the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data is not available judgement is required to establish fair values. Using of unobservable inputs is particularly relevant for models used for valuations of loans and unquoted equity investments. Disclosures on valuation models, the fair value hierarchy and fair values of financial instruments can be found subsequently.

For all financial instruments the fair value is measured on recurring basis.

Financial instruments carried at fair value

DESCRIPTION OF VALUATION MODELS AND PARAMETERS

Erste Group uses valuation models that have been tested internally and for which the valuation parameters (such as interest rates, exchange rates, volatilities and credit spreads) have been determined independently.

Loans. Not SPPI compliant loans are to be valued at fair value. The methodology to compute fair value of these loans corresponds to the basic present value technique. The credit risk is recognized by adjusting contractual cash flows to come to expected cash flows accounting for customer's probability of default ('PD') and loss given default ('LGD'). These adjusted cash flows are then discounted by a yield curve which consists of a risk-free rate and a funding spread for senior unsecured issues.

Debt securities. For plain vanilla (fixed and floating rate) debt securities the fair value is calculated by discounting the future cash flows using a discounting curve depending on the interest rate for the respective issuance currency and a spread adjustment. The spread adjustment is usually derived from the credit spread curve of the issuer. If no issuer curve is available the spread is derived from a proxy instrument and adjusted for differences in the risk profile of the instruments. If no close proxy is available, the spread adjustment is estimated using other information, including estimation of the credit spread based on internal ratings and PDs or management judgment. For more complex debt securities (e.g. including option-like features such as callable, cap/floor, index-linked) the fair value is determined using combinations of discounted cash flow models and more sophisticated modeling techniques including methods described for OTC-derivatives.

Equity instruments. For non-trading equity instruments which do not have quoted market prices in an active market the fair value is determined by standard valuation models using also unobservable input parameters. These models include the adjusted net asset value method, the simplified income approach, the dividend discount model and the comparable company multiple method.

The adjusted net asset method requires an investor to measure the fair value of the individual assets and liabilities recognized in an investee's statement of financial position as well as the fair value of any unrecognized assets and liabilities at the measurement date. The resulting fair values of the recognized and unrecognized assets and liabilities should therefore represent the fair value of the investee's equity.

The dividend discount model assumes that the price of equity instruments issued by an entity equals the present value of all its expected future dividends in perpetuity. Similar to the dividend discount model, the simplified income approach estimates the fair value based on the future income. However, it can be used also when only one year planned income is available. The simplified income approach and the dividend discount model discount future income and dividends using the cost of equity. The cost of equity is dependent on the risk-free rate, the market risk premium, the levered beta and the country risk premium. The levered beta is derived from the industry classification which is published and maintained by Damodaran.

In rare cases, techniques for non-trading equity instruments may also include comparable company multiple methods. These are valuation techniques that use prices and other relevant information generated by market transactions involving comparable company peers of an investee to derive a valuation multiple from which the indicated fair value of the investee's equity or enterprise value can be inferred.

Liabilities. For issued debt securities where the fair value cannot be retrieved from quoted market prices, the fair value is calculated by discounting the future cash flows. Significant input factors for the spread adjustment of Erste Group's own credit risk for the respective seniority class are credit spreads derived from liquid benchmark bonds and additional indications from external investments banks, which are provided on a regular basis. The applied spreads are validated on a regular basis from an independent Risk Management unit. In case of issued securities with structured features, optionality is taken into account as well when calculating the fair value.

OTC-derivative financial instruments. Derivative instruments traded in liquid markets (e.g. interest rate swaps and options, foreign exchange forward and options, options on listed securities and indices, credit default swaps and commodity swaps) are valued by using standard valuation models. These models include discounting cash flow models, option models of the Black-Scholes and Hull-White type as well as hazard rate models. Models are calibrated on quoted market data (including implied volatilities). Valuation models for more complex instruments also use Monte-Carlo simulation. For instruments in less liquid markets, data obtained from less frequent transactions or extrapolation techniques are used. For determining the fair value of collateralised derivatives a discounting interest rate reflecting the interest rate of the corresponding cash collateral is used.

Erste Group values derivatives at mid-market levels. To reflect the potential bid-ask-spread of the relevant positions an adjustment based on market liquidity is performed. The adjustment parameters depend on product type, currency, maturity, liquidity and notional size. Parameters are reviewed on a regular basis or in case of significant market moves.

Credit value adjustments (CVA) for counterparty risk and debit value adjustments (DVA) for own default credit risk are applied to OTC derivatives. For the CVA the adjustment is driven by the expected positive exposure of the derivative and the probability of default of the counterparty. The DVA is driven by the expected negative exposure of the derivative and Erste Group's probability of default. The modeling of the expected exposure is based on option replication strategies or Monte-Carlo simulation techniques.

The accumulated CVA-adjustments amounted to EUR 9 million (2024: EUR 15 million) and the total DVA-adjustment amounted to EUR 10 million (2024: EUR 9 million).

Based on an analysis carried out by Erste Group it was decided that for the valuation of OTC derivatives no Funding Value Adjustment ('FVA') would be considered.

VALIDATION AND CONTROL

The responsibility for valuation of financial instruments measured at fair value is independent of the trading units. In addition, Erste Group has implemented an independent validation function in order to ensure separation between units responsible for model development, fair value measurement and validation. The aim of independent model validation is to evaluate model risks arising from the models' theoretical foundation, the appropriateness of input data (market data) and model calibration.

Fair value hierarchy

Financial assets and financial liabilities measured at fair value are categorized under the three levels of the IFRS fair value hierarchy.

LEVEL 1 OF THE FAIR VALUE HIERARCHY

Level 1 measurements include exchange traded derivatives (options), shares, government bonds as well as other bonds and funds, which are traded in highly liquid and active markets.

LEVEL 2 OF THE FAIR VALUE HIERARCHY

In case a market quote is used for valuation but due to restricted liquidity the market does not qualify as active (derived from available market liquidity indicators) the instrument is classified as Level 2. If no market prices are available the fair value is measured by using valuation models which are based on observable market data. For Level 2 valuations typically yield curves, credit spreads and implied volatilities are used as observable market parameters.

Level 2 measurements include OTC derivatives, theoretically priced exchange traded derivatives, less liquid shares, bonds and funds as well as asset backed securities (ABS), collateralized debt obligations (CDO), own issues and deposits.

LEVEL 3 OF THE FAIR VALUE HIERARCHY

If any unobservable input in the valuation model is significant or the price quote used is updated infrequently the instrument is classified as Level 3 of the fair value hierarchy. Typically credit spreads derived from internally calculated historical probability of default (PD) and loss given default (LGD) measures are used as unobservable parameters. Furthermore, internally calculated cost of equity and adjustments made on the equity (in the adjusted net asset value method) are unobservable parameters for the valuation of non-trading equity instruments.

The volume of Level 3 financial assets can be allocated to the following categories:
_ Derivatives where the credit value adjustment (CVA) has a material impact and is calculated based on unobservable parameters (i.e. internal estimates of PDs and LGDs).
_ Illiquid bonds, shares, participations and funds not quoted in an active market where either valuation models with non-observable parameters have been used (e.g. credit spreads) or broker quotes have been used that cannot be allocated to Level 1 or Level 2.
_ Loans which do not comply with the contractual cash flow criteria.

The allocation of the appropriate level of positions is determined at the end of the reporting period.

A reclassification from Level 1 into Level 2 or Level 3 as well as vice versa will be performed if the financial instrument does no longer meet the criteria described above for the respective level.

Classification of financial instruments carried at fair value by levels of the fair value hierarchy

	Dec 24				Dec 25			
in EUR million	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Financial assets HfT	4,414	6,985	63	11,463	4,717	4,603	57	9,377
Derivatives	1	1,184	41	1,226	1	795	34	829
Other financial assets HfT	4,413	5,802	22	10,236	4,717	3,808	23	8,548
Non-trading financial assets at FVPL	1,348	129	1,563	3,040	1,706	91	2,036	3,833
Equity instruments	63	6	396	464	67	14	441	523
Debt securities	1,285	123	60	1,468	1,639	77	71	1,786
Loans and advances	0	0	1,108	1,108	0	0	1,524	1,524
Financial assets at FVOCI	7,543	1,626	329	9,498	6,977	1,906	298	9,181
Equity instruments	0	0	109	109	1	0	113	113
Debt securities	7,543	1,626	220	9,388	6,976	1,906	185	9,068
Hedge accounting derivatives	0	181	0	181	0	231	0	231
Total assets	**13,305**	**8,921**	**1,956**	**24,181**	**13,400**	**6,832**	**2,390**	**22,622**
Liabilities								
Financial liabilities HfT	605	1,202	14	1,821	1,220	1,191	1	2,412
Derivatives	2	1,133	14	1,149	4	1,087	1	1,092
Other financial liabilities HfT	603	69	0	672	1,216	104	0	1,321
Financial liabilities at FVPL	136	10,145	0	10,281	415	9,442	0	9,857
Deposits from customers	0	115	0	115	0	174	0	174
Debt securities issued	0	10,030	0	10,030	0	9,268	0	9,268
Other financial liabilities	136	0	0	136	415	0	0	415
Hedge accounting derivatives	0	194	0	194	0	170	0	170
Total liabilities	**741**	**11,541**	**14**	**12,296**	**1,635**	**10,804**	**1**	**12,439**

Derivatives transacted via Clearing Houses are presented after netting in compliance with their balance sheet treatment. The netted derivatives are allocated to Level 2.

VALUATION PROCESS FOR FINANCIAL INSTRUMENTS CATEGORISED AS LEVEL 3

The valuation of financial instruments categorized as Level 3 involves one or more significant inputs that are not directly observable on the market. Additional price verification steps need to be done. These may include reviewing relevant historical data and benchmarking for similar transactions, among others. This involves estimation and expert judgment. Further details regarding input parameters used and the results of the sensitivity analysis are disclosed in the sub-chapter Unobservable inputs and sensitivity analysis for Level 3 measurements below.

CHANGES IN VOLUMES OF LEVEL 1 AND LEVEL 2

Reclassification between Level 1 and Level 2 based on balance sheet positions and instruments

	Dec 24		Dec 25	
in EUR million	L1 to L2	L2 to L1	L1 to L2	L2 to L1
Financial assets HfT	**144**	**11**	**217**	**4**
Bonds	144	10	217	3
Shares	0	0	0	1
Non-trading financial assets at FVPL	**2**	**4**	**3**	**5**
Bonds	2	3	2	5
Shares	0	1	0	0
Financial assets at FVOCI	**258**	**25**	**159**	**4**
Bonds	258	25	159	4
Total	**404**	**40**	**379**	**13**

Transfers into and out of Level 1 and Level 2 are caused by changes in market activities and consequently due to the quality and observability of valuation parameters.

MOVEMENTS IN LEVEL 3

Development of fair value of financial instruments in Level 3

in EUR million		Gains/losses profit or loss	Gains/ losses OCI	Purchases	Sales	Settle-ments	Addition to group	Disposal out of group	Transfer into Level 3	Transfer out of Level 3	Currency translation	
	Jan 25											Dec 25
Assets												
Financial assets HfT	63	14	0	4	-15	0	0	0	14	-22	0	57
Derivatives	41	14	0	0	0	0	0	0	0	-22	0	34
Other financial assets HfT	22	0	0	3	-15	0	0	0	14	0	0	23
Non-trading financial assets at FVPL	1,563	56	0	487	-17	-92	3	0	1	-53	87	2,036
Equity instruments	396	45	0	61	-11	0	0	0	0	-52	2	441
Debt securities	60	6	0	13	-7	-5	3	0	1	-1	0	71
Loans and advances	1,108	5	0	413	0	-88	0	0	0	0	85	1,524
Financial assets at FVOCI	329	5	2	26	0	-75	0	0	139	-131	3	298
Equity instruments	109	0	3	0	0	0	0	0	0	0	0	113
Debt securities	220	5	-1	26	0	-75	0	0	139	-131	3	185
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total assets	**1,956**	**75**	**2**	**516**	**-33**	**-168**	**3**	**0**	**154**	**-206**	**90**	**2,390**
Liabilities												
Financial liabilities HfT	14	-14	0	0	0	0	0	0	1	0	0	1
Derivatives	14	-14	0	0	0	0	0	0	1	0	0	1
Other trading financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Financial liabilities at FVPL	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities issued	0	0	0	0	0	0	0	0	0	0	0	0
Other financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities	**14**	**-14**	**0**	**0**	**0**	**0**	**0**	**0**	**1**	**0**	**0**	**1**
	Jan 24											Dec 24
Assets												
Financial assets HfT	139	13	0	40	-34	0	0	0	19	-114	0	63
Derivatives	75	11	0	0	0	0	0	0	1	-46	0	41
Other financial assets HfT	64	2	0	40	-34	0	0	0	18	-68	0	22
Non-trading financial assets at FVPL	1,444	60	0	254	-15	-69	0	0	2	-33	-80	1,563
Equity instruments	333	34	0	57	-2	0	0	0	0	-25	-2	395
Debt securities	73	10	0	3	-13	-3	0	0	2	-8	-2	61
Loans and advances	1,038	16	0	195	0	-65	0	0	0	0	-76	1,108
Financial assets at FVOCI	392	-1	1	7	0	-15	0	-1	191	-242	-2	329
Equity instruments	109	0	7	0	0	-13	0	4	1	0	0	109
Debt securities	283	-1	-7	7	0	-3	0	-5	190	-242	-2	220
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total assets	**1,975**	**71**	**1**	**301**	**-49**	**-84**	**0**	**-1**	**212**	**-389**	**-81**	**1,956**
Liabilities												
Financial liabilities HfT	10	14	0	0	0	0	0	0	0	-10	0	14
Derivatives	10	14	0	0	0	0	0	0	0	-10	0	14
Other trading financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Financial liabilities at FVPL	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities issued	0	0	0	0	0	0	0	0	0	0	0	0
Other financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities	**10**	**14**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-10**	**0**	**14**

Transfers into and out of Level 3 mainly result from changes in valuation models with observable or non-observable parameters and when the non-observable parameters become significant or insignificant.

Gains/losses in profit or loss on Level 3 instruments held at the end of the reporting period

in EUR million	1-12 24	1-12 25
Assets		
Financial assets HfT	8	27
Derivatives	11	27
Other financial assets HfT	-2	0
Non-trading financial assets at FVPL	62	56
Equity instruments	37	46
Debt securities	10	3
Loans and advances	15	7
Total	**70**	**86**
Liabilities		
Financial liabilities HfT	-14	-1
Derivatives	-14	-1
Total	**-14**	**-1**

UNOBSERVABLE INPUTS AND SENSITIVITY ANALYSIS FOR LEVEL 3 MEASUREMENTS

In case the fair value measurement of a financial asset is retrieved from input parameters which are not observable in the market, those parameters can be retrieved from a range of alternative parameters. For the preparation of the balance sheet the parameters were chosen to reflect the market situation at the reporting date.

Range of unobservable valuation parameters used in Level 3 measurement

			Fair value in EUR million			Range of unobservable inputs (weighted average)	
Financial assets / liabilities	Type of instrument	Valuation technique	Dec 24	Dec 25	Significant unobservable inputs	Dec 24	Dec 25
Positive / negative fair value of derivatives	Forwards, swaps, options	DCF and option models with CVA adjustment based on potential future exposure	29	32	PD	0.98%-11.21% (1.81%)	0.97%-4.95% (2.22%)
					LGD	60%	60%
Financial assets at FVPL	Fixed and variable coupon bonds	DCF	24	22	Credit Spread	-0.79%-9.54% (1.13%)	-1.11%-2.58% (1.97%)
	Loans	DCF	1,108	1,524	PD	0.04%-6.29% (0.19%)	0.02%-29.18% (0.48%)
					LGD	0.06%-40.97% (23.23%)	0.01%-61.63% (28.31%)
Financial assets at FVOCI	Fixed and variable coupon bonds	DCF	202	185	Credit Spread	0.42%-6.05% (1.69%)	-1.18%-3.11% (1.16%)
Financial assets at FVOCI / at FVPL	Non-trading equity instruments (participations)	Dividend Discount Model; Simplified Income Approach	240	281	Beta levered	Industries: 0.57-1.15 (0.97)	0.58-1.22 (0.90)
					Country risk premium	0.38%-2.68% (0.56%)	0.27%-2.18% (0.48%)
		Adjusted Net Asset Value	132	145	Adjusted Equity	Depending on accounting equity of investment	Depending on accounting equity of investment

The range of unobservable credit spreads for fixed and variable coupon bonds contains premiums and discounts related to riskless as well as risky, market observable (e.g. industry- and rating-specific spread curves) parameters.

For financial assets at FVOCI/at FVPL, where Beta levered and Country risk premium inputs are being used, the resulting cost of equity based on these inputs is in the range 6.02%-13.24% (2024: 5.91%-13.40%). The majority of financial assets at FVOCI/at FVPL, where Beta levered inputs are being used, is related to Financial Services (Non-bank & Insurance) with 1.03 (2024: Financial Services (Non-bank & Insurance) with 1.00). The majority of financial assets at FVOCI/at FVPL, where Country risk premium inputs are being used, is related to Austria with 0.32% (2024: Austria with 0.40%).

In addition to the information above, equity instruments with a fair value in amount of EUR 68 million (2024: EUR 51 million) are assessed on the basis of expert opinions.

Furthermore, for equity instruments other than participations classified as Level 3, the amount of EUR 10 million (2024: EUR 23 million) is presented in the statement of financial position using the criteria of availability and quality of broker quotes.

Sensitivity analysis - Fair value changes per product type using reasonably possible alternatives

	Dec 24		Dec 25	
in EUR million	Positive	Negative	Positive	Negative
Derivatives	2	-3	1	-2
Income statement	2	-3	1	-2
Debt securities	8	-10	6	-9
Income statement	2	-3	1	-1
Other comprehensive income	6	-7	5	-7
Equity instruments	77	-55	106	-69
Income statement	56	-41	82	-54
Other comprehensive income	21	-14	24	-15
Loans and advances	19	-70	30	-98
Income statement	19	-70	30	-98
Total	**106**	**-138**	**142**	**-177**
Income statement	**79**	**-117**	**113**	**-155**
Other comprehensive income	**27**	**-21**	**29**	**-22**

In estimating these impacts, mainly changes in credit spreads (for bonds), PDs, LGDs (for CVA of derivatives) and market values of comparable equities were considered. An increase (decrease) of spreads, PDs and LGDs result in a decrease (increase) of the corresponding fair values. Positive correlation effects between PDs and LGDs were not taken into account in the sensitivity analysis. For non-trading equity instruments increases (decreases) in any of the inputs used for the cost of equity calculation in isolation would result in a lower (higher) fair value.

The following ranges of reasonably possible alternatives of the unobservable inputs were considered in the sensitivity analysis table:
_ for debt securities range of credit spreads between +100 basis points and -75 basis points
_ for equity related instruments the price range between -10% and +5%
_ for unquoted equity instruments measured by the adjusted net asset value the price range between -10% and +10%
_ for unquoted equity instruments measured by dividend discount model/simplified income approach the cost of equity range between -2% and +2%
_ for CVA on derivatives PDs rating upgrade/downgrade by one notch, as well as the change of LGD by -5% and +10%
_ for loans, the PDs rating upgrade/downgrade by 1%, the change of LGD by -5% and +10% and a range of credit spreads between +100 basis points and 75 basis points.

Financial instruments not carried at fair value with fair value disclosed in the notes

in EUR million	Carrying amount	Fair value	Level 1	Level 2	Level 3
Dec 25					
Assets					
Financial assets at AC	301,707	296,511	52,936	3,965	239,609
Loans and advances to banks	20,827	20,752	0	0	20,752
Loans and advances to customers	222,225	218,669	0	0	218,669
Debt securities	58,655	57,090	52,936	3,965	188
Finance lease receivables	5,290	5,263	0	0	5,263
Trade and other receivables	2,946	2,944	0	0	2,944
Liabilities					
Financial liabilities at AC	316,168	315,755	25,944	18,632	271,179
Deposits from banks	16,919	16,657	0	0	16,657
Deposits from customers	252,817	252,547	0	0	252,547
Debt securities issued	45,604	45,723	25,944	18,632	1,147
Other financial liabilities	829	829	0	0	829
Financial guarantees and commitments					
Financial guarantees	n/a	36	0	0	36
Loan commitments	n/a	50	0	0	50
Dec 24					
Assets					
Financial assets at AC	288,894	283,770	47,098	3,635	233,038
Loans and advances to banks	26,972	26,990	0	0	26,990
Loans and advances to customers	209,034	205,972	0	0	205,972
Debt securities	52,889	50,808	47,098	3,635	76
Finance lease receivables	5,248	5,223	0	0	5,223
Trade and other receivables	2,677	2,676	0	0	2,676
Liabilities					
Financial liabilities at AC	305,332	304,790	21,910	16,561	266,319
Deposits from banks	21,261	21,001	0	0	21,001
Deposits from customers	241,535	241,308	0	0	241,308
Debt securities issued	41,859	41,804	21,910	16,561	3,333
Other financial liabilities	676	676	0	0	676
Financial guarantees and commitments					
Financial guarantees	n/a	32	0	0	32
Loan commitments	n/a	1,230	0	0	1,230

In the table above, positive fair values of financial guarantees and commitments are shown with a positive sign whereas negative fair values are shown with a negative sign.

The fair value of loans and advances to customers and credit institutions has been calculated by discounting future cash flows while taking into consideration interest and credit spread effects. The interest rate impact is based on the movements of market rates, while credit spread changes are derived from PDs and LGDs used for internal risk calculations. Loans and advances were grouped into homogeneous portfolios based on rating method, rating grade, maturity and the country where they were granted. The measurement of fair values of loans to customers is not affected by whether they are subject to synthetic securitisations. As a result, they are categorised as Level 3 measurements. Details on synthetic securitisations can be found in *Note 36 Use of collateral and other credit enhancements*. The fair values of debt securities at amortised cost are either taken directly from the market or they are determined by directly observable input parameters (i.e. yield curves).

The fair value of deposits and other liabilities, measured at amortised cost, is estimated by taking into account the current interest rate environment, as well as the own credit spreads. For liabilities without contractual maturities (e.g. demand deposits), the carrying amount represents the minimum of their fair value.

The fair value of issued securities and subordinated liabilities measured at amortised cost is determined based on the same valuation models as described for Liabilities above in the section Financial instruments carried at fair value.

Regarding off-balance sheet liabilities (i.e. financial guarantees and unused loan commitments) the fair value of unused loan commitments is estimated using regulatory credit conversion factors. The resulting loan equivalents are treated like other on-balance sheet assets. The difference between the calculated total fair value and the notional amount of the hypothetical loan equivalents represents the fair value of the unused loan commitments. In case of the total fair value being higher than the notional amount of the hypothetical loan equivalents the unused loan commitments have a positive fair value. The fair value of financial guarantees is estimated in analogy to credit default swaps. The fair value of the guarantee is the sum of the present value of the protection leg and the present value of the premium leg. The value of the protection leg is estimated using the PDs and LGDs of the respective customers, whereas the value of the premium leg is estimated by the present value of the future fee payments to be received. If the protection leg is higher than the premium leg, financial guarantees have a negative fair value.

Trading book disclosure according to §64 section 15 BWG

Erste Group maintained a trading book in accordance with CRR Art. 94 (3) b and c including a market value of EUR 24,341 million as of 31 December 2025 (2024: EUR 16,937 million).

The publication of the new final RTS by the EBA on the determination of the long/short classification led to a corresponding adjustment of the methodology for determining the trading book volume.

27. Hedge Accounting

Erste Group makes use of derivative instruments to hedge exposures to interest rate risk and foreign currency risk. As permitted by the transitional provisions of IFRS 9, Erste Group has elected to continue to apply the hedge accounting requirements of IAS 39.

On the balance sheet, derivatives designated as hedging instruments are carried at fair value (dirty price). They are presented in the line item 'Hedge accounting derivatives' on the asset or liability side depending on whether their fair value is positive or negative.

i. Fair value Hedge

For qualifying and designated fair value hedges, the change in the fair value (clean price) of a hedging instrument is recognised in the statement of income under the line item 'Net trading result'. Interest income and expenses on hedging derivatives are reported in the line item 'Other similar income' or 'Other similar expenses' under 'Net interest income'. The change in the fair value of the hedged item attributable to the hedged risk is also recognised in the statement of income under the line item 'Net trading result' and adjusts the carrying amount of the hedged item.

Erste Group also applies portfolio fair value hedges of interest rate risk as regulated by IAS 39.AG114-AG132. For this purpose, Erste Group makes use of the relaxation provided by the EU-carve out for so called 'bottom layer' hedges. More details are discussed in part 'Hedges of interest rate risk' below. The change in the fair value of the hedged items attributable to the hedged interest risk in portfolio fair value hedges is presented on the balance sheet under the line item 'Fair value changes of hedged items in portfolio hedge of interest rate risk'.

For terminated hedges the fair value adjustment of the hedged item is amortised until maturity of the financial instrument. In the statement of income the amortisation is presented under 'Net interest income' in the line item 'Interest income' if the hedged item was a financial asset or in the line item 'Interest expenses' if the hedged item was a financial liability. For portfolio fair value hedges of interest rate risk the fair value adjustment related to the terminated hedge is amortised to the statement of income on a straight-line basis in the line item 'Other similar income' under 'Net interest income'.

ii. Cashflow Hedge

For designated and qualifying cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised as OCI in the line 'Cash flow hedge reserve' of the statement of comprehensive income. The accumulated other comprehensive income is presented under 'Cash flow hedge reserve' in the statement of changes in equity. The ineffective portion of the gain or loss on the hedging instrument is recognised in the statement of income under the line item 'Net trading result'. For determination of the effective and ineffective portions, the derivative is considered at its clean price, i.e. excluding the interest component. When the hedged cash flow affects the statement of income, the gain or loss on the hedging instrument is reclassified from other comprehensive income on the corresponding income or expense line item in the statement of income (mainly 'Other similar income' or 'Other similar expenses' under 'Net interest income'). As far as accounting for hedged items in cash flow hedges is concerned, there is no change compared to the situation when no hedging is applied.

For terminated hedges the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income remains in 'Cash flow hedge reserve' until the transaction occurs.

iii. Net investment hedge

For designated and qualifying net investment hedges, the effective portion of the gain or loss on the hedging instrument is recognised as OCI in the line 'Currency reserve' of the statement of comprehensive income. The accumulated other comprehensive income is presented under 'Currency reserve' in the statement of changes in equity.

For terminated hedges the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income remains in 'Currency reserve' until the hedged net investment is disposed of.

If the spot FX rate is designated as the hedged risk, the undesignated part of the hedging instrument is treated as a derivative – held for trading and recognised in the statement of income under the line item 'Net trading result'. However, accruals of forward points on FX swaps are presented in the line item 'Other similar income' or 'Other similar expenses' under 'Net interest income'.

HEDGES OF INTEREST RATE RISK

As an inherent part of its business Erste Group is exposed to interest rate risk arising from the interest characteristics and behaviour of assets, liabilities and off-balance sheet items. This relates to the existing balance sheet items as well as to expected development of the balance sheet and banking activities. Interest rate risk can generally be defined as a potential deterioration of a bank's financial condition in reaction to adverse movements in market interest rates.

Hedge accounting activities relate to interest risk bearing exposures in the banking book. The interest rate risk of the banking book is managed by Group Asset Liability Management (ALM). Interest rate risk management actions of ALM are approved as part of the ALM strategy by Group Asset Liability Committee (ALCO). For hedging relationships qualifying for hedge accounting hedge effectiveness is measured by risk management unit which is independent from ALM as the risk taker.

The objective of the interest rate risk management in the banking book is to optimise the risk and return of interest rate risk exposures. For this purpose and for compliance with external and internal regulations and limitations Erste Group manages the interest rate risk from the earnings and economic value perspectives. The focal point of the interest rate risk analysis from the earnings perspective is the variation in earnings, i.e. the net interest income. The changes in interest rates have an impact on the bank's earnings via its distinct impact on interest income and interest expenses accrued on assets and liabilities, respectively. The economic value perspective views the interest rate risk as changes in the economic value of equity. It can be identified as the present value of cash-flows arising from asset, liability and off-balance-sheet items. Change in interest rates alters both the size of future cash-flows and the value of discount rates applied in the calculation.

Existing balance sheet items and contributions of planned or forecast transactions are analysed through the earnings and economic value-based metrics. Erste Group keeps the risk within predefined limits. When actively managing interest rate risk ALM gives preference to investing in bonds and entering into derivatives. In general, the policy of Erste Group is to swap all substantial fixed or structured issued bonds to floating items. Occasionally, ALM may decide not to swap certain benchmark issued bonds as part of the interest risk management.

Interest rate swaps are the most common derivatives used to manage interest rate. If fixed rate repricing profiles of assets or liabilities do not fit to the interest rate risk management strategy they are swapped into variable rate items (usually 3-month money market rate such as EURIBOR). In other cases, variable rate repricing profiles of assets or liabilities may need to be swapped into fixed rate items.

Erste Group employs hedge accounting to address accounting mismatches resulting from different measurement requirements for derivatives which are measured at fair value through profit or loss and financial assets and liabilities in the banking book measured at amortised cost or at fair value through other comprehensive income. Some of the accounting mismatches are addressed by designating financial assets or financial liabilities as measured at FVPL (fair value option) without the need to use hedge accounting.

Fair value hedges address the risk management activities of swapping fixed rate assets or liabilities into variable rate. On the other hand, cash flow hedges are used when floating rates assets or liabilities are swapped into fixed ones (please refer also to the discussion of proxy hedges below).

For hedges of interest rate risk of portfolios of prepayable fixed rate loans Erste Group applies requirements for portfolio fair value hedges of interest rate risk as regulated by IAS 39.AG114-AG132. For this purpose, Erste Group makes use of the relaxation provided by the EU-carve out and hedges the interest rate risk in respect of so called 'bottom layer' amount. The bottom layer amount is expected not to be affected by prepayments of loans (including a margin of conservatism). Thus, it represents a stable fixed interest rate exposure which is hedged by using interest rate swaps. With this approach, any prepayments, other

derecognitions and impairments are attributed to the un-hedged buffer amount above the designated bottom layer. Thus, they do not affect the hedge effectiveness unless their amount hits the designated hedged bottom layer level.

Fair value hedges are designated in respect of the interest rate risk component of the fair value changes of the hedged fixed rate items. The hedged interest rate risk portion in fair value hedges relates to the observed interest rate (swap yield curve) component. I.e. the fair value volatility resulting from changes in the spread of the hedged fixed rate instrument over the swap yield curve is excluded from hedge accounting and is not accounted for.

Similarly, in cash flow hedges the hedged risk is designated in respect of the variable cash flows portion equal to the interest index of the swap (such as EURIBOR). The credit spreads over the swap index are excluded from hedge accounting.

The hedging interest derivatives are economically related to the hedged interest rate risk component of the hedged item. The non-interest components (such as credit spreads) of the hedged items are outside the hedging relationship. As a result, comparable valuation inputs are applied on both sides of the hedging relationship. Thus offsetting effects are recognised to the extent the economic relationship exists without giving rise to artificial volatility in profit or loss. The hedged interest risk component is the most significant factor affecting fair value changes of the hedged item.

For cash flow hedges of deposits with central banks (disclosed under the line 'Interbank loans/repos' below) no forward-looking curve over the hedging period exists for the hedged interest rates (such as DFR of the ECB or two-week repo rate of the CNB). In such cases the hedged risk is replicated by another rate for which the forward-looking curve exists (such as €STR swap curve or 1M PRIBOR swap curve). A proof of a strong correlation between the rates is necessary.

The designated hedging relationships normally correspond to the economic hedges set up by ALM when managing the interest rate risk. However, in some cases, the hedging derivatives may not be directly related to specific assets or liabilities but they manage the overall interest risk position. Also, the derivatives may relate to instruments which do not qualify as hedged items under the IFRS hedge accounting requirements. In order to account for risk mitigating effects of such derivatives Erste Group searches for suitable hedged items providing the best fit to the terms of the derivative and designates an effective hedging relationship (so called proxy hedges). Typically cash flow hedges of variable rate assets are designated on such a basis whereby the actual economically hedged risk may result from modelled fixed rate profile of demand deposit liabilities.

The hedge ratio is chosen in compliance with the rules defined in IAS 39. The volume of the hedging instrument which is designated for the hedge relation can never be greater than the volume of the hedged item. If the notional of a hedging derivative is greater than the notional of the hedged item the respective proportion of the derivative is designated as hedging instrument. Further, the tenor of the hedging instrument is never longer than the tenor of the hedged item.

Sources of hedge ineffectiveness can result from:
_ designation of hedging instruments and hedged items during their life rather than from their inception
_ different discounting curves applied for hedged item and hedging instrument
_ different interest tenors of hedging swaps and hedged variable rate items in cash flow hedges
_ volatility of present value of floating leg of hedging swaps in fair value hedges
_ different trade dates for the hedging instrument and the hedged item
_ real prepayments of a loan portfolio deviating from expected prepayments
_ credit risk adjustments (CVA, DVA) on the hedging derivatives.

Notional amounts of hedged items – hedges of interest rate risk

		Notional amount	
in EUR million	Type of hedged items	Dec 24	Dec 25
Fair value hedges			
Assets	Portfolios of client loans	1,198	2,441
Assets	Single loans	268	23
Assets	Bonds at FVOCI	838	620
Assets	Bonds at AC	5,872	6,273
Liabilities	Issued bonds	22,804	27,347
Liabilities	Other liabilities/repos	50	50
Cash flow hedges			
Assets	Interbank loans/repos	564	2,386
Assets	Client loans	1,608	2,676

Portfolio hedges of defined bottom layer amounts (bottom layer hedges) are disclosed in the table with the nominal hedged bottom layer amounts. Client loans hedged in portfolio hedges are disclosed in the balance sheet line item 'Financial assets measured at amortised cost', with a carrying amount of EUR 17.524 million (2024: EUR 6,860 million).

HEDGES OF FOREIGN EXCHANGE RISK

The objective of foreign exchange risk management in the banking book is to avoid profit or loss impacts of unfavourable market movements of foreign exchange rates. Only a minor part of foreign exchange risk management activities requires using of hedge accounting.

Currently bonds and loans with notional amount of EUR 1,587 million (2024: EUR 1,637 million) are hedged in cash flow hedges by using cross currency swaps as hedging instruments. FX swaps with notional amount of EUR 120 million (2024: EUR 180 million) are used as hedging instrument in hedges of interest accruals on financial assets in foreign currency. Sources of hedge ineffectiveness can result from the hedged cash flows falling under the hedged volume and from credit risk adjustments (CVA, DVA) on the hedging derivatives.

Furthermore, Erste Group mitigates structural FX risk of its subsidiaries with non-EUR functional currency (currently CZK and HUF). The basis for managing this risk are the EBA Guidelines on the treatment of structural FX which require that the risk is either directly mitigated using an FX hedge or a capital requirement is imposed. Erste Group uses a mix of these two approaches. For the hedging part it designates net investment hedges. Hedging instruments are short-term FX swaps which are rolled over as part of the hedging strategy.

QUANTITATIVE DISCLOSURES

In the tables below, detailed information related to hedging instruments and hedged items in fair value and cash flow hedges are reported. The indicated values for fair value hedges include single hedges as well as portfolio hedges, which due to immateriality are not shown separately.

Hedging instruments

	Carrying amount				Timing of the nominal amounts of the instruments			
in EUR million	Assets	Liabilities	Change in FV for the period used for calculating hedge ineffectivness	Notional	≤ 3 m	> 3 m and ≤ 1 y	> 1 y and ≤ 5 y	> 5 y
Dec 25								
Fair value hedges	**684**	**891**	**190**	**36,761**	**525**	**2,385**	**20,769**	**13,083**
Interest rate risk	684	891	190	36,761	525	2,385	20,769	13,083
Cash flow hedges	**115**	**17**	**-63**	**6,723**	**0**	**560**	**6,163**	**0**
Interest rate risk	33	11	-23	5,062	0	500	4,562	0
Foreign exchange risk	82	6	-40	1,661	0	60	1,601	0
Hedge of net investments in a foreign operation	**0**	**54**	**-67**	**1,881**	**852**	**1,029**	**0**	**0**
Total gross amounts	**799**	**962**	**60**	**45,365**	**1,377**	**3,974**	**26,932**	**13,083**
Offset	-568	-792						
Total	**231**	**170**	**60**	**45,365**	**1,377**	**3,974**	**26,932**	**13,083**
Dec 24								
Fair value hedges	**621**	**1,101**	**441**	**30,858**	**593**	**1,762**	**14,511**	**13,992**
Interest rate risk	621	1,101	441	30,858	593	1,762	14,511	13,992
Cash flow hedges	**95**	**42**	**78**	**5,450**	**315**	**382**	**3,313**	**1,440**
Interest rate risk	50	12	82	3,751	278	199	2,401	874
Foreign exchange risk	45	30	-4	1,698	37	184	912	566
Hedge of net investments in a foreign operation	**2**	**1**	**3**	**767**	**122**	**645**	**0**	**0**
Total gross amounts	**718**	**1,143**	**522**	**37,074**	**1,029**	**2,790**	**17,824**	**15,431**
Offset	-537	-949						
Total	**181**	**194**	**522**	**37,074**	**1,029**	**2,790**	**17,824**	**15,431**

The hedging instruments are presented in the line 'Hedge accounting derivatives' in the balance sheet.

Hedged items in fair value hedges

in EUR million	Carrying amount	Hedge adjustments		
		included in the carrying amount	Thereof: for the period used for recognition of hedge ineffectiveness	Remaining adjustments for terminated hedges
Dec 25				
Financial assets at FVOCI				
Interest rate risk	584	-17	16	1
Financial assets at AC				
Interest rate risk	23,716	-371	-253	10
Financial liabilities at AC				
Interest rate risk	26,626	-616	-26	13
Dec 24				
Financial assets at FVOCI				
Interest rate risk	788	-38	11	2
Financial assets at AC				
Interest rate risk	24,440	-123	41	12
Financial liabilities at AC				
Interest rate risk	23,783	-558	-510	32

The hedged items are disclosed in the following line items in the balance sheet:
_ Financial assets at fair value through other comprehensive income: debt securities
_ Financial assets at amortised cost: loans and advances to customers
_ Financial assets at amortised cost: debt securities
_ Financial liabilities at amortised cost: debt securities issued

Hedged items in cash flow hedges and net investment hedges

in EUR million	Change in FV for the period used for calculating hedge ineffectiveness	Cash flow hedge reserve and foreign currency translation reserve for continuing hedges	Cash flow hedge reserve and foreign currency translation reserve for terminated hedges
Dec 25			
Interest rate risk	68	-21	0
Foreign exchange risk	-15	6	0
Hedge of net investments in a foreign operation	67	-64	0
Total	**121**	**-79**	**0**
Dec 24			
Interest rate risk	-54	-7	-21
Foreign exchange risk	20	20	0
Hedge of net investments in a foreign operation	-3	3	0
Total	**-36**	**16**	**-21**

Effects of hedge accounting in profit or loss and other comprehensive income

in EUR million	Hedge ineffectiveness recognised in P&L	Hedging gains/losses recognised in OCI	Hedging reserve reclassified to profit or loss because	
			the hedged item has affected profit or loss	the hedged future cash flows are no longer expected to occur
Dec 25				
Fair value hedges				
Interest rate risk	-3	0	0	0
Cash flow hedges				
Interest rate risk	0	-23	-6	0
Foreign exchange risk	0	-40	62	0
Hedge of net investments in a foreign operation	0	-67	0	0
Total	**-3**	**-130**	**56**	**0**
Dec 24				
Fair value hedges				
Interest rate risk	-18	0	0	0
Cash flow hedges				
Interest rate risk	1	81	-24	0
Foreign exchange risk	1	-5	-31	0
Hedge of net investments in a foreign operation	0	3	0	0
Total	**-16**	**79**	**-55**	**0**

Ineffectiveness from both fair value and cash flow hedges is presented under 'Net trading result' in the statement of income. The amounts reclassified from the cash flow hedge reserve are presented in the line 'Other similar income' under 'Net interest income' for hedges of interest rate risk and 'Net trading result' for hedges of foreign exchange risk.

28. Offsetting of financial assets and liabilities

The following table shows netting effects on the balance sheet of Erste Group as well as the impacts of offsetting financial instruments which are subject to offsetting agreements.

Financial assets and liabilities subject to offsetting and potential offsetting agreements

in EUR million	Financial assets/liabilities (gross)	Amounts offset (gross)	Financial assets/liabilities in balance sheet (net)	Potential effects of netting agreements not qualifying for balance sheet offsetting			Net amount after potential offsetting
				Financial instruments	Cash collateral received/ pledged	Other financial collateral received/ pledged	
Dec 25							
Assets							
Derivatives	4,557	3,496	1,061	450	256	0	355
Variation margin assets	375	375	0	0	0	0	0
Reverse repurchase agreements	19,101	0	19,101	0	110	18,976	15
Total	**24,033**	**3,871**	**20,162**	**450**	**366**	**18,976**	**369**
Liabilities							
Derivatives	4,849	3,587	1,262	450	204	0	608
Variation margin liabilities	285	284	0	0	0	0	0
Repurchase agreements	9,110	0	9,110	0	9	9,095	5
Total	**14,243**	**3,871**	**10,372**	**450**	**213**	**9,095**	**613**

in EUR million	Financial assets/liabilities (gross)	Amounts offset (gross)	Financial assets/liabilities in balance sheet (net)	Potential effects of netting agreements not qualifying for balance sheet offsetting			Net amount after potential offsetting
				Financial instruments	Cash collateral received/ pledged	Other financial collateral received/ pledged	
Dec 24							
Assets							
Derivatives	5,081	3,674	1,407	609	354	0	444
Variation margin assets	589	585	3	0	0	0	3
Reverse repurchase agreements	24,609	0	24,609	0	109	24,329	171
Total	**30,279**	**4,259**	**26,020**	**609**	**464**	**24,329**	**618**
Liabilities							
Derivatives	5,383	4,040	1,343	609	295	2	437
Variation margin liabilities	221	220	1	0	0	0	1
Repurchase agreements	11,350	0	11,350	0	32	11,309	8
Total	**16,953**	**4,259**	**12,694**	**609**	**327**	**11,311**	**446**

The impact of offsetting is shown in the column ‘Amounts offset (gross)’.

Erste Group undertakes interest rate derivative transactions via London Clearing House and EUREX by fulfilling all offsetting requirements according to IAS 32. Offsetting is carried out between gross asset and liability derivative positions. The net derivative position is further offset with variation margin amounts. As a result, the offsetting of derivatives has to be viewed in relation to the variation margin assets and liabilities balances. The sum of the amounts offset in the lines ‘Derivatives’ and ‘Variation margin assets’ in the table for financial assets equals the sum of the amounts offset in the lines ‘Derivatives’ and ‘Variation margin liabilities’ in the table for financial liabilities. The variation margin assets are presented under the balance sheet items ‘Cash and cash balances’. The variation margin liabilities are presented under the balance sheet item ‘Financial liabilities measured at amortised cost’, subitem ‘Deposits from banks’.

Erste Group employs master netting agreements and repurchase agreements as a means of reducing credit risk of derivative and financing transactions. They qualify as potential offsetting agreements.

Master netting agreements are relevant for counterparties with multiple derivative contracts. They provide for the net settlement of all the contracts in the event of default of any counterparty. For derivatives transactions the values of assets and liabilities that would be set off as a result of master netting agreements are presented in the column ‘Financial instruments’. If the net position is further secured by cash collateral or other financial collaterals the effects are disclosed in columns ‘Cash collateral received / pledged’ and ‘Other financial collateral received / pledged’ respectively.

Repurchase agreements are primarily financing transactions. They are structured as a sale and subsequent repurchase of securities at a pre-agreed price and time. This ensures that the securities remain in the hands of the lender as collateral in case the borrower defaults on fulfilling any of its obligations. Offsetting effects from repurchase agreements are disclosed in the column ‘Other financial collateral received / pledged’ respectively. Collateral is presented at the fair value of the transferred securities. However, if the fair value of collateral exceeds the carrying amount of the receivable/liability from the repo transaction the value is capped at the level of the carrying amount. Remaining position may be secured by cash collateral. Cash and other financial collateral involved in these transactions is restricted from being used by the transferor during the time of the pledge. For further details regarding repurchase and reverse repurchase transactions Erste Group refers to *Note 29 Transfers of financial assets – repurchase transactions and securities lending*.

29. Transfers of financial assets – repurchase transactions and securities lending

Repurchase and reverse repurchase agreements

Transactions involving sales of securities under an agreement to repurchase them at a specified future date are also known as ‘repos’ or ‘sale and repurchase agreements’. Securities sold in such transactions are not derecognised from the balance sheet, as Erste Group retains substantially all risks and rewards of ownership, because the securities are repurchased at a fixed price when the transaction ends. Furthermore, Erste Group is the beneficiary of all coupons and other income payments received on the transferred assets over the period of the transactions. These payments are remitted to Erste Group or are reflected in the repurchase price.

The cash received upon sale of securities is recognised on the balance sheet with a corresponding obligation to return under the line item ‘Financial liabilities at amortised cost’, sub-items ‘Deposits from banks’ or ‘Deposits from customers’ reflecting the

transaction's economic substance as a loan to Erste Group. The difference between the sale and repurchase prices is treated as interest expense which is accrued over the life of the agreement and recorded in the statement of income in the line item 'Interest expenses' under 'Net interest income'. Financial assets transferred out by Erste Group under repurchase agreements remain on the Group's balance sheet and are presented separately under the original balance sheet items in the 'thereof pledged as collateral' lines. The measurement category of the transferred financial assets does not change.

Conversely, securities purchased under agreements to resell at a specified future date are not recognised on the balance sheet. Such transactions are also known as 'reverse repos'. The consideration paid is recorded on the balance sheet under the line item 'Financial assets at amortised cost', sub-items 'Loans and advances to banks' and 'Loans and advances to customers' reflecting the transaction's economic substance as a loan by Erste Group. The difference between the purchase and resale prices is treated as interest income and is accrued over the life of the agreement and recorded in the statement of income in the line item 'Interest income' under 'Net interest income'.

Securities lending and borrowing

In securities lending transactions, the lender transfers ownership of securities to the borrower on the condition that the borrower will retransfer, at the end of the agreed loan term, ownership of instruments of the same type, quality and quantity and will pay a fee determined by the duration of the lending. The transfer of the securities to counterparties via securities lending does not result in derecognition. Substantially all the risks and rewards of ownership are retained by Erste Group as a lender because the securities are received at the end of the securities lending transaction. Furthermore, Erste Group is the beneficiary of all the coupons and other income payments received on the transferred assets over the period of the securities lending. Securities lent are presented separately under the original balance sheet items in the 'thereof pledged as collateral' lines. Fee income from securities lending transactions is presented in the statement of income in the line 'Fee and commission income' under 'Net fee and commission income'.

Securities borrowed are not recognised on the balance sheet unless they are then sold to third parties. If such sales occur, the obligation to return the securities is recorded on the balance sheet as a short sale within 'Financial liabilities held for trading', sub-item 'Other financial liabilities'. Fee expense incurred on securities borrowing transactions is presented in the statement of income in the line 'Fee and commission expenses' under 'Net fee and commission income'.

	Dec 24		Dec 25	
in EUR million	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
Repurchase agreements	**3,870**	**3,593**	**1,840**	**1,699**
Financial assets at AC	3,417	3,145	1,478	1,363
Trading assets	409	406	123	123
Financial assets at FVOCI	44	42	239	213
Securities lendings	**786**	**0**	**1,391**	**0**
Financial assets at AC	650	0	1,230	0
Trading assets	73	0	125	0
Financial assets at FVOCI	63	0	37	0
Total	**4,656**	**3,593**	**3,231**	**1,699**

The transferred financial instruments consist of bonds and other interest-bearing securities. The total amount of transferred financial assets represent the carrying amount of financial assets in the respective balance sheet positions for which the transferee has a right to sell or repledge. The associated liabilities from repo transaction, which are measured at amortised cost, represent an obligation to repay the borrowed funds.

The following table shows fair values of the transferred assets and associated liabilities for repo transactions with an existing recourse right only on the transferred assets:

	Dec 24			Dec 25		
in EUR million	Fair value of transferred assets	Fair value of associated liabilities	Net position	Fair value of transferred assets	Fair value of associated liabilities	Net position
Financial assets at AC	3,299	3,137	162	1,414	1,363	51
Trading assets	409	406	3	123	123	0
Financial assets at FVOCI	44	42	2	239	212	26
Total	**3,752**	**3,585**	**167**	**1,776**	**1,698**	**78**

30. Financial assets pledged as collaterals

Financial assets pledged as collaterals for financial liabilities

in EUR million	Balance sheet line of liabilities	Financial assets HfT	Non-trading financial assets at FVPL	Financial assets at FVOCI	Financial assets at AC	Total
Dec 25						
Repurchase agreements	Financial liabilities at AC, at FVPL and HFT	123	0	239	1,478	**1,840**
Securities lending	Financial liabilities at AC, at FVPL and HFT	125	0	37	1,230	**1,391**
Assets pledged for derivatives	Financial liabilities HFT and Hedge accounting derivatives	119	0	0	349	**468**
Assets pledged for covered bonds	Financial liabilities at AC and FVPL	0	0	0	23,698	**23,698**
Refinancing transactions & other collateral arrangements	Financial liabilities at AC	0	85	0	15,045	**15,131**
Ward money	Financial liabilities at AC	0	9	0	1,458	**1,467**
Total		**367**	**94**	**275**	**43,259**	**43,995**
Dec 24						
Repurchase agreements	Financial liabilities at AC, at FVPL and HFT	409	0	44	3,417	**3,870**
Securities lending	Financial liabilities at AC, at FVPL and HFT	73	0	63	650	**786**
Assets pledged for derivatives	Financial liabilities HFT and Hedge accounting derivatives	115	0	1	285	**400**
Assets pledged for covered bonds	Financial liabilities at AC and FVPL	0	0	0	22,917	**22,917**
Refinancing transactions & other collateral arrangements	Financial liabilities at AC	0	47	-42	7,835	**7,840**
Ward money	Financial liabilities at AC	0	1	42	1,074	**1,117**
Total		**598**	**48**	**108**	**36,176**	**36,929**

To enhance transparency, the carrying amounts of financial assets pledged as collaterals are being presented in tabular form starting with 2025.

The fair value of collateral received which may be repledged or resold even without the collateral provider's default was EUR 20,331 million (2024: EUR 25,258 million). Collateral with fair value of EUR 6,153 million (2024: EUR 6,897 million) was resold or repledged. The bank is obliged to return the resold and repledged collateral.

31. Securities

	Dec 24					Dec 25				
			Financial assets					Financial assets		
in EUR million	At AC	Trading assets	Mandatorily at FVPL	Designated at FVPL	At FVOCI	At AC	Trading assets	Mandatorily at FVPL	Designated at FVPL	At FVOCI
Bonds and other interest-bearing securities	**52,889**	**10,095**	**1,424**	**44**	**9,388**	**58,655**	**8,326**	**1,786**	**0**	**9,068**
Listed	47,666	3,240	860	0	7,988	54,957	4,518	1,247	0	7,830
Unlisted	5,223	6,855	564	44	1,401	3,698	3,808	539	0	1,238
Equity-related securities	**0**	**141**	**464**	**0**	**109**	**0**	**222**	**523**	**0**	**113**
Listed	0	136	117	0	0	0	209	147	0	1
Unlisted	0	5	348	0	109	0	13	376	0	113
Total	**52,889**	**10,236**	**1,889**	**44**	**9,498**	**58,655**	**8,548**	**2,309**	**0**	**9,181**

Investment funds units are reported within bonds and other interest-bearing securities. Bonds and other interest-bearing securities in the amount of EUR 14,201 million (2024: EUR 13,414 million) are due in the following year.

Risk and capital management

32. Financial risk management

Risk Policy and strategy

Erste Group has developed a risk management framework that is forward-looking and tailored to its business and risk profile. This framework is based on a clear risk strategy that sets out general principles according to which risk taking must be performed across the Group. The risk strategy is consistent with the business strategy and incorporates the expected impact of external environment on the planned business and risk development.

The risk strategy describes the current and targeted risk profile, defines risk management principles, strategic goals and initiatives for the main risk types as well as sets strategic limits for the significant financial and non-financial risk types as defined in the Risk Materiality Assessment. The risk strategy is executed within a clearly defined governance structure. This structure also applies to monitoring of risk appetite, additional metrics, as well as to the escalation of limit breaches.

Erste Group is publishing online its disclosures under Article 434 of the Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation - CRR) and Regulation (EU) No. 876/2019 amending Regulation (EU) No. 575/2013. Details are available on the website of Erste Group at www.erstegroup.com/ir.

Risk management organisation

Risk monitoring and control is achieved through a clear organisational structure with defined roles and responsibilities, delegated authorities and risk limits.

The Management Board and in particular Erste Group's Chief Risk Officer (Group CRO) perform the oversight function within Erste Group's risk management structure. Risk control and risk steering within Erste Group are performed based on the business strategy and risk appetite approved by the Management Board. The Group CRO, working together with the chief risk officers of the subsidiaries, is responsible for the implementation and adherence to the risk control and risk management strategies across all risk types and business lines.

The Management Board and, in particular the Group CRO, ensure the availability of appropriate infrastructure and staff as well as methods, standards and processes to that effect; the actual identification, measurement, assessment, approval, monitoring, steering and limit setting for the relevant risks are performed on the operating entity level within Erste Group.

At group level, the Management Board is supported by several divisions established to perform operating risk control functions and exercise strategic risk management responsibilities.

In 2025, the risk management organisation at Erste Bank Oesterreich was reorganized to strengthen the Austrian risk business and ensure adequate resourcing. In the course of this initiative, a reallocation of responsibilities between Erste Group and Erste Bank Oesterreich was undertaken.

At Erste Group, Group Retail Risk Management was transferred to the Group Credit Risk Management division (formerly 'Group Corporate Risk Management'). The organizational restructuring was formally enacted with effect from 1 June 2025. Moreover, the established structure was continued and strengthened.

The following risk management functions report directly to the Group CRO:
_ Group Liquidity and Market Risk Management;
_ Enterprise wide & Operational Risk Management;
_ Credit Risk Methods;
_ Group Compliance;
_ Credit Risk Portfolio;
_ Group Credit Risk Management;
_ Cyber Risk Management;
_ Local Chief Risk Officers.

The Management Board regularly deals with risk issues of all risk types in its regular board meetings. Actions are discussed and taken when needed.

Furthermore, certain cross-divisional committees were established with the purpose of carrying out risk management activities in the Erste Group.
_ Risk Committee of the Supervisory Board;
_ CRO Board;
_ Holding Credit Committee;
_ Market Risk Committee;
_ Operative Market Risk Committee;
_ Strategic Risk Executive Committee;
_ Strategic Risk Management Committee;
_ Stress Testing and Novel Risk Committee;
_ Group Resolution Committee;
_ United States Risk Committee;
_ Regional Operational Conduct Committee;
_ Group IT Risk & Security Committee;
_ Group Asset/Liability Committee;
_ Operational Liquidity Committee;
_ Banking Book Committee;
_ Capital Committee.

In addition, committees are established at local level, such as the 'Team Risikomanagement' in Austria. It is responsible for a common risk approach with the Austrian savings banks.

Group-wide risk and capital management

Enterprise-wide Risk Management includes as its fundamental component the Internal Capital Adequacy Assessment Process (ICAAP) as required under Pillar 2 of the Basel framework and regulatory guides (e.g., ECB Guide to ICAAP).

The ICAAP framework is designed to support the management of the bank in managing the risk portfolios as well as the coverage potential and to ensure that the bank always holds adequate capital for the nature and magnitude of its risk profile. The framework is tailored to the Erste Group's business and risk profile and reflects the strategic goal of protecting shareholders and senior debt holders while ensuring the sustainability of the organisation.

The ICCAP framework is a modular and comprehensive management and steering system within Erste Group as well as an essential part of the overall steering and management instruments. Its components necessary to ensure all aspects, in particular to fulfil regulatory requirements and to provide an effective internal steering tool, can be clustered as follows:
_ Risk Appetite Statement (RAS), limits and risk strategy;
_ portfolio and risk analytics including Risk Materiality Assessment (RMA), concentration risk management and stress testing;
_ Risk-bearing Capacity Calculation (RCC);
_ capital allocation and performance management;
_ planning of key risk indicators;
_ recovery and resolution planning.

In addition to the ICAAP's ultimate goal of assuring capital adequacy and sustainability at all times, the ERM components serve to support the bank's management in pursuing its strategy.

RISK APPETITE

Risk appetite defines the maximum level of risk Erste Group is willing to accept in pursuing its business goals. The overall approach includes a risk appetite statement, risk limits and the roles and responsibilities of those overseeing the implementation and monitoring of the risk appetite framework. Limit framework (i.e., risk appetite framework) of Erste Group includes risk limits set in Risk Appetite Statement and Risk Strategy, industry limits, maximum lending limits, climate related metrics and operational limits.

The Group Risk Appetite Statement (Group RAS) represents a strategic statement that expresses the maximum level of risk it is willing to accept in order to deliver its business objectives. The Group RAS acts as a binding constraint to Erste Group's business activities within its overall risk appetite via triggers and limits approved by the Management Board and the Risk Committee of the Supervisory Board and brought to the Supervisory Board for information. It is integrated and embedded into Erste Group's

structural processes, including business and risk strategy, budgeting process, capital and liquidity planning, recovery plan, stress testing and remuneration framework. The Group RAS consists of a set of core risk metrics (capital, liquidity, risk/earnings) providing quantitative direction for overall risk-return steering and qualitative statements in the form of key risk principles that are part of the guidelines for managing risks.

The core risk metrics are set as ultimate boundaries for the Group risk-return target setting. They are also a key part of the annual strategic planning / budgeting process and give an overall picture of capital, liquidity and risk-return trade-offs. The key objective of the RAS is to:

_ ensure that Erste Group has sufficient resources to support its business at any given point in time and absorb stress events;
_ set boundaries for the Group's risk target setting;
_ support the group's financial strength and the robustness of its systems and controls.

To foster risk-return steering and to ensure proactive management of the risk profile, Erste Group creates its RAS on a forward-looking basis. External constraints such as regulatory requirements create the floor and ceiling for the RAS and therefore the amount of risk Erste Group is willing to accept. To ensure that the group remains within the targeted risk profile, a traffic light system was established and assigned to the core metrics. This approach allows a timely delivery of information to the respective governance and the implementation of effective remediation measures. The RAS traffic light system is defined as follows:

_ RAS is green: The target risk profile is within the specified boundaries.
_ RAS is amber: The undershooting or overshooting of a pre-defined threshold leads to an escalation to the designated governance and the discussion of potential remediation actions.
_ RAS is red: The undershooting or overshooting of a pre-defined limit initiates an immediate escalation to the designated governance and a prompt implementation of remediation actions.

Moreover, stress indicators are defined for selected core metrics and integrated into the assessment of the stress test results. They are reported as early warning signals to the Management Board to support proactive management of the risk and capital profile.

In addition, supporting metrics and principles are defined by material risk type in the Group Risk Strategy based on Group RAS. These support implementation of the mid- to long-term strategy. Risk management governance ensures full oversight of risk decisions and sound execution of the Group risk strategy. Mitigating actions are undertaken as part of the regular risk management process to ensure that the Group remains within its RAS.

Group RAS is also cascaded to local entities. Local RAS is approved by the Management Board to ensure compliance with the Group RAS and approved also by the local management board to ensure alignment with local regulatory requirements. The Group may also decide to include further compulsory constraints and limits in local RAS to ensure alignment with Group RAS and Group Risk Strategy.

The Group further developed an aggregated and consolidated risk appetite dashboard, which is part of Group Risk Report (Group Risk Report/Risk Dashboard) illustrating the group and local entities' risk profile developments by comparing the risk exposure and risk limits. The Group Risk Report/Risk Dashboard is regularly presented to the Management Board and to the Supervisory Board (including Risk Committee of Supervisory Board) to support its review, oversight and monitoring of the group risk profile and the risk profile of its local entities.

Group RAS 2025-2029 was approved by the Management Board and the Risk Committee of the Supervisory Board and brought to the Supervisory Board for information in the last quarter of 2024.

ESG risks are embedded in the Risk Appetite Statement as well as in the Risk Strategy and are also part of Erste Group's Risk Materiality Assessments. They are integrated into Erste Group's risk taxonomy as transversal risks drivers, impacting primary risk types, such as credit, market, liquidity, non-financial and other risks. Erste Group's definition of ESG risks is part of the Group ICAAP Procedure and covers environmental, social and governance factors.

PORTFOLIO AND RISK ANALYTICS

Erste Group uses dedicated infrastructure, systems and processes to actively identify, measure, control, report and manage risks within its portfolio. Portfolio and risk analytics processes are designed to quantify, qualify and discuss risks in order to raise awareness to management in a timely manner.

Risk materiality assessment

The Risk Materiality Assessment (RMA) is a regular process for risk identification and assessment of potential impact of those risks on the risk profile of the Group. It serves as a steering tool for the management in deciding on the necessity to allocate economic capital (EC) in Pillar 2/ICAAP or liquidity in ILAAP (Internal Liquidity Adequacy Assessment Process), as well as for defining

other risk steering measures. Risk steering and mitigation techniques are customized to the specific characteristics of each individual risk, with general requirements based on the materiality grade.

Moreover, RMA is a crucial input for various risk management activities, such as defining priorities and strategic initiatives for the Group's risk strategy, setting limits within the risk appetite framework and scenario design for comprehensive- and reverse stress tests.

Risk concentration analysis

Erste Group has implemented a process to identify measure, control and manage risk concentrations. This process is important to ensure the long-term viability of Erste Group, especially in times of an adverse business environment and stressed economic conditions.

The risk concentration analysis at Erste Group is performed on an annual basis covering credit risk, market risk, operational risk, liquidity risk and inter-risk concentrations. Identified risk concentrations are considered in the scenario design of the comprehensive stress test and measured under stressed conditions. The output of the risk concentration analysis additionally contributes to the identification of material risks within the RMA and to the setting/calibration of Erste Group's limit system.

Stress testing

Modelling sensitivities of the group's assets, liabilities and profit or loss provides management with steering information and helps to optimise Erste Group's risk-return profile. Stress tests help factor in severe but plausible scenarios, providing further robustness to measurement, steering and management. Risk modelling and stress testing are vital forward-looking elements of the ICAAP. Finally, sensitivities and stress scenarios are considered within the group's planning process.

Erste Group's most complex stress testing activities are scenario stress tests that take comprehensive account of the impact of various economic scenarios. This includes second-round effects on all major risk types (credit, market, liquidity and operational) and effects on the associated volumes of assets and liabilities as well as on profit and loss. In addition to the standard scenario-driven stress testing exercises, reverse stress tests are performed to identify a scenario or a combination of scenarios in which the viability of the current business model can be questioned.

Erste Group has developed specific tools to translate macroeconomic variables (e.g., GDP or unemployment rate) into risk parameters to support the stress testing process, combining bottom-up and top-down approaches. For adapting the stress parameters, Erste Group additionally leverages the experience of its local professionals and uses, where appropriate, their statistical models to simulate the impacts of macroeconomic variables on the risk parameters in the respective portfolios. Special attention is taken to account for the granularity and special characteristics (i.e., countries and industries) when determining the segmentation in which the stressed parameters are defined.

Erste Group has integrated climate stress test analysis into its internal stress-testing framework. Both physical and transition risks arising from projected climate change are included in the internal Climate Risk Stress Test. The scenario design is based on NGFS (Network for Greening the Financial System) data and pathways. The climate stress test results are incorporated into the Bank's Risk Materiality Assessment. Climate stress test analysis supports the Group's strategic approach to climate risk.

Results from Erste Group's internal stress tests are analysed to decide on appropriate measures and inform bank steering. The internal comprehensive stress tests performed in 2025 indicated that Erste Group remains within the stressed RAS in all years of the adverse scenario after application of scenario contingent measures.

RISK-BEARING CAPACITY CALCULATION

The Risk-bearing Capacity Calculation (RCC) describes the methodology of Pillar 2 capital adequacy calculation. In contrast to the normative (regulatory) view of Pillar 1, referring to the Group's ability to fulfil all its capital-related regulatory and supervisory requirements and demands, the RCC is based on an economic view of Pillar 1+ approach, assuming continuation of Erste Group as expected by the ECB Guide to ICAAP. The RCC determines whether the Group has sufficient internal capital for covering all (regulatory and economic) risks it is exposed to. Economic and normative perspectives at Erste Group are set in a way to mutually inform each other and are integrated into all material business steering activities and decisions. In addition, with applied Pillar 1+ approach the Group increases efficiency and ensures comparability with the Pillar 1 calculation. Based on the results of the RMA, the economic capital is considered for relevant risk types as approved by the Management Board. The economic capital requirement is then compared to internally available capital (coverage potential) to cover the Group's risks in Pillar 2. Both economic capital and coverage potential are computed on the CRR scope of consolidation of Erste Group as ultimate parent entity based on IFRS accounting standards.

Besides the Pillar 1 risk types (credit, market in trading book, FX in banking book and operational risks), concentration risk, interest rate risk in the banking book, credit spread risk in the banking book as well as business risk are explicitly considered within the economic capital calculated over a horizon of one year and at a confidence level of 99.9%. For the calculation of the economic capital, Erste Group uses, where possible, more risk sensitive/advanced methodologies tailored to its individual risk profile and specificities of the Group's individual risk exposures. Diversification effects between risks (inter-risk diversification) are not considered, reflecting the Group's prudent approach to maintain sufficient internal capital in times when correlations between risks may change dramatically (like in times of stress). The largest portion of economic capital requirements is coming from credit risk, which accounts for 72.5% of total economic capital requirements at the end of 2025.

The calculation of internal capital or coverage potential required to cover Pillar 2 risks/unexpected losses is based on Pillar 1+ approach. Namely, the regulatory own funds are adjusted by internal capital components, i.e. Pillar 2 adjustments, necessary to come to the internally available capital deemed as risk-bearing and loss absorbing from the economic view (e.g. exclusion of Additional Tier 1 and Tier 2 capital instruments, Pillar 2 IRB expected loss excess/shortfall add-on, year-to-date profit, if it is not already considered in Pillar 1 capital, etc.).

The coverage potential must be sufficient to absorb Pillar 2 risks/unexpected losses resulting from the Group's operations at any point in time (normal and stressed), as reflected in the Group's Risk Appetite through the limits set for Group economic capital adequacy and stressed capital adequacy utilisation. At the end of 2025, the economic capital adequacy was at 49.7%, fully in line with group RAS.

The Management Board and Supervisory Board (including Risk Committee of Supervisory Board) are briefed quarterly on the results of the ICAAP capital adequacy through the Group Risk Report. The includes risk profile developments, available capital (coverage potential), consideration of potential losses in stress situations, the degree of the risk limit utilisation and the overall status of capital adequacy.

RISK PLANNING

Group Risk Planning framework is essential for the capital allocation and overall financial planning processes and supports the adequate reflection of risks within the strategy, steering and management processes of the group.

Methods and instruments applied

Key risk indicators covered by the Risk Planning framework include indicators that provide an overview of incurred or potential risks, with respect to both portfolio and economic environment developments. Indicators include RWA (and related indicators), port-folio quality indicators (impairments, NPL/NPE and relevant performance indicators, etc.), as well as indicators required by the regulatory authorities under the responsibility of the Risk division.

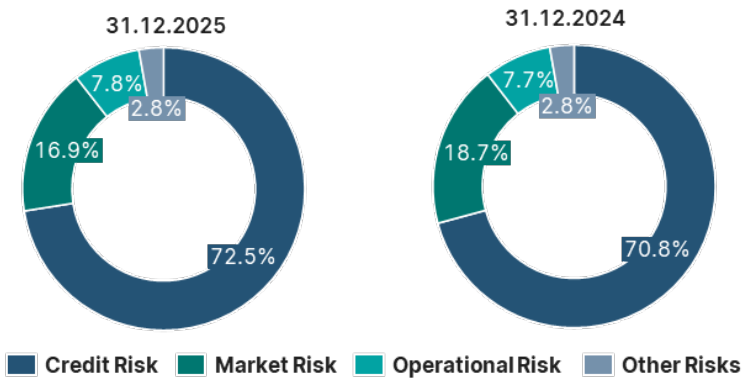
Planning activities are performed in close cooperation with all stakeholders in the group´s overall process and follow a clear governance structure to ensure sound risk planning process.

Capital allocation

An important task integral to the risk planning process is the allocation of capital to entities, business lines and segments. This is done with close cooperation between Risk Management and Controlling. Methodology for allocation reflects risk and controlling processes to allocate capital with risk-return considerations.

ERSTE GROUP'S AGGREGATE CAPITAL REQUIREMENTS BY RISK TYPE

The following diagrams present the composition of the economic capital requirements according to type of risk:



Other risks include business risk.

RECOVERY AND RESOLUTION PLANS

The Directive (EU) 2014/59 as amended (Bank Recovery and Resolution Directive – BRRD) has been implemented in Austria into national law by the Austrian Recovery and Resolution Act ('Sanierungs- und Abwicklungsgesetz – BaSAG').

On 18 April 2023, the European Commission published a legislative package for a framework on a Crisis Management and Depositor Insurance (CMDI). The package consists of amendments to the BRRD, the Single Resolution Mechanism Regulation (SRMR), the Deposit Guarantee Scheme Directive (DGSD) and the Daisy Chain deduction regime. The CMDI legislative package was endorsed by the European Parliament and the Council and is currently subject to interinstitutional negotiations between these bodies. The amendments to the Daisy Chain deduction regime were implemented through a Directive that was published in the Official Journal of the European Union in April 2024, applicable since November 2024 and implemented also in the Austrian BaSAG in 2025. The other parts of the CMDI package could enter into force in 2026 and be applicable in 2028.

Recovery Planning. In compliance with the current Austrian BaSAG, Erste Group annually submits a Group Recovery Plan to Joint Supervisory Team (JST). ECB regularly assesses the Group Recovery Plan. The Group Recovery Plan identifies potential options for the replenishment of capital and liquidity resources of the bank in order to cope with a range of severe scenarios including both idiosyncratic and market-wide stress. The Recovery Framework is mainly reconciled with the Risk Appetite Framework across indicators and indicator thresholds, ensuring comprehensive enterprise-wide risk management. It is relevant to demonstrate that in a severe stress, which is close to a failing or likely to fail situation, there is sufficient recovery capacity available to be able to recover back into the recovery green zone. The recovery governance described in the plan ensures timely identification and proper management of a recovery situation of Erste Group. Furthermore, the assessment of the Group Recovery Plan and the assessment of the overall recovery capacity are part of the Supervisory Review and Evaluation Process (SREP) assessment.

Resolution Planning. Erste Group collaborates with the resolution authorities in the drawing up of resolution plans as required by BaSAG and EU Regulation No 806/2014 establishing the Single Resolution Mechanism (SRM Regulation). The legislative framework allows for a multiple-point-of-entry (MPE) or a single-point-of-entry (SPE) resolution strategy. The Resolution Authorities formed a joint decision in the resolution college for Erste Group which defines the MPE approach forming seven separate resolution groups with Erste Group's core CEE subsidiaries and Austria, but with SPE approaches on country level. This results in having resolution groups in AT, CZ, HR, HU, RO, SI and SK. Under the MPE strategy, a group has more than one Resolution Entity which is the entry point for resolution. The resolution plans (including resolution strategy and MREL decisions) are regularly updated by the Resolution Authorities and subject to Joint Decision formed in a resolution college by Resolution College Members.

MREL. The Bank Recovery and Resolution Directive (BRRD) introduced the Minimum Requirement for Own Funds and Eligible Liabilities (MREL). MREL notifications are provided by the national resolution authorities on the level of resolution groups and relevant individual subsidiaries of resolution entities, reflecting the resolution strategy, based on the MREL joint decision taken by the resolution college. MREL requirements are expressed as a percentage of the total risk exposure amount (TREA) as well as leverage ratio exposure (LRE). In May 2025, Erste Group received Joint Decision determining the MREL for its resolution groups and some non-resolution entities. The binding requirements are applicable from the date of the receipt of the notification of the act of the relevant national resolution authority. Information on MREL targets have been published on the local entities' website based on legal notifications. MREL metric is integrated into the RAS and Recovery Framework of Erste Group.

33. Own funds and capital requirements

Regulatory requirements

Since 1 January 2014, Erste Group has been calculating the regulatory own funds and the regulatory capital requirements according to the Capital Requirements Regulation (CRR, Regulation (EU) No. 575/2013)[1] and the Capital Requirement Directive (CRD IV, Directive (EU) 2013/36/EU). Both the CRD IV and CRD V[2] were transposed into national law in the Austrian Banking Act (ABA).

All requirements as defined in the CRR, the ABA and in technical standards issued by the European Banking Authority (EBA) are applied by Erste Group for regulatory purposes.

Furthermore Erste Group also fulfils capital requirements determined in the Supervisory Review and Evaluation Process (SREP).

[1] Both CRD IV and CRR have been amended since the entry into force in 2014 inter alia with directive (EU) 2019/878 (CRD V), directive (EU) 2024/1619 (CRD VI; implementation is still in political coordination), as well as regulations (EU) 2019/876 (CRR 2), (EU) 2020/873 (CRR Quick Fix) and regulation (EU) 2024/1623 (CRR3) which came into force on January 1 2025 and includes phased implementation deadlines, e.g., concerning the output floor."

[2] CRDV has been transposed by an amendment of the ABA (BGBl I 2021/98; BWG-Novelle) which entered into force on 31 May 2021.

Accounting principles

The financial and regulatory figures published by Erste Group are based on IFRS. Eligible capital components are derived from the balance sheet and income statement which were prepared in accordance with IFRS.

Regulatory scope of consolidation and institutional protection scheme

The consolidated regulatory own funds and the consolidated regulatory capital requirements are calculated based on the scope of consolidation stipulated in the CRR. The definition pursuant to CRR differs from the scope of consolidation according to IFRS, which also includes insurance companies and other entities, that are subject to full consolidation.

Erste Group Bank AG is a member of the Haftungsverbund (cross-guarantee system) of the Austrian savings bank sector. As of the balance sheet date Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG as well as Bausparkasse der österreichischen Sparkassen AG and all Austrian savings banks form this cross-guarantee system. Based on the cross-guarantee contract these entities are included as subsidiaries in Erste Group´s regulatory scope of consolidation.

Furthermore, Erste Group Bank AG together with the Haftungsverbund entities form an institutional protection scheme (IPS) according to Art. 113 para 7 CRR. Disclosure requirements for the institutional protection scheme according to Art. 113 para 7 e CRR are met by the publication of the consolidated financial statements, which cover all entities included in the institutional protection scheme.

Consolidated own funds

Own funds according to CRR consist of Common Equity Tier 1 (CET1), Additional Tier 1 (AT1) and Tier 2 (T2). In order to determine the capital ratios, each respective capital component – after application of all regulatory deductions and filters – is considered in relation to the total risk amount.

The items of own funds as disclosed are also used for internal capital management purposes, except AT1 and T2 capital instruments. Erste Group fulfilled the capital requirements throughout the reporting period.

Beside the regulatory minimum capital ratios also capital buffers according to ABA and regulations of the Financial Market Authority (FMA) need to be considered.

In addition to minimum capital ratios and capital buffer requirements, institutions also have to fulfil capital requirements determined in the Supervisory Review and Evaluation Process (SREP). As a result of the 2024 SREP process performed by the European Central Bank (ECB) Erste Group applies a Pillar 2 requirement (P2R) of 2.00% as of 31 December 2025.

Following the SREP 2024, Erste Group is expected to meet a Pillar 2 Guidance (P2G) of 1.0% with CET1, valid as of 1 January 2025 onwards.

Overview of capital requirements and capital buffers

	Dec 24	Dec 25
Pillar 1		
Minimum CET1 requirement	4.50%	4.50%
Minimum Tier 1 requirement	6.00%	6.00%
Minimum own funds requirement	8.00%	8.00%
Combined buffer requirement (CBR)	**5.63%**	**6.03%**
Capital conservation buffer	2.50%	2.50%
Countercyclical capital buffer	0.63%	0.70%
Systemic risk buffer	1.00%	1.08%
O-SII capital buffer	1.50%	1.75%
Minimum CET1 requirement (incl. CBR)	10.13%	10.53%
Minimum Tier 1 requirement (incl. CBR)	11.63%	12.03%
Minimum own funds requirement (incl. CBR)	13.63%	14.03%
Pillar 2	**1.90%**	**2.00%**
Minimum CET1 requirement	1.07%	1.13%
Minimum T1 requirement	1.43%	1.50%
Minimum own funds requirement	1.90%	2.00%
Total CET1 requirement for Pillar 1 and Pillar 2	**11.19%**	**11.65%**
Total Tier 1 requirement for Pillar 1 and Pillar 2	**13.05%**	**13.53%**
Total capital requirement for Pillar 1 and Pillar 2	**15.53%**	**16.03%**

Capital structure (phased in)

in EUR million	Dec 24	Dec 25
Common equity tier 1 capital (CET1)		
Capital instruments eligible as CET1	2,337	2,337
Retained earnings	16,459	20,118
Accumulated other comprehensive income (and other reserves)	-691	-404
Minority interest recognised in CET1	7,408	8,092
Common equity tier 1 capital (CET1) before regulatory adjustments	**25,513**	**30,143**
Own CET1 instruments	-72	-125
Prudential filter: cash flow hedge reserve	6	12
Prudential filter: Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	107	114
Prudential filter: Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	-9	-10
Value adjustments due to the requirements for prudent valuation	-95	-97
Securitisation which qualify for a RW of 1250%, where the institution opts for the deduction alternative (deduction from CET1)	0	-147
Goodwill	-609	-621
Other intangible assets	-357	-434
DTA that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0	-1
IRB shortfall of credit risk adjustments to expected losses	-147	0
CET1 capital elements or deductions – other	-280	-282
Common equity tier 1 capital (CET1)	**23,996**	**28,524**
Additional tier 1 capital (AT1)		
Capital instruments eligible as AT1	**2,688**	**3,479**
Instruments issued by subsidiaries that are given recognition in AT1	12	11
Additional tier 1 capital (AT1) before regulatory adjustments	**2,700**	**3,490**
Own AT1 instruments	-1	-1
Tier 1 capital = CET1 + AT1	**26,694**	**32,013**
Tier 2 capital (T2)		
Capital instruments eligible as T2	3,898	4,100
Instruments issued by subsidiaries recognised in T2	411	360
IRB excess of provisions over expected losses eligible	0	127
Tier 2 capital (T2) before regulatory adjustments	**4,309**	**4,587**
Own T2 instruments	-60	-61
Tier 2 capital (T2)	**4,249**	**4,526**
Total own funds	**30,943**	**36,539**
Capital requirement	**12,579**	**11,799**
CET1 capital ratio	**15.3%**	**19.3%**
Tier 1 capital ratio	**17.0%**	**21.7%**
Total capital ratio	**19.7%**	**24.8%**

The position ‘CET1 capital elements or deduction – other’ includes the development of unaudited risk provisions during the year (EU No 183/2014) and insufficient coverage for non-performing exposures (NPE Backstop) covering the requirements from both Art. 36 para 1 (m) CRR in connection with Art. 47(c) CRR and the Addendum to the ECB Guidance to banks on non-performing loans: supervisory expectations for prudential provisioning of non-performing exposures. Furthermore this position contains exposures to CIU (Collective Investment Undertakings) with a risk weight of 1,250%.

Risk structure (phased in)

	Dez 24		Dez 25	
in EUR million	Total risk	Capital requirement	Total risk	Capital requirement
Total risk exposure amount	**157,241**	**12,579**	**147,487**	**11,799**
Risk weighted assets (credit risk)	131,492	10,519	119,889	9,591
Standardised approach	25,518	2,041	25,418	2,033
IRB approach	105,296	8,424	91,091	7,287
Contribution to the default fund of a CCP	8	1	10	1
Securitizations	670	54	3,370	270
Settlement risk	0	0	1	0
Trading book, foreign FX risk and commodity risk	6,612	529	4,585	367
Operational risk	16,651	1,332	22,277	1,782
Exposure for CVA	383	31	333	27
Other exposure amounts (incl. Basel 1 floor)	2,103	168	402	32

Following the receipt of the regulatory approval, the IRB approach has been implemented in Banca Comercială Română in the first quarter of 2025 leading to the release of the previously imposed RWA add-on on Group level, which was part of the position “Other exposure amounts (including Basel 1 floor).

In the fourth quarter of 2025 an additional RWA add-on in the amount of approximate EUR 400 million due to a temporary non-compliance with the CRR3 provisions related to the CCF estimates was implemented.

CRR3 implementation effect (incl. credit value adjustment risk - CVA) resulted in RWA decrease of EUR -11.7 billion, predominantly driven by lower regulatory parameters (Loss given default in Corporates and Credit conversion factors for undrawn commitments) and multipliers used in the Risk weighted assets calculation (EUR -10.6 billion).

In addition the switch to the standardized measurement approach (SMA approach) resulted in an increase of the operational risk RWA of EUR 4.5 billion.

34. Credit risk: credit risk review and monitoring

ESG RISK MANAGEMENT

Erste Group integrates ESG factors in its risk management and industry strategy framework. ESG risk related conclusions from the annual business environment scan are considered together with the Erste Group ESG Factor Heatmap. The ESG Factor Heatmap is used as a screening instrument to identify certain industry segments (out of the existing sub-industries) that may be exposed to ESG risk factors and determine those industries which are more vulnerable to ESG risks. Erste Group establishes industry strategies and lending standards to support the steering of the portfolio under considerations of ESG risks; both are the basis for decisions, which determine which clients and transactions fit into the group’s portfolio.

Secondly, the Group has established an ESG risk framework for the assessment of material ESG factors, related risks and appropriateness of the mitigating strategies in the credit and rating processes. In this manner, the Group takes ESG risk criteria into account when making credit decisions.

For large corporate, commercial real estate and commercial residential real estate transactions, the group conducts a systemic ESG analysis via an internal digital ESG assessment questionnaire. The questionnaire is a mandatory prerequisite in the loan origination and monitoring process. By providing a comprehensive ESG risk assessment, Erste Group can determine how certain ESG factors may have a positive or negative impact on the financial performance of clients. The questionnaire enables the group to identify clients’ ESG risks or opportunities.

Particular questions in the questionnaire may also require an in-depth assessment to understand the nature and severity of the ESG risks to which the client is exposed. The questionnaire forms an integral part of the credit application and is updated at least annually, allowing Erste Group to understand the client's business model in the context of carbon transition. To support achieving the group's decarbonization targets, additional lending guidance has been introduced for large corporate, depending on their communicated strategy to align with climate science recommendations.

Furthermore, ESG relevant data is collected for certain types of collateral, as defined in the Group Collateral Management Policy for real estate collateral valuations, documentation and reporting purposes. Environmental aspects which affect the value of the collateral have to be included in the real estate valuations, which can lead to a higher or lower valuation result. Moreover, any risks arising from social (e.g., location and transportation, mass urbanisation – being indicators for easy accessibility for people) and governance factors (such as improper business practices such as tax fraud or bribery of the financed company being the owner of the building serving as collateral) have to be considered as well. For commercial real estate assets, the questionnaire additionally includes an assessment of the building's environmental footprint, including information on land consumption, space efficiency and the existence of a sustainable building certificate. Similarly to large corporate lending, the bank has introduced additional lending guidance for commercial real estate financing, tied to the carbon footprint of the financed asset.

With regards to credit risk measurement and internal models a respective project to define and collect relevant climate risk drivers for all rating systems has started in 2022 to ensure the explicit consideration of climate risks in future model development initiatives. ESG factors are considered in the soft facts assessment in the corporate rating models. In case of sovereigns and banks, the rating is overridden based on the ESG score derived from available sources World Bank / OECD and Bloomberg, respectively. Moreover, if it is concluded that calculated model rating does not reflect the ESG risk properly, then rating can be overridden manually based on ESG assessment questionnaire. For the LGD models, climate risk is indirectly reflected via the collateral value. Additionally, within each new model development, testing of the ESG drivers is obligatory and where it is deemed relevant, the respective information needs to be integrated via model into ECL measurement.

For the assessment and management of physical risks, Erste Group uses Munich Re's Location Risk Intelligence. In 2023 the group has conducted a physical risks materiality assessment together with the University of Graz to identify key hazards and climate change scenarios relevant for its collateral portfolio. The results of the assessment, highlighting the importance of river flood, fire weather stress, drought stress, sea level rise and heat stress, is integrated into the collateral management, incorporating an intermediate climate change scenario of 2-3C by 2100 (Representative Concentration Pathway 4.5 / Shared Socioeconomic Pathway 2, developed by the Intergovernmental Panel on Climate Change) as a reasonable assumption. In case of the existence of very high physical risks of a location, the collateral value would be negatively affected.

To assess the potential impact of physical risk, the internal stress test incorporated an internally developed physical risk model. The risk 'river flood' was determined to be the most relevant risk for Erste Group applying the climate hazard scores provided by Munich Re on EGBs collaterals.

Among the industries presented in the table 'Credit risk exposure by industry and risk category' below in this chapter, Erste Group identified, as part of the strategic climate initiative for the Net Zero Banking Alliance, certain carbon-intensive sectors as important levers for setting interim emission targets for 2030, thereby supporting the migration of 'Transition Risk' in Erste Group financed portfolio. Targets are set for the following sectors: housing mortgages, commercial real estate, electricity production, heat and steam production, cement production, auto manufacturing, oil and gas upstream, iron and steel.

An internal Climate Risk Stress Test was conducted based on NGFS (Network for Greening the Financial System) scenarios. The analysis was informed by internal sectoral targets and the results are integrated into the bank's Risk Materiality Assessment.

METHODS OF CREDIT RISK MANAGEMENT

Credit risk arises from Erste Group's traditional lending and investment businesses.

Operative credit decisions based on lending parameters defined by credit risk management units in each subsidiary and are executed by dedicated units with appropriate decision authority locally and by Group Credit Risk Management at the group level.

Credit risk related to retail and corporate loan portfolios is managed at the group and at local entity level with a common interest to ensure regulatory compliant risk management practices and to provide customers with manageable loan facilities that are within their financial capacities and supported by underlying profitability.

INTERNAL RATING SYSTEM

Erste Group has business and risk strategies in place that govern policies for lending and credit approval processes. These policies are reviewed at a minimum on an annual basis and adjusted if necessary. They cover the entire lending business, considering the nature, scope and risk level of the transactions and the counterparties involved. Credit approval considers individual information on the creditworthiness of the customer, the type of credit, collateral, covenant package and other risk mitigation factors involved.

The assessment of credit default risk within Erste Group is based on the customer's probability of default (PD). For each credit exposure and lending decision, Erste Group assigns an internal rating, which is a unique measure of the credit default risk. The internal rating of each customer is updated event-specific, however, at least once a year (annual rating review). Ratings of workout customers are reviewed with a higher frequency.

The main purpose of the internal ratings is to support the decision-making for lending and for the terms of credit facilities. Internal ratings also determine the level of credit approval authority within Erste Group and the monitoring procedures for existing exposures. At a quantitative level, internal ratings influence the level of required risk pricing, loss allowances and, where applicable, risk-weighted assets under Pillar 1 and 2.

For entities of Erste Group that use the internal ratings-based (IRB) approach, internal ratings are key input for the risk-weighted assets calculation. They are also used in the group's assessment of the economic capital requirements according to Pillar 2 and in other relevant model use areas. For these purposes, a distinct PD value is assigned to each rating grade for its IRB portfolios within a calibration process that is performed individually for each rating method. PD values reflect a 12-month probability of default based on long-term average default rates per rating grade. The bank assigns margins of conservatism to the calculated PDs.

Internal ratings consider all available significant information for the assessment of credit default risk. For non-retail borrowers, internal ratings take into account the financial strength of the counterparty, the possibility of external support, flexibility in corporate financing, general company information and external credit history information, where available. For retail clients, internal ratings are based mainly on payment behaviour versus the bank and, where applicable, credit bureau information, supplemented with information provided by the respective client and general demographic information. Rating ceiling rules on credit quality are applied based on membership in a group of economically related entities and the country of main economic activity (applicable to cross-border financing facilities).

Internal specialist teams develop and continuously improve internal rating models and risk parameters in cooperation with risk managers. All Pillar 1 and 2, as well as IFRS9 models are subject of an annual review of their estimates, considering the inclusion of most recent data in the estimation of risk parameters, as well as a regular cycle of full model review. Model development follows an internal group-wide methodological standard and utilises relevant data covering the respective market. In this way, Erste Group ensures the availability of rating models with the best possible prediction and discriminatory ability across its core regions.

The central Model Validation department is responsible for defining the validation methodologies and standards to be applied to all credit risk models within Erste Group as well as for conducting the validation activities across the whole Erste Group. All Pillar 1, material Pillar 2 and IFRS9 models are subject to an annual validation, while for non-material Pillar 2 and IFRS9 models a regular validation cycle is implemented. Model Validation employs qualitative as well as quantitative validation methods to challenge conceptual soundness, performance and model use aspects. The validation outcomes are approved by the respective model committees and, in case of IRB models, shared with the regulatory bodies. In addition to the validation process, the group applies a regular monitoring process on the performance of IRB models, reflecting developments in new defaults and early delinquencies.

Approvals of all new models, model changes, changes to risk parameters, changes in group-wide methodological standards and other model-related aspects are following a dual approval process within the Group – corresponding Holding and local model committee structures reflect joint responsibilities for decisions on Pillar 1 IRB and Pillar 2 credit risk models as well as on methodologies related to IFRS9 parameters. Responsibilities are assigned depending on model perimeter (group-wide or locally developed model). In this context, the following committees are established: Strategic Risk Executive Committee and Strategic Risk Management Committee. Ultimate responsibility for all models used within the Group (at consolidated level) lies with the Group CRO.

CREDIT RISK CLASSIFICATION

For the disclosure of asset quality Erste Group assigns each customer to one of the following four risk categories:

Low risk. Typically, regional customers with well-established and rather long-standing relationships with Erste Group or large internationally recognised customers. Very good to satisfactory financial position and low likelihood of financial difficulties relative to the respective market in which the customers operate. Retail clients having long relationships with the bank, or clients with a

wide product pool use. No relevant late payments currently or in the most recent 12 months. New business is generally done with clients in this risk category.

Management attention. Vulnerable non-retail clients, who may have overdue payments or defaults in their credit history or may encounter debt repayment difficulties in the medium term. Retail clients with possible payment problems in the past triggering early collection reminders. These clients typically have a good recent payment history.

Substandard. The borrower is vulnerable to short-term negative financial and economic developments and shows an elevated probability of failure. In some cases, restructuring measures are possible or already in place. Generally, such loans are managed in specialised risk management departments.

Non-performing. One or more of the default criteria under Article 178 of the CRR are met, which include full repayment unlikely, interest or principal payments on a material exposure more than 90 days past due, restructuring resulting in a loss to the lender, realisation of a loan loss, or initiation of bankruptcy proceedings. Erste Group applies the customer view for all customer segments, including retail clients; if an obligor defaults on one deal, then the customer's performing transactions are classified as non-performing as well. All non-performing exposures are also defaulted.

The materiality of 90 days past due credit obligation is applied for on-balance exposure at client level and assessed daily against the group-wide defined materiality threshold (except the local regulator has defined different thresholds) for the:
_ retail exposure: as an absolute limit on client level of 100 EUR and relative 1% on client level;
_ non-retail exposure: as an absolute limit on client level of 500 EUR and relative 1% on client level.

Based on the calibration of internal PDs (probabilities of default) for regulatory purposes to the default rates published by rating agencies, the equivalent external customer rating is used for the assignment to risk categories. For the agency ratings, average one-year default rates resulting from long-term time series are applied.

CREDIT RISK REVIEW AND MONITORING

Retail Risk Management as well as Credit Risk Portfolio in cooperation with Corporate Risk Management conduct periodical reviews of the loan portfolio for each local entity to ensure an adequate portfolio quality and to monitor the compliance of local portfolios with the principles and parameters as stipulated by Erste Group's credit risk policies.

All credit limits and the transactions booked within the limits are reviewed at least once a year. Counterparty credit risk limits are monitored daily in an internal limit management system with remedial actions taken in case limits are exceeded.

A group-wide standardised early warning monitoring process is implemented to proactively identify negative developments. The early warning monitoring process for corporate clients is managed at group level by Credit Risk Portfolio and, at subsidiary level, by the local units responsible for corporate risk management. When early warning signals are identified and validated, the overall client exposure and creditworthiness is reviewed and adequate risk mitigating actions are taken where deemed necessary. Watch list review meetings are held on a regular basis to monitor customers with a poor credit standing and to discuss pre-emptive measures.

For smaller enterprises (micro) and retail customers, the monitoring is done on Group and local level. In Retail, early warning indicators on client level are identified automatically and clients are segmented in different early warning risk segments. On portfolio level adverse developments include, for instance, quality deterioration in new business or a decreasing collections effectiveness and require appropriate countermeasures.

Adverse portfolio developments regarding the non-performing and substandard loans portfolio of Erste Group are monitored, discussed and reported regularly. In case of further negative developments clients are managed in specialized workout units aiming to maximise recoveries.

35. Credit risk exposure

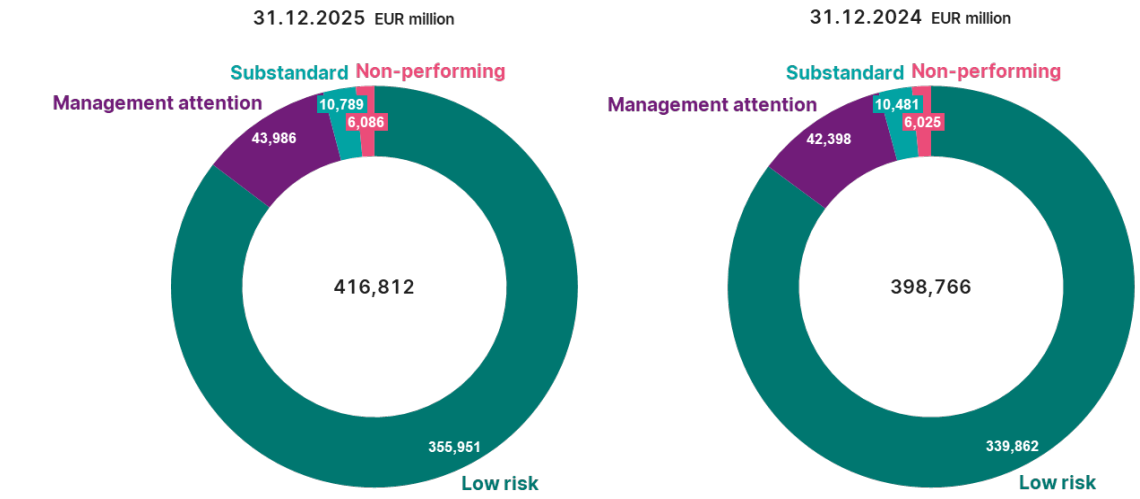
Credit risk exposure relates to the sum of the following balance sheet items:
_ cash and cash balances - demand deposits to credit institutions;
_ instruments (derivatives and debt securities) held for trading (HfT);
_ non-trading debt instruments at fair value through profit or loss (FVPL);
_ debt instruments at fair value through other comprehensive income (FVOCI);
_ debt instruments at amortised cost (AC), other than trade and other receivables;

_ trade and other receivables (for disclosure purposes in the tabular summaries below, any contract assets are also included in this category);
_ finance lease receivables;
_ debt instruments held for sale in disposal groups;
_ positive fair value of hedge accounting derivatives;
_ off-balance sheet exposures (primarily financial guarantees and undrawn loan commitments).

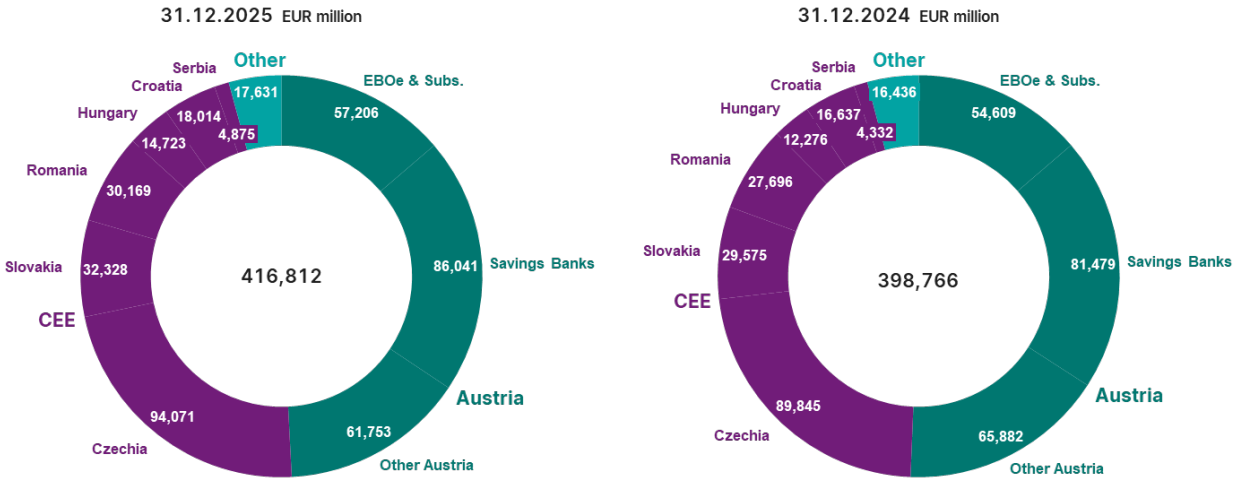
The credit risk exposure equates the gross carrying amount (or nominal value in the case of off-balance sheet positions) excluding:
_ credit loss allowances for financial assets;
_ credit loss allowances for loan commitments and financial guarantees;
_ provisions for other commitments;
_ any collateral held (including risk transfer to guarantors);
_ netting effects;
_ other credit enhancements;
_ credit risk mitigating transactions.

PORTFOLIO OVERVIEW ON TOTAL CREDIT RISK

Credit risk exposure by risk category



Credit risk exposure by geographical segment



Between the 31 December 2024 and 31 December 2025, the credit risk exposure increased from EUR 398,766 million to EUR 416,812 million. This is an increase of 4.5% or 18,046 EUR million.

Reconciliation between the gross carrying amount and the carrying amount of the credit risk exposure components

in EUR million	Credit risk exposure	Credit loss allowances	Adjustments	Net carrying amount
Dec 25				
Cash and cash balances - demand deposits to credit institutions	1,563	-2	0	1,561
Instruments HfT	9,155	0	0	9,155
Non-trading debt instruments at FVPL	3,310	0	0	3,310
Debt securities	1,786	0	0	1,786
Loans and advances to banks	0	0	0	0
Loans and advances to customers	1,524	0	0	1,524
Debt instruments at FVOCI	9,036	-5	37	9,068
Debt securities	9,036	-5	37	9,068
Loans and advances to banks	0	0	0	0
Loans and advances to customers	0	0	0	0
Debt instruments at AC	305,596	-3,889	0	301,707
Debt securities	58,669	-14	0	58,655
Loans and advances to banks	20,830	-3	0	20,827
Loans and advances to customers	226,097	-3,872	0	222,225
Trade and other receivables	2,993	-47	0	2,946
Finance lease receivables	5,369	-79	0	5,290
Debt instruments held for sale in disposal groups	0	0	0	0
Positive fair value of hedge accounting derivatives	231	0	0	231
Off-balance sheet exposures	79,557	-441	0	-
Financial guarantees	7,766	-145	0	-
Loan commitments	54,875	-290	0	-
Other commitments	16,916	-6	0	-
Total	**416,812**	**-4,463**	**37**	**333,269**
Dec 24				
Cash and cash balances - demand deposits to credit institutions	1,196	-2	0	1,194
Instruments HfT	11,322	0	0	11,322
Non-trading debt instruments at FVPL	2,576	0	0	2,576
Debt securities	1,468	0	0	1,468
Loans and advances to banks	0	0	0	0
Loans and advances to customers	1,108	0	0	1,108
Debt instruments at FVOCI	9,398	-13	3	9,388
Debt securities	9,398	-13	3	9,388
Loans and advances to banks	0	0	0	0
Loans and advances to customers	0	0	0	0
Debt instruments at AC	292,905	-4,011	0	288,894
Debt securities	52,904	-15	0	52,889
Loans and advances to banks	26,978	-6	0	26,972
Loans and advances to customers	213,024	-3,991	0	209,034
Trade and other receivables	2,722	-44	0	2,677
Finance lease receivables	5,331	-83	0	5,248
Debt instruments held for sale in disposal groups	0	0	0	0
Positive fair value of hedge accounting derivatives	181	0	0	181
Off-balance sheet exposures	73,137	-486	0	-
Financial guarantees	7,431	-162	0	-
Loan commitments	50,981	-312	0	-
Other commitments	14,725	-12	0	-
Total	**398,766**	**-4,639**	**3**	**321,479**

Credit loss allowances comprise impairments for financial assets measured at amortised cost (including finance lease and trade and other receivables) and at fair value through other comprehensive income (FVOCI), as well as credit loss allowances and provisions for off-balance sheet exposures. Adjustments refer to the fair value changes of the carrying amount for financial assets at FVOCI.

BREAKDOWN OF CREDIT RISK EXPOSURE

On the following pages the credit risk exposure is presented according to different segmentation criteria.

Credit risk exposure by industry and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Dec 25					
Natural Resources & Commodities	9,755	2,870	808	499	13,932
Energy	18,435	1,339	292	102	20,169
Construction and building materials	14,527	4,259	929	462	20,177
Automotive	6,643	1,407	529	195	8,774
Cyclical Consumer Products	6,088	1,886	471	362	8,807
Non-Cyclical Consumer Products	9,475	2,039	275	120	11,909
Machinery	6,763	1,310	238	164	8,475
Transportation	8,519	1,572	303	103	10,497
Telecommunications, Media, Technology	6,838	1,114	122	157	8,231
Healthcare & Services	11,422	2,626	367	139	14,554
Hotels & Leisure	8,214	1,872	484	274	10,843
Real Estate	39,179	6,925	1,567	1,762	49,433
Public Sector	83,700	544	116	34	84,393
Financial Institutions	28,444	1,139	331	50	29,965
Private Households	92,796	13,085	3,921	1,659	111,461
Other	5,153	0	35	3	5,191
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**
Dec 24					
Natural Resources & Commodities	9,975	2,898	701	377	13,951
Energy	16,612	1,469	375	44	18,499
Construction and building materials	13,735	3,843	865	417	18,860
Automotive	6,259	1,598	300	420	8,576
Cyclical Consumer Products	5,820	1,779	523	343	8,465
Non-Cyclical Consumer Products	9,121	2,049	278	182	11,630
Machinery	5,764	1,291	275	208	7,538
Transportation	8,362	1,615	279	119	10,375
Telecommunications, Media, Technology	6,622	1,113	125	89	7,949
Healthcare & Services	9,383	2,299	333	175	12,190
Hotels & Leisure	7,477	1,913	497	359	10,246
Real Estate	37,915	6,579	1,698	1,537	47,729
Public Sector	86,294	384	76	76	86,830
Financial Institutions	31,599	1,247	322	24	33,192
Private Households	84,726	12,310	3,729	1,650	102,416
Other	198	13	105	3	318
Total	**339,862**	**42,398**	**10,481**	**6,025**	**398,766**

With 85%, the low risk exposure has the highest share in total credit risk exposure, while management attention represents 11%. The substandard exposure contributes 3% and the non-performing category 2%.

From industry and financial instrument point of view, the highest exposure is represented by households in loans and advances to customers with EUR 98,122 million, representing 24% from total exposure, followed by public sector in debt securities with an exposure of EUR 43,962 million representing 11% from total and real estate and housing in loans and advances to customers with an exposure of EUR 43,357 million representing 10% from total.

Credit risk exposure by region and risk category

The geographic analysis of credit risk exposure is based on the country of risk of borrowers and counterparties. It also includes obligors domiciled in other countries if the economic risk exists in the respective country of risk. Accordingly, the distribution by regions differs from the composition of the credit risk exposure by geographical segments of Erste Group.

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Dec 25					
Core markets	**293,591**	**41,129**	**9,887**	**5,566**	**350,173**
Austria	127,993	14,677	4,648	3,313	150,631
Czechia	80,145	10,755	1,516	818	93,233
Slovakia	26,347	4,856	1,968	533	33,705
Romania	26,082	3,921	731	413	31,147
Hungary	14,608	3,380	620	140	18,749
Croatia	13,959	2,707	278	291	17,235
Serbia	4,457	832	125	58	5,473
Other EU	**39,655**	**1,564**	**519**	**378**	**42,116**
Other industrialised countries	**16,431**	**217**	**70**	**9**	**16,727**
Emerging markets	**6,274**	**1,076**	**313**	**132**	**7,796**
Southeastern Europe/CIS	4,222	694	236	94	5,246
Asia	1,134	52	7	10	1,204
Latin America	202	3	0	0	205
Middle East/Africa	717	326	70	28	1,140
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**
Dec 24					
Core markets	**279,809**	**39,033**	**9,676**	**5,524**	**334,043**
Austria	121,943	14,194	4,465	3,413	144,016
Czechia	77,158	9,676	1,515	802	89,151
Slovakia	24,621	4,901	1,701	422	31,645
Romania	24,322	3,997	876	389	29,584
Hungary	15,369	2,766	562	138	18,835
Croatia	12,475	2,611	469	298	15,853
Serbia	3,921	889	88	62	4,960
Other EU	**41,585**	**1,686**	**466**	**307**	**44,044**
Other industrialised countries	**12,458**	**245**	**49**	**9**	**12,761**
Emerging markets	**6,010**	**1,434**	**290**	**185**	**7,918**
Southeastern Europe/CIS	3,410	833	255	104	4,602
Asia	1,913	61	6	10	1,990
Latin America	271	1	1	0	273
Middle East/Africa	416	538	28	70	1,053
Total	**339,862**	**42,398**	**10,481**	**6,025**	**398,766**

The credit risk exposure increased by EUR 6,616 million, or 5% in Austria and by EUR 9,514 million, or 5% in the CEE core markets. In the other EU member states (EU 27 excluding core markets), the credit risk exposure decreased by EUR -1,928 million, or -4%, while in other industrialised countries the increase in exposure amounted to EUR 3,966 million (31%). The emerging markets registered a decrease of EUR -123 million or -2%. In total, Erste Group's core markets and the EU accounted for 94% (2024: 95%) of credit risk exposure. At 2% (2024: 2%), the share of emerging markets remained of minor importance.

Credit risk exposure by reporting segment and risk category

The reporting of segments of Erste Group conforms to the internal management and control structure and is based on geographical segments in order to provide more comprehensive information the segmental reporting also comprises business segments.

Credit risk exposure by geographical segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Dec 25					
Austria	**178,600**	**17,352**	**5,237**	**3,811**	**205,001**
EBOe & Subs.	49,944	4,721	1,484	1,058	57,206
Savings Banks	69,019	11,305	3,303	2,415	86,041
Other Austria	59,638	1,327	450	338	61,753
CEE	**159,741**	**26,622**	**5,542**	**2,275**	**194,181**
Czechia	80,616	10,961	1,666	827	94,071
Slovakia	24,877	4,886	2,030	535	32,328
Romania	25,060	3,965	734	411	30,169
Hungary	10,696	3,288	604	135	14,723
Croatia	14,591	2,720	391	312	18,014
Serbia	3,902	801	118	54	4,875
Other	**17,610**	**12**	**9**	**0**	**17,631**
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**
Dec 24					
Austria	**175,979**	**16,889**	**5,231**	**3,872**	**201,970**
EBOe & Subs.	47,675	4,425	1,496	1,013	54,609
Savings Banks	65,012	10,806	3,382	2,279	81,479
Other Austria	63,292	1,657	352	580	65,882
CEE	**147,463**	**25,495**	**5,250**	**2,152**	**180,360**
Czechia	77,312	10,155	1,540	838	89,845
Slovakia	22,493	4,918	1,745	418	29,575
Romania	22,410	4,036	861	389	27,696
Hungary	8,874	2,726	543	132	12,276
Croatia	13,037	2,806	479	315	16,637
Serbia	3,337	853	82	61	4,332
Other	**16,420**	**15**	**1**	**0**	**16,436**
Total	**339,862**	**42,398**	**10,481**	**6,025**	**398,766**

Credit risk exposure by business segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Dec 25					
Retail	75,020	14,538	4,070	1,678	95,307
Corporates	115,291	17,658	3,040	1,968	137,957
Group Markets	23,638	393	174	0	24,206
ALM & LCC	72,811	81	192	24	73,108
Savings Banks	69,019	11,305	3,303	2,415	86,041
GCC	172	12	9	0	193
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**
Dec 24					
Retail	67,961	13,488	3,864	1,650	86,964
Corporates	107,666	17,253	2,911	2,088	129,919
Group Markets	28,733	746	206	1	29,686
ALM & LCC	70,368	92	117	6	70,583
Savings Banks	65,012	10,806	3,382	2,279	81,479
GCC	122	13	1	0	136
Total	**339,862**	**42,398**	**10,481**	**6,025**	**398,766**

36. Use of collateral and other credit enhancements

Recognition of credit collateral

Collateral Management is integrated in Collateral Management department of Credit Risk Portfolio division. The Group Collateral Management Policy Part 1 Credit Collateral defines, among other topics, uniform valuation standards for credit collateral across the entire group. It ensures that the credit risk decision processes are standardised with respect to accepted collateral values.

All collateral types acceptable within the group are contained in the Group Collateral Catalogue. Locally permitted collateral is defined by the respective bank in accordance with applicable national legal provisions. The valuation and revaluation of collateral is done according to the principles defined in the Group Collateral Catalogue broken down by collateral type and based on the internal work instructions in accordance with the individual supervisory requirements. Whether a type of collateral or a specific collateral asset is accepted for credit risk mitigation is decided by Enterprise-wide Risk Management after determining if the applicable regulatory requirements are met. Credit underwriting monitors adherence to the standard processes stipulated for assigning the acceptable collateral assets to the categories available.

Main types of credit collateral

Mostly, the following types of credit collateral are accepted:

_ real estate: residential and commercial real estate;
_ financial collateral: securities, cash deposits and endowment life insurance policies;
_ guarantees: given by sovereigns, public sector entities, financial institutes, companies and private individuals. All guarantors must have a minimum credit rating, which is reviewed annually;
_ movables: equipment, investment goods, machinery and motor vehicles;
_ claims and rights: trade account receivables, leasehold rights and shares in a company's capital.

Collateral valuation and management

Collateral valuation is based on current market prices while considering an amount that can be recovered within a reasonable period. The valuation processes are defined and their IT-supported technical application is performed by Collateral Management at group level and by authorised staff in each country with the assistance of software applications. The allocated collateral values are capped by the amount of the secured transaction.

Real estate valuation may only be performed by qualified valuators who are independent of the credit decision process. The valuation is to be made according to international, European, or national standards and has to follow valuation methods defined by the bank. Internal guidelines define criteria of qualification and requirements of independence for the selection of valuators. A valuator may only perform two sequential valuations of the same asset, any further valuation has to result in the rotation of the valuator. For quality assurance purposes, real estate valuators and real estate valuations are supervised on an ongoing basis.

Real estate valuation includes consideration of energy efficiency of the object, possible negative impact of the real estate asset to the environment and physical risks that may threaten the object (like e.g. flood or heat stress). Information on energy efficiency and CO_2 emission of the collateral objects is collected and stored systematically in order to be considered for real estate collateral valuations and reporting purposes.

The methods and discounts used for valuations are based on empirical data representing past experience of the workout departments and on the collected data on recoveries from realising collateral. The valuation discounts are adjusted regularly – at least once a year – to reflect the recoveries under consideration of foreseeable developments (like expected real estate price changes).

The revaluation of collateral is done periodically and is automated as far as possible. In the case of external data sources, the appropriate interfaces are used. The maximum periods for the revaluation of individual collateral assets are predefined and compliance is monitored by risk management using software applications. Apart from periodic revaluations, collateral is assessed when information becomes available that indicates a decrease in the value of the collateral for exceptional reasons, or when defined triggers are exceeded. Particularly real estate collateral assets in development, showing problems like significant cost or time overrun, as well as assets, collateralizing loans with lower credit quality, are monitored or revalued with higher frequencies.

Concentration risks resulting from credit risk mitigation techniques may affect a single customer, but also a portfolio defined by region, industry, or type of collateral. Erste Group is a retail bank and, due to its customer structure and the markets in which it operates, it does not have any concentrations with respect to collateral from customers. All guarantee liabilities and loans of a corporate guarantee provider are taken into consideration in the credit application process in order to prevent possible concentrations. Guarantees provided by sovereigns, a public sector entity or financial institutions have to lie within the approved limit of the guarantor. Concerning other areas of a potentially detrimental correlation of risks, the collateral portfolios are analysed using statistical evaluations for, among other things, regional or industry-specific concentrations within the scope of portfolio

monitoring. The response to those risks identified includes, above all, the adjustment of volume targets, setting of corresponding limits and modification of the staff's discretionary limits for lending.

Collateral obtained in foreclosure proceedings is made available for sale in an orderly fashion, with the proceeds used to reduce or repay the outstanding claim. Generally, Erste Group does not occupy repossessed properties for its own business use. The main part of assets taken onto its own books is commercial land and buildings. In addition, residential real estate properties and transport vehicles are taken into Erste Group's possession. As of 31 December 2025, the carrying value of these assets obtained during the reporting period amounted to EUR 3 million (2024: EUR 7 million).

Treasury collateral

The department Trading Book Risk Management is responsible for treasury collateral. The Group Collateral Management Policy Part 2 defines, among other things, uniform valuation standards for treasury collateral across the entire group.

Under the framework of treasury collateral, netting agreements (international framework agreements for derivatives of the International Swap and Derivatives Association (ISDA), Austrian or German framework agreements, framework agreements for securities lending transactions and repurchase deals) as well as collateral agreements (e.g., ISDA Credit Support Annex) are used for reducing the credit risk from derivatives.

Netting agreements make it possible to net all amounts due or payable for each individual transaction under a framework agreement in the case of a credit default, with the result that only the net receivables vis-à-vis the business partner are of relevance for credit risk. Within the scope of these collateral agreements, the portfolio with the respective counterparty is revalued periodically, usually daily and in case of insufficient coverage additional collateral is requested. The policy restrictions on collateral types ensure that collateral received predominantly consists of cash or securities of investment grade quality. In the case of securities used as collateral, an additional valuation discount (haircut) depending on credit quality and residual maturity is applied.

The following table compares the credit risk exposure broken down by financial instrument to the allocated collateral which corresponds to the accepted value after internal haircuts capped by the exposure amount.

Synthetic securitisations

Erste Group uses synthetic securitisations for portfolios of loans to SME, corporate customers, commercial real estate loans and residential mortgages. No transfer of loans and set up of SPVs are involved. Each synthetic securitisation transaction is structured so that credit losses on the underlying loans are allocated on a waterfall basis first to the excess spread, then to the junior tranche, mezzanine tranche and finally to the senior tranche. The losses related to the excess spread and the junior tranche, but also to the senior tranche, are borne by Erste Group. Erste Group receives a guarantee in relation to the volume of the mezzanine tranche. The guarantee providers are external parties to Erste Group including Supranational and institutional investors (mainly insurance companies). For accounting purposes, Erste Group treats synthetic securitisations as non-integral guarantees (see chapter Financial instruments – Material accounting policies, part Impairment of financial instruments). For regulatory capital purposes, the synthetic securitisations reduce risk weights of the underlying loans which is the primary objective of Erste Group for undertaking the transactions.

Credit risk exposure by financial instrument and collateral

in EUR million	Total credit risk exposure	Collateral total	Collateralised by			Credit risk exposure net of collateral	IFRS 9 impairment relevant		
			Guarantees	Real estate	Other		Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Dec 25									
Cash and cash balances - demand deposits to credit institutions	1,563	781	0	0	781	782	1,559	3	0
Instruments HfT	9,155	337	337	0	0	8,818	0	0	0
Non-trading debt instruments at FVPL	3,310	1,385	925	460	0	1,925	0	0	0
Debt instruments at FVOCI	9,036	345	345	0	0	8,692	9,030	0	5
Debt instruments at AC	**305,596**	**157,566**	**11,237**	**121,178**	**25,151**	**148,030**	**292,079**	**7,937**	**5,581**
Debt securities	58,669	2,171	2,171	0	0	56,498	58,660	0	9
Loans and advances to banks	20,830	19,644	2,327	0	17,317	1,186	20,830	0	0
Loans and advances to customers	226,097	135,751	6,740	121,178	7,834	90,345	212,589	7,937	5,572
Trade and other receivables	2,993	236	234	1	1	2,757	1,723	1,218	53
Finance lease receivables	5,369	3,045	69	119	2,857	2,325	2,993	2,265	112
Debt instruments held for sale in disposal groups	0	0	0	0	0	0	0	0	0
Positive fair value of hedge accounting derivatives	231	0	0	0	0	231	0	0	0
Off-balance sheet exposures	79,557	8,853	307	3,954	4,592	70,704	62,611	0	182
thereof other commitments	16,916	1,383	0	294	1,089	15,533	152	0	0
Total	**416,812**	**172,549**	**13,454**	**125,713**	**33,382**	**244,263**	**369,994**	**11,423**	**5,933**
Dec 24									
Cash and cash balances - demand deposits to credit institutions	1,196	475	0	0	475	721	1,195	1	0
Instruments HfT	11,322	0	0	0	0	11,322	0	0	0
Non-trading debt instruments at FVPL	2,576	1,038	785	253	0	1,538	0	0	0
Debt instruments at FVOCI	9,398	556	556	0	0	8,842	9,392	0	5
Debt instruments at AC	**292,905**	**156,397**	**11,756**	**113,541**	**31,100**	**136,508**	**284,315**	**3,060**	**5,531**
Debt securities	52,904	2,304	2,304	0	0	50,599	52,896	0	9
Loans and advances to banks	26,978	25,238	2,054	0	23,185	1,739	26,977	0	0
Loans and advances to customers	213,024	128,854	7,398	113,541	7,915	84,170	204,442	3,060	5,522
Trade and other receivables	2,722	215	211	1	2	2,507	1,545	1,142	35
Finance lease receivables	5,331	3,076	84	158	2,834	2,255	4,957	255	119
Debt instruments held for sale in disposal groups	0	0	0	0	0	0	0	0	0
Positive fair value of hedge accounting derivatives	181	0	0	0	0	181	0	0	0
Off-balance sheet exposures	73,137	8,705	282	3,376	5,047	64,432	58,373	0	228
thereof other commitments	14,725	1,620	0	244	1,376	13,105	189	0	0
Total	**398,766**	**170,460**	**13,673**	**117,329**	**39,458**	**228,306**	**359,776**	**4,458**	**5,917**

The collateral attributable to exposures that are credit impaired as of 31 December 2025 amounts to EUR 2,950 million (2024: EUR 2,906 million).

The exposure increase of debt instruments at amortized cost that are past due but not credit-impaired is primarily driven by the Austrian entities, where the logic of the DPD counter has been standardised.

In addition to the amounts in the table, loans and advances to customers at AC with outstanding nominal value of EUR 23,623 million (2024: EUR 4,873 million) are guaranteed through synthetic securitisation transactions as explained above. The unguaranteed first loss portion which is related to the excess spread and the junior tranches amounts to EUR 309 million (2024: EUR 82 million). The credit protection received relates to the mezzanine tranches which amount to EUR 1,303 million (2024: EUR 274 million).

37. Measurement of expected credit loss

The general principles and standards for credit loss allowances are governed by internal policies in Erste Group. According to IFRS 9, credit loss allowances are calculated for all components of credit risk exposures which are measured at amortised cost (AC) or at fair value through other comprehensive income. They include debt securities, loans and advances, demand deposits on nostro accounts with commercial banks as well as finance lease and trade receivables. In addition, credit loss allowances are calculated for loan commitments and financial guarantees if they meet the applicable IFRS 9 definitions.

CLASSIFICATION INTO STAGES AND DEFINITION OF CREDIT-IMPAIRED FINANCIAL INSTRUMENTS

There are three main stages outlined for expected credit loss (ECL) determination. The stages approach applies to financial instruments within the scope of the impairment requirements of IFRS 9 and those that are not categorised as purchased or originated credit impaired financial assets (POCI), which form a category of their own. Depending on the impairment status and the assessment of the development of credit risk, these financial instruments are assigned to one of the three stages, as described in the chapter 'Financial instruments – Material accounting policies', in the section 'Impairment of financial instruments'.

SIGNIFICANT INCREASE IN CREDIT RISK DETERMINATION

Assessment of significant increase in credit risk (SICR) of financial instruments as at the reporting date since initial recognition is one of the key drivers affecting the amount of the ECL recognised based on IFRS 9 requirements. In this respect, across portfolios and product types, quantitative and qualitative indicators are defined for assessing SICR, including the indicator of 30 days-past-due (DPD).

Erste Group methodology allows introduction of the cure periods for migrations back to Stage 1 from Stage 2 in addition to those already established in general credit risk practices (forbearance, watch lists, default). They are rarely applied, only in specific countries for specific criteria without significant effect on the overall expected credit loss or Stage 2.

Quantitative criteria. Quantitative SICR indicators include adverse changes in lifetime probability of default with significance being assessed by comparison to the thresholds. The bank has established thresholds for significant increases in credit risk based on both a percentage (relative) and absolute change in PD compared to initial recognition. SICR occurs for a particular financial instrument, when both the relative and the absolute thresholds are breached.

The relative measure is calculated as a ratio between current annualised LT PD and annualised LT PD value on initial recognition, considering remaining maturity of the instrument. Cumulative LT PD comparison can be used for simplification according to Erste Group methodology; however, such approach is rarely used. The breach means that such ratio has reached or is higher than the established threshold. These relative thresholds for SICR assessment are established at PD segment level or client rating level for each consolidated entity, as necessary and are subject to initial and on-going validation.

The relative thresholds are kept stable as one of the most significant estimates in ECL measurement. They are re-estimated only in cases of significant changes in PD models or when required by internal validation findings. In 2025, thresholds were recalibrated in:
_ Czechia, in case of local private individual models, resulting in an ECL increase of EUR 7.5 million;
_ Slovakia, for local micro model used for clients with single-entry bookkeeping, with no material impact on ECL;
_ Hungary, for local private and corporate models, also without material impact on ECL (combined with the PD review for these two models, the total impact was approximately EUR 360 thousand; and
_ Serbia, in case of local models, resulting in ECL decrease of approx. EUR 0.4 million.

Relative thresholds for SICR assessment by Erste Group main entities

	Dec 24		Dec 25		
Threshold interval (x times)	Min	Max	Min	Weighted average	Max
Austria	**1.02**	**2.37**	**1.02**	**1.60**	**2.37**
EBOe & Subs.	1.02	2.37	1.02	1.53	2.37
Savings Banks	1.02	2.37	1.02	1.65	2.37
Holding	1.02	2.37	1.02	1.62	2.37
CEE	**1.00**	**4.08**	**1.01**	**2.38**	**4.90**
Czechia	1.01	3.59	1.01	2.24	4.83
Slovakia	1.13	4.08	1.13	2.89	4.08
Romania	1.06	3.37	1.06	2.56	3.37
Hungary	1.13	3.21	1.01	2.12	4.90
Croatia	1.13	3.13	1.13	2.14	3.13
Serbia	1.00	2.72	1.01	2.14	3.00
Total	**1.00**	**4.08**	**1.01**	**1.88**	**4.90**

The table shows only relative thresholds applied by main Erste Group entities. The thresholds applied by their subsidiaries can deviate from those shown in the table.

Thresholds might seem to show high dispersion, but they are driven mainly by regional and rating diversity. In general, the maximal thresholds are applied in case of clients with higher credit quality and minimal in case of clients with lower credit quality. The thresholds' review performed in 2025 for selected portfolios resulted in more pronounced increases, which in some cases exceeded a fourfold level. However, these increases are concentrated within a narrow part of the portfolio comprising clients with the better assigned ratings. The observed increases in thresholds primarily reflect changes in PD models or adjustments to portfolio segmentation, such as the split of a single model into secured and unsecured components. Given that, within Erste Group, PD curves assigned to individual deals at initial recognition are not recalibrated over time, such model or segmentation changes could otherwise result in unjustified transfers of exposures to Stage 2 in cases where credit quality, as reflected by the rating, remains strong and where the Stage 2.

The exposure weighted average threshold at Group level remains below two.

The absolute threshold refers to difference of LT PD on initial recognition and current LT PD (annualized or cumulative values). It is set to a maximum of 50 bps and serves as a backstop for migrations between the best ratings (LT PDs considered for remaining maturity). In such cases, relative thresholds may be breached, however overall LT PD is very low and therefore SICR is not triggered.

There are certain portfolios where the SICR quantitative criteria are assessed based on the ratings rather than PDs. Predefined rating notches' downgrade leads to SICR recognition. These rules are applied primarily to leasing and factoring business receivables.

Qualitative criteria. Qualitative SICR indicators include forbearance-type flags (identification of regulatory forbearance), work-out transfer flags (when the account starts being monitored by the work-out department), information from the early-warning system and fraud indicators. The assignment of some of the qualitative indicators inherently relies on experienced credit risk judgment being exercised adequately and in a timely manner. The related group-wide and entity-level credit risk controlling policies and procedures (adapted as necessary in the light of transition to IFRS 9) ensure the necessary governance framework. These indicators are used internally for identification of insolvency or increased probability that a borrower will enter bankruptcy and there is increased risk of default in the foreseeable future.

Besides the qualitative indicators defined on a client level, the assessment of a significant increase in credit risk is performed on a portfolio level if the increase in credit risk on individual instruments or at a client level is available only with a certain time lag or is observable exclusively on a portfolio level.

Examples are Stage 2 overrides for parts of Swiss franc retail portfolio or in case of high LTV loans resulting from a specific law in Romania (clients are allowed to give up on real estate collateral against waiver of principal).

Erste Group has introduced additional portfolio level SICR assessment criteria stemming from multiple geopolitical conflicts (implemented with the start of the war in Ukraine in 2022) and related macroeconomic impacts. For more details refer to 'Collective assessment' in the next chapter.

Backstop. A backstop is applied and the financial instruments are considered to have experienced a SICR if the borrower is more than 30 days past due on contractual payments. As observed during validation, this does not represent a major trigger for Stage 2 classification.

Low credit risk exemption. The 'Low credit risk exemption' allowed by IFRS 9 for 'Investment grade' assets or other assets deemed 'Low risk' (and resulting in 12 months expected credit losses being calculated irrespective of SICR quantitative measures) has been implemented with limitations in Erste Group. Thus, the potential activation of this exemption is limited to particular types of debt instruments and counterparty categories and only if supported by sufficient 'Low risk' evidence. On this basis, the 'Low risk exemption' is applied in special cases to debt security exposures and only exceptionally to loans.

As of 31 December 2025, low credit risk exemption is applied only to debt securities in the Czech subsidiary (Česká spořitelna) and sovereign exposures in the Romanian subsidiary (Banca Comercială Română). In Česká spořitelna, the corresponding exposure amounted to EUR 18 billion (2024: EUR 17 billion) with PDs interval of 0.004%-0.25%. In Banca Comercială Română, the respective exposure amounted to EUR 8 billion (2024: EUR 8 billion) with PD below 0.1%.

MEASURING ECL – EXPLANATION OF INPUTS AND MEASUREMENT

Credit loss allowances are calculated individually or collectively.

The individual calculation approach is applied in case of exposures to significant defaulted customers in Stage 3 or POCI. It consists in the individual assessment of the difference between the gross carrying amount and the present value of the expected cash flows, which are estimated by workout or risk managers. The discounting of the cash flows is based on the effective interest rate (POCI: credit-adjusted effective interest rate). However, the discount rate for financial guarantees shall reflect the current market assessment of the time value of money and the risks that are specific to the cash flows which in Erste Group's implementation means using a risk-free rate as a proxy.

A defaulted customer is classified as individually significant if the total on- and off-balance exposure exceeds a predefined materiality limit. Otherwise, the customer is considered insignificant and a rule-based (collective) approach is used for the calculation of the related credit loss allowance as the product of gross carrying amount and LGD, where the LGD depends on characteristics such as time in default or the stage of the workout process.

For exposures to non-defaulted customers (i.e., in Stage 1 and Stage 2), collective allowances are calculated according to a rule-based approach irrespective of the significance of the customer. The calculation of collective allowances requires grouping the related exposures into homogenous clusters based on shared risk characteristics. The grouping criteria may differ based on the customer segment (retail, corporate) and include product type, collateral type, repayment type, loan to value band and credit rating band.

The calculation of credit loss allowances is done monthly on a single exposure level and in the contractual currency of the exposure. To compute the collective credit loss allowance, Erste Group applies an expected credit loss (ECL) model based on a three-stage approach that leads to either a 12-month ECL or to a lifetime ECL. ECL is the discounted product of exposure at default (EAD) that also includes a credit conversion factor in the case of off-balance sheet exposures, probability of default (PD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of a borrower defaulting on its financial obligation (per definition of default below), either over next 12 months (1Y PD) for Stage 1 exposures or over the remaining lifetime (LT PD) for Stage 2 and 3 and POCI exposures.
- EAD is based on the amounts Erste Group expects to be owed at the time of default, over next 12 months (1Y EAD) for Stage 1 exposures, or over the remaining lifetime (LT EAD) for Stage 2 and 3 and POCI exposures. The estimation includes current balance, expected repayments and expected drawings up to the current contractual limit by the time of default.
- LGD represents the Erste Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit exposure at the time of default (EAD).

LIFE-TIME PARAMETERS

The LT PD is developed through observation of historical defaults over an available history. The calculated LT PDs are extrapolated, e.g., via matrix multiplication, to ensure that the final lifetime PD covers the lifetime of the loans from initial recognition. It is assumed to be the same across all assets in the same portfolio, rating band and the country of risk which is an additional relevant PD characteristic considered via forward looking information in case of local specialized lending portfolio in Austria and central models for Group (Large) Corporate.

The 1Y and LT EADs are determined based on the expected payment profiles, which vary by product type. The LT EAD calculation utilises repayment schedule or repayment type (annuity, linear, bullet). In the case of undrawn commitments, credit conversion factor is estimated for reflecting the expected credit exposure in the EAD.

The LGD is estimated as a lifetime curve for any point in time, based on historical loss observations.

The risk parameters used in the ECL calculation consider all information available at the reporting date, including past events, current conditions, and forecasts of future economic development. In general, the risk parameters applied in the calculation of collective allowances differ from the risk parameters used for capital requirement purposes, which are determined on a through-the-cycle basis if the characteristics of the respective portfolio in combination with IFRS requirements necessitate such divergence. Nevertheless, the approach to modelling and selecting the estimation sample for the risk parameters remains harmonized across the Group.

Within Erste Group, risk parameters are reviewed regularly, at least once per year. The only exception is the forward-looking information (FLI) review, which is typically performed at least semi-annually.

In 2025, the following parameter reviews (excluding FLI) had a significant impact on expected credit loss (ECL):

September

_ Romania – LGD re-calibration for local corporate model resulted in an ECL decrease of EUR 40 million.

October

_ Austria – LGD review for corporate models resulted in an ECL decrease of EUR 49 million;
_ Austria – LGD review for retail models resulted in an ECL increase of EUR 21 million;
_ Croatia – PD review for local models, driven by the merger of clients of Erste Bank Croatia and Erste Credit Cards into a single estimation sample, resulted ECL increase of EUR 23 million.

December

_ Romania – LGD re-calibration for non-performing secured private individuals resulted in an ECL decrease of EUR 27 million.

38. Credit risk exposure by IFRS 9 Stage and ECL

Credit risk exposure according to IFRS 9 by region

in EUR million	Stage 1	Stage 2	Stage 3	POCI	Credit risk exposure (AC and FVOCI)	Not subject to IFRS 9 impairment	Total
Dec 25							
Core markets	**291,794**	**30,575**	**5,274**	**338**	**327,981**	**22,193**	**350,173**
Austria	122,657	20,168	3,262	56	146,143	4,489	150,631
Czechia	83,288	4,218	747	60	88,313	4,920	93,233
Slovakia	27,580	1,692	446	115	29,833	3,872	33,705
Romania	26,872	1,905	381	55	29,213	1,934	31,147
Hungary	12,516	951	111	28	13,607	5,142	18,749
Croatia	14,590	1,343	277	13	16,224	1,011	17,235
Serbia	4,290	300	49	10	4,649	825	5,473
Other EU	**35,681**	**1,555**	**362**	**7**	**37,605**	**4,511**	**42,116**
Other industrialised countries	**14,407**	**371**	**9**	**0**	**14,787**	**1,940**	**16,727**
Emerging markets	**6,114**	**734**	**126**	**3**	**6,977**	**819**	**7,796**
Southeastern Europe/CIS	4,010	604	89	2	4,705	541	5,246
Asia	942	51	10	0	1,003	201	1,204
Latin America	196	5	0	0	202	3	205
Middle East/Africa	966	73	26	1	1,066	74	1,140
Total	**347,996**	**33,234**	**5,771**	**348**	**387,350**	**29,462**	**416,812**
Dec 24							
Core markets	**270,676**	**37,031**	**5,287**	**364**	**313,359**	**20,685**	**334,043**
Austria	115,203	21,809	3,368	61	140,441	3,575	144,016
Czechia	76,672	7,046	724	74	84,517	4,634	89,151
Slovakia	25,437	2,333	374	128	28,272	3,372	31,645
Romania	24,730	2,598	379	33	27,740	1,844	29,584
Hungary	11,569	1,299	114	32	13,014	5,821	18,835
Croatia	13,212	1,592	285	16	15,105	748	15,853
Serbia	3,853	355	43	20	4,270	691	4,960
Other EU	**37,588**	**1,927**	**272**	**2**	**39,789**	**4,254**	**44,044**
Other industrialised countries	**9,627**	**563**	**9**	**0**	**10,199**	**2,562**	**12,761**
Emerging markets	**5,758**	**866**	**164**	**17**	**6,805**	**1,114**	**7,918**
Southeastern Europe/CIS	3,361	635	98	3	4,097	505	4,602
Asia	1,330	69	10	0	1,410	581	1,990
Latin America	268	5	0	0	273	0	273
Middle East/Africa	798	157	56	15	1,025	28	1,053
Total	**323,649**	**40,387**	**5,732**	**383**	**370,152**	**28,615**	**398,766**

Stage 1 and Stage 2 comprise not impaired credit risks while Stage 3 includes impaired credit risks. POCI (purchased or originated credit impaired) consists of credit risks already impaired when purchased or originated. The exposure not subject to IFRS 9 impairment is measured at fair value.

The defaulted part of POCI amounted to EUR 161 million (2024: EUR 186 million), the non-defaulted part to EUR 187 million (2024: EUR 197 million).

Credit risk exposure according to IFRS 9 by geographical segment

	Credit risk exposure					Credit loss allowances				NPE coverage ratio		
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Dec 25												
Austria	**163,297**	**22,904**	**3,737**	**67**	**14,997**	**-196**	**-701**	**-1,195**	**0**	**3.1%**	**32.0%**	**0.0%**
EBOe & Subs.	49,186	6,132	1,036	17	835	-47	-188	-329	0	3.1%	31.8%	0.0%
Savings Banks	66,307	14,250	2,381	45	3,059	-112	-458	-803	0	3.2%	33.7%	0.1%
Other Austria	47,803	2,522	320	4	11,104	-37	-55	-62	0	2.2%	19.5%	0.0%
CEE	**167,141**	**10,325**	**2,034**	**281**	**14,400**	**-357**	**-677**	**-1,270**	**-59**	**6.6%**	**62.5%**	**20.9%**
Czechia	84,587	4,222	750	66	4,445	-107	-275	-475	-20	6.5%	63.4%	29.6%
Slovakia	26,290	1,670	451	113	3,804	-47	-95	-226	-17	5.7%	50.2%	15.1%
Romania	26,197	1,897	382	51	1,642	-115	-168	-284	-3	8.9%	74.4%	6.2%
Hungary	10,775	845	106	28	2,969	-25	-47	-72	-9	5.6%	68.2%	31.4%
Croatia	15,505	1,427	298	14	771	-50	-76	-181	-9	5.3%	60.8%	66.4%
Serbia	3,786	265	45	10	768	-14	-14	-30	-1	5.5%	66.9%	10.8%
Other	17,559	5	0	0	66	-2	-1	0	0	17.8%	0.0%	0.0%
Total	**347,996**	**33,234**	**5,771**	**348**	**29,462**	**-555**	**-1,379**	**-2,465**	**-59**	**4.1%**	**42.7%**	**16.9%**
Dec 24												
Austria	**156,474**	**25,257**	**3,787**	**64**	**16,387**	**-184**	**-753**	**-1,237**	**0**	**3.0%**	**32.7%**	**0.1%**
EBOe & Subs.	46,276	6,697	996	19	620	-43	-180	-323	0	2.7%	32.4%	0.0%
Savings Banks	61,449	15,360	2,244	45	2,381	-99	-498	-792	0	3.2%	35.3%	0.2%
Other Austria	48,749	3,200	547	0	13,386	-42	-76	-122	0	2.4%	22.3%	0.0%
CEE	**150,805**	**15,127**	**1,944**	**319**	**12,164**	**-328**	**-795**	**-1,248**	**-78**	**5.3%**	**64.2%**	**24.4%**
Czechia	77,490	7,215	740	94	4,305	-97	-286	-458	-26	4.0%	61.8%	27.3%
Slovakia	23,396	2,295	374	125	3,385	-37	-124	-190	-17	5.4%	50.8%	14.0%
Romania	23,631	2,466	379	33	1,187	-121	-243	-314	-6	9.9%	82.8%	18.2%
Hungary	8,986	1,129	107	32	2,021	-24	-50	-73	-9	4.4%	68.3%	28.4%
Croatia	14,026	1,706	301	16	587	-40	-79	-182	-11	4.6%	60.4%	67.0%
Serbia	3,276	316	41	20	680	-11	-13	-30	-9	4.1%	73.3%	44.5%
Other	16,370	3	0	0	63	-2	-2	0	0	74.5%	97.7%	0.0%
Total	**323,649**	**40,387**	**5,732**	**383**	**28,615**	**-514**	**-1,550**	**-2,485**	**-78**	**3.8%**	**43.4%**	**20.3%**

Credit risk exposure according to IFRS 9 treatment by business segment

	Credit risk exposure					Credit loss allowances				NPE coverage ratio		
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Dec 25												
Retail	83,843	8,018	1,631	91	1,724	-175	-458	-903	-15	5.7%	55.4%	16.3%
Corporates	111,135	10,609	1,735	211	14,266	-246	-443	-748	-44	4.2%	43.1%	20.8%
Group Markets	13,732	315	0	0	10,159	-9	-15	0	0	4.8%	16.2%	0.0%
ALM & LCC	72,856	37	24	0	191	-13	-4	-10	0	11.4%	43.5%	77.8%
Savings Banks	66,307	14,250	2,381	45	3,059	-112	-458	-803	0	3.2%	33.7%	0.1%
GCC	124	5	0	0	64	-1	-1	0	0	17.8%	0.0%	0.0%
Total	**347,996**	**33,234**	**5,771**	**348**	**29,462**	**-555**	**-1,379**	**-2,465**	**-59**	**4.1%**	**42.7%**	**16.9%**
Dec 24												
Retail	74,104	9,906	1,598	103	1,253	-159	-459	-917	-20	4.6%	57.4%	19.9%
Corporates	100,583	14,740	1,883	235	12,477	-229	-579	-768	-57	3.9%	40.8%	24.4%
Group Markets	17,139	292	1	0	12,253	-13	-9	0	0	3.0%	0.4%	0.0%
ALM & LCC	70,300	86	6	0	190	-14	-4	-7	0	4.7%	114.3%	0.0%
Savings Banks	61,449	15,360	2,244	45	2,381	-99	-498	-792	0	3.2%	35.3%	0.2%
GCC	73	3	0	0	59	0	-2	0	0	74.5%	97.7%	0.0%
Total	**323,649**	**40,387**	**5,732**	**383**	**28,615**	**-514**	**-1,550**	**-2,485**	**-78**	**3.8%**	**43.4%**	**20.3%**

39. Development of credit loss allowances

The following tables give an overview over the development of credit loss allowances per balance sheet line item.

In column 'Additions' increases of CLA due to the initial recognition of financial instruments during the current reporting period are disclosed. Releases of CLA following the derecognition of the related financial instruments are reported in column 'Derecognitions'.

In column 'Transfers between stages' CLA net changes due to changes in credit risk that triggered re-assignments of the related financial instruments from Stage 1 (at 1 January 2025 or initial recognition date) to Stages 2 or 3 at 31 December 2025 or vice-versa are reported. The effects of transfers from Stage 1 to Stages 2 or 3 on the related CLAs are adverse and presented in lines attributable to Stages 2 or 3. The effects of transfers from Stages 2 or 3 to Stage 1 on the related CLAs are favourable and presented in line 'Stage 1'. The P&L-neutral effect from cross-stage transferring of the related CLA amounts recognised prior to stage re-assignments are presented above in column 'Other changes in credit risk (net)'.

Any other changes in credit risk which do not trigger a transfer between Stage 1 and Stage 2 or 3 or vice-versa are disclosed in column 'Other changes in credit risk (net)'.

FINANCIAL INSTRUMENTS HELD AT AMORTISED COST

Movement in credit loss allowances – debt securities

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Other	As of
	Jan 25						Dec 25
Stage 1	-9	-2	2	1	-1	0	-8
Stage 2	-2	0	1	-1	1	0	-2
Stage 3	-4	0	0	0	0	0	-4
Total	**-15**	**-2**	**3**	**0**	**0**	**0**	**-14**

	Jan 24						Dec 24
Stage 1	-10	-2	2	0	0	0	-9
Stage 2	-3	0	0	-1	1	0	-2
Stage 3	-4	0	0	0	1	0	-4
Total	**-17**	**-2**	**2**	**-1**	**2**	**0**	**-15**

The year-end total GCAs of AC debt securities that were initially recognised (purchased) during the year 2025 and not fully derecognised by 31 December 2025 amounts to EUR 12,315 million (2024: EUR 14,623 million.) The GCA of AC debt securities that were held at 1 January 2025 and derecognised during the year 2025 amounts to EUR 6,403 million (2024: EUR 5,212 million).

Movement in credit loss allowances – loans and advances to banks

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Other	As of
	Jan 25						Dec 25
Stage 1	-6	-7	6	0	4	0	-3
Stage 2	0	0	0	0	0	0	0
Stage 3	0	0	0	0	0	0	0
Total	**-6**	**-7**	**6**	**0**	**4**	**0**	**-3**

	Jan 24						Dec 24
Stage 1	-8	-13	9	0	6	0	-6
Stage 2	-3	0	3	0	0	0	0
Stage 3	0	0	0	0	0	0	0
Total	**-12**	**-13**	**13**	**0**	**7**	**0**	**-6**

The year-end total GCA of AC loans and advances to banks that were initially recognised during the year 2025 and not fully de-recognised by 31 December 2025 amounts to EUR 18,396 million (2024: EUR 25,420 million). The GCA of AC loans and advances to banks that were held as of 1 January 2025 and fully derecognised during the year 2025 amounts to EUR 25,424 million (2024: 18,238 million).

Movement in credit loss allowances – loans and advances to customers

in EUR million	As of	Additions	Derecog-nitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	Other	As of
	Jan 25							Dec 25
Stage 1	**-366**	**-295**	**99**	**580**	**-415**	**3**	**-8**	**-401**
General governments	-5	-3	3	3	-3	0	1	-4
Other financial corporations	-12	-19	14	12	-7	0	0	-11
Non-financial corporations	-204	-165	57	261	-180	3	-4	-231
Households	-145	-108	25	304	-225	0	-6	-155
Stage 2	**-1,263**	**-126**	**242**	**-678**	**726**	**1**	**-15**	**-1,113**
General governments	-16	0	1	-3	0	0	6	-12
Other financial corporations	-17	-6	37	-48	20	0	-1	-15
Non-financial corporations	-770	-102	149	-292	386	0	-17	-645
Households	-460	-17	56	-336	320	1	-4	-441
Stage 3	**-2,289**	**-57**	**385**	**-91**	**-907**	**644**	**12**	**-2,304**
General governments	-4	0	0	0	3	0	0	-1
Other financial corporations	-28	-1	13	0	-14	1	-1	-30
Non-financial corporations	-1,247	-34	185	-47	-643	473	18	-1,296
Households	-1,009	-22	187	-44	-253	170	-6	-977
POCI	**-73**	**0**	**6**	**0**	**-7**	**22**	**-3**	**-54**
General governments	0	0	0	0	-1	0	0	-1
Other financial corporations	0	0	0	0	0	0	0	0
Non-financial corporations	-54	0	5	0	-5	16	-1	-39
Households	-19	0	1	0	-1	6	-2	-14
Total	**-3,991**	**-478**	**733**	**-190**	**-602**	**670**	**-14**	**-3,872**

	Jan 24							Dec 24
Stage 1	**-357**	**-301**	**83**	**680**	**-467**	**0**	**-5**	**-366**
General governments	-5	-2	2	3	-3	0	0	-5
Other financial corporations	-9	-12	8	20	-16	0	-1	-12
Non-financial corporations	-188	-170	48	292	-188	0	2	-204
Households	-155	-117	25	366	-259	0	-5	-145
Stage 2	**-1,401**	**-252**	**289**	**-763**	**861**	**0**	**3**	**-1,263**
General governments	-19	0	0	-8	10	0	0	-16
Other financial corporations	-10	-21	4	-15	25	0	0	-17
Non-financial corporations	-835	-206	224	-375	411	0	11	-770
Households	-536	-25	60	-365	416	0	-9	-460
Stage 3	**-2,072**	**-140**	**400**	**-129**	**-746**	**371**	**28**	**-2,289**
General governments	-5	0	0	0	2	0	0	-4
Other financial corporations	-28	-1	2	-8	3	1	3	-28
Non-financial corporations	-1,082	-113	255	-84	-503	241	38	-1,247
Households	-957	-25	143	-37	-248	128	-13	-1,009
POCI	**-85**	**0**	**8**	**0**	**-7**	**12**	**0**	**-73**
General governments	0	0	0	0	0	0	0	0
Other financial corporations	0	0	0	0	0	0	0	0
Non-financial corporations	-60	0	3	0	0	2	2	-54
Households	-25	0	5	0	-7	10	-2	-19
Total	**-3,915**	**-693**	**779**	**-212**	**-359**	**383**	**26**	**-3,991**

CLAs recognised against drawings from non-revolving loan commitments are deemed as additions for the purpose of presenting current period's movement in CLA. Therefore, additions in Stages 2 and 3 reflect transfers from Stage 1 having occurred between commitment and drawing dates of related credit facilities. They also reflect deals for which the CLA initial recognition in accounting occurred after those deals having been already assigned to Stage 2 as a result of applying the SICR collective assessment overlays further described in *Note 40 Scenarios used in forward looking information and Crises Effects*.

The column 'Other changes in credit risk (net)' also captures the passage-of-time adverse effect ('unwinding correction') over the lifetime expected cash shortfalls of AC loans and advances to customers that were assigned to Stage 3 for any period throughout the year, as well as of any POCI loans and advances to customers. This adverse effect amounted to EUR 119 million (2024: EUR 122 million) cumulatively for the year 2025, which also reflects the unrecognised interest income out of the related AC loans and advances to customers throughout the year.

The use of CLA triggered by full or partial write-offs of AC loans and advances to customers is reported in column 'Write-offs'.

One significant driver of the CLA movements for the year has been the transfer of the related instruments across different impairment stages. The year-end GCA of AC loans and advances to customers that were assigned at 31 December 2025 to a different stage compared to 1 January 2025 (or to the initial recognition date, if originated during the year) are summarized below:

	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3		POCI	
in EUR million	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3	To Defaulted from Non-Defaulted	To Non-Defaulted from Defaulted
Dez 25								
General governments	70	258	20	0	0	0	0	0
Other financial corporations	228	285	25	0	1	0	0	0
Non-financial corporations	5,813	6,113	903	110	422	17	2	11
Households	4,067	3,787	432	159	311	41	2	8
Total	**10,179**	**10,443**	**1,380**	**268**	**735**	**58**	**3**	**19**
Dez 24								
General governments	415	73	0	0	0	0	0	0
Other financial corporations	471	206	14	0	9	0	0	0
Non-financial corporations	9,139	8,653	1,052	188	595	6	2	10
Households	5,487	3,557	462	169	300	50	2	8
Total	**15,511**	**12,489**	**1,529**	**357**	**904**	**56**	**5**	**19**

The year-end total GCA of the AC loans and advances to customers that were initially recognised during the reporting period and not fully derecognised by 31 December 2025 amounts to EUR 49,654 million (2024: EUR 44,600 million). The GCA of the AC loans and advances to customers that were held at 1 January 2025 and fully derecognised during the reporting period amounts to EUR 19,070 million (2024: EUR 16,191 million).

The undiscounted amount of the lifetime expected credit losses considered in the initial measurement of the AC loans and advances to customers initially recognised and identified as POCI during the year 2025 amounted to EUR 123 million (2024: EUR 54 million).

Movement in credit loss allowances – trade and other receivables

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	Other	As of
	Jan 25							**Dec 25**
Stage 1	-10	-6	3	1	-1	1	1	-11
Stage 2	-8	0	2	-1	0	1	0	-7
Stage 3	-26	0	3	-5	-5	6	-1	-28
POCI	-1	0	0	0	-1	0	0	-1
Total	**-44**	**-7**	**8**	**-5**	**-7**	**9**	**-1**	**-47**
	Jan 24							**Dec 24**
Stage 1	-11	-8	4	2	2	0	0	-10
Stage 2	-10	0	2	-2	2	1	0	-8
Stage 3	-41	0	4	-2	6	8	0	-26
POCI	-1	0	0	0	0	0	0	-1
Total	**-63**	**-8**	**10**	**-2**	**10**	**9**	**0**	**-44**

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – DEBT INSTRUMENTS

Movement in credit loss allowances – debt instrument financial assets

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Other	As of
	Jan 25						Dec 25
Stage 1	-3	-1	1	2	-2	0	-3
Stage 2	-9	0	1	0	8	0	0
Stage 3	0	0	0	0	-1	0	-2
Total	**-13**	**-1**	**2**	**2**	**5**	**0**	**-5**

	Jan 24						Dec 24
Stage 1	-5	-1	2	1	0	0	-3
Stage 2	-9	0	0	-1	0	0	-9
Stage 3	-1	0	0	0	0	0	0
Total	**-14**	**-1**	**2**	**0**	**1**	**0**	**-13**

One significant driver of the above presented CLA movements for the year has been the transfer of the related instruments across different stages. The year-end GCAs of FVOCI debt securities that were assigned at 31 December 2025 to a different stage compared to 1 January 2025 (or to the initial recognition date, if purchased during the year) are summarized in the table below:

Transfers between stages – debt instrument financial assets

in EUR million	Dec 24	Dec 25
Transfers between Stage 1 and Stage 2		
To Stage 2 from Stage 1	41	36
To Stage 1 from Stage 2	43	104
Transfers between Stage 1 and Stage 3		
To Stage 3 from Stage 1	2	0

FINANCE LEASE RECEIVABLES

Movement in credit loss allowances – finance lease receivables

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	Other	As of
	Jan 25							Dec 25
Stage 1	-20	-9	2	12	-8	0	-1	-22
Stage 2	-31	0	1	-16	21	0	1	-25
Stage 3	-32	0	7	-5	-6	4	0	-32
POCI	0	0	0	0	0	0	0	0
Total	**-83**	**-9**	**11**	**-9**	**7**	**4**	**0**	**-79**

	Jan 24							Dec 24
Stage 1	-17	-7	1	12	-8	0	0	-20
Stage 2	-33	0	1	-15	15	0	0	-31
Stage 3	-40	0	6	-6	1	7	0	-32
POCI	0	0	0	0	0	0	0	0
Total	**-90**	**-8**	**8**	**-8**	**8**	**7**	**0**	**-83**

The column ‘Other changes in credit risk (net)’ captures the passage-of-time adverse effect (‘unwinding correction’) over the lifetime expected cash shortfalls of finance lease receivables that were assigned to Stage 3 for any period throughout the year, as well as of any POCI finance lease receivables. This adverse effect amounted to EUR 1 million (2024: EUR 1 million) cumulatively for the year 2025, which also reflects the unrecognised interest income out of the related finance lease receivables throughout the year.

The use of CLA triggered by full or partial write-offs of finance lease receivables is reported in column ‘Write-offs’.

One significant driver of the CLA movements for the year has been the transfer of the related instruments across impairment stages. The year-end GCA of finance lease receivables that were assigned at 31 December 2025 to a different stage compared to 1 January 2025 (or to the initial recognition date, if originated during the year) are summarized below:

Transfers between stages – finance lease receivables

in EUR million	Dec 24	Dec 25
Transfers between Stage 1 and Stage 2		
To Stage 2 from Stage 1	273	215
To Stage 1 from Stage 2	257	193
Transfers between Stage 2 and Stage 3		
To Stage 3 from Stage 2	27	16
To Stage 2 from Stage 3	28	3
Transfers between Stage 1 and Stage 3		
To Stage 3 from Stage 1	32	20
To Stage 1 from Stage 3	2	5

The year-end total GCA of the finance lease receivables that were initially recognised during the reporting period and not fully de-recognised by 31 December 2025 amounts to EUR 1,311 million (2024: EUR 1,260 million). The GCA of the finance lease receivables that were held at 1 January 2025 and fully derecognised during the year 2025 amounts to EUR 524 million (2024: EUR 657 million).

LOAN COMMITMENTS AND FINANCIAL GUARANTEES

Movement in credit loss allowances – loan commitments and financial guarantees

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Other	As of
	Jan 25						**Dec 25**
Stage 1	98	201	-45	-153	6	-2	105
Stage 2	237	0	-65	206	-135	-10	233
Stage 3	135	0	-33	8	-13	-1	95
POCI	4	2	-7	0	5	-1	3
Total	**474**	**202**	**-150**	**60**	**-138**	**-13**	**435**

	Jan 24						**Dec 24**
Stage 1	82	190	-52	-138	17	-1	98
Stage 2	208	0	-97	209	-73	-10	237
Stage 3	124	0	-47	27	31	0	135
POCI	2	0	-3	0	4	0	4
Total	**416**	**190**	**-198**	**97**	**-21**	**-10**	**474**

The column 'Other changes in credit risk (net)' captures the passage-of-time adverse effect ('unwinding') over the lifetime expected cash shortfalls of defaulted loan commitments and financial guarantees.

One significant driver of the CLA movements for the year has been the transfer of the related instruments across different stages. The year-end notional amounts of loan commitments and financial guarantees that were assigned at 31 December 2025 to a different stage compared to 1 January 2025 (or to the initial recognition date, if originated during the year) are summarized below:

Transfers between stages – loan commitments and financial guarantees

in EUR million	Dec 24	Dec 25
Transfers between Stage 1 and Stage 2		
To Stage 2 from Stage 1	2,806	1,697
To Stage 1 from Stage 2	3,370	1,836
Transfers between Stage 2 and Defaulted		
To Defaulted from Stage 2	50	45
To Stage 2 from Defaulted	28	22
Transfers between Stage 1 and Defaulted		
To Defaulted from Stage 1	51	26
To Stage 1 from Defaulted	6	4

The year-end nominal amounts of unused off-balance commitments and financial guarantees that were initially recognised during the year 2025 and not fully derecognised by 31 December 2025 amounts to EUR 22,914 million (2024: EUR 21,314 million). The nominal amounts of unused off-balance commitments or financial guarantees that were held at 1 January 2025 and fully derecognised during the year 2025 amounts to EUR 13,608 million (2024: EUR 12,355 million).

40. Scenarios used in forward looking information and Crises Effects

Overview on scenarios used in forward-looking information

INCORPORATION OF FORWARD-LOOKING INFORMATION

Parameters are determined to reflect the risk as a 'point-in-time' measure and with consideration of forward-looking information (FLI). This results in using a baseline forecast and several alternative scenarios for selected macroeconomic variables. The alternative scenarios are derived, together with their weights of scenario outcome, as a deviation from baseline forecasts. The baseline forecasts are, with few exceptions, internally determined by Erste Group's research department. Given multiple scenarios, the 'neutral' PDs (and partially included in LGDs) are adjusted using macro models that link relevant macroeconomic variables with risk drivers. The same macro-shift models as for external and internal stress test are used. Forward-looking information is incorporated for first three years of ECL measurement. Measurement of the parameters for the remaining lifetime returns to through-the-cycle observations immediately in year four.

Thus, the unbiased scenario weighted ECL considering FLI is derived using the weights representing the outcome of each macroeconomic scenario. Typical macroeconomic variables may include real gross domestic product, unemployment rate, inflation rate, production index as well as market interest rates. The selection of variables also depends on the availability of reliable forecasts for the given local market. The main indicator of the estimated economic development and basis for alternative scenario derivation is the GDP. In addition, the ongoing war in Ukraine and continued geopolitical instability in the Middle East remain key drivers of macroeconomic uncertainty in 2026. Macro-shift FLI models are recalibrated on a regular basis to ensure that they reflect the most relevant macro-variables. The recalibration is performed by the respective local entities (except the central models for Group (Large) Corporates), and variables with the highest statistical relevance are included.

In case of central model for Group (Large) Corporates, the Group (dedicated central units) is responsible for the PD review, including the FLI component which is structured on the country of risk distinguishing the macro development in the different countries. The same approach is applied in case of local specialized lending portfolio booked in Austria.

In June 2025, the FLI shifts were reviewed. The most significant impact on expected credit loss was an increase of EUR 44 million driven by the portfolios booked in Austria, partially offset by a EUR 28 million decrease from the Romanian local models.

In September 2025, Erste Group reassessed the use of in-model adjustments within FLI models, specifically the incorporation of comprehensive stress test (CST) scenario into the downside scenario modelling applied in case of the central models for Group (Large) Corporates and the local CEE models. Based on the assessment of exit triggers, Erste Group decided to remove CST from downside scenario modelling. This decision was supported by the positive macroeconomic development in Czechia, Croatia, Romania and Serbia and risk materialization in Germany. In case of Slovakia and Hungary, it was concluded that downside risk is already considered in GDP outlook. As a result of the CST removal, the expected credit loss (ECL) decreased in amount of approx. EUR 15 million, based on internal simulations, until end of October 2025. For Austrian local models, the CST had already been removed from scenario modelling in 2024.

In October 2025, the PD macro model for local models was reviewed in Czechia. It resulted in ECL release in amount of EUR 21 million. Erste Group conducted the last review of the FLI in November 2025 based on the disclosed macroeconomic forecasts for baseline, downside, and upside scenarios. It triggered the release of allocated ECL by EUR 34 million on Erste Group level.

The bank is disclosing sensitivity of the staging and ECL on macro scenarios in the 'Collective assessment' section below.

Baseline scenario

Erste Group anticipates a slight moderation of Eurozone economic activity in 2026, with GDP-growth forecast to reach 1.1%, following an estimated 1.4% expansion in 2025. The 2025 GDP-growth figure has been benefited from a sizeable one-off effect stemming from the of intellectual property rights by large multinational companies to Ireland. Currently, the Eurozone economy continues to deliver solid growth, supported by robust private consumption, benefiting from rising real wages, and by investment activity driven by favourable financing conditions. With increasing competitive pressures from China and the trade barriers imposed by the United States, the outlook for foreign trade remains cautious.

Over the midterm, growth prospects have improved marginally, supported by Germany's announcement of a EUR 500 billion fiscal stimulus programme to be implemented over the next decade, as well as the relaxation of EU fiscal rules to accommodate increased defence spending across Member States. With the deposit rate at 2%, the ECB is considered to have reached the end of the current rate cutting cycle. Risks to the interest rate outlook are now more balanced, compared with the previously prevailing downside bias up to mid-2025. Assuming macroeconomic fundamentals remain stable and financing conditions supportive, no further monetary easing by the ECB is anticipated.

DOWNSIDE RISKS TO THE BASELINE SCENARIO

On of the key downside risks includes the ongoing conflict in Ukraine. In addition, uncertainty surrounding the trade policy direction of the new US administration under President Trump remains a significant challenge. The announcement of a framework about a trade deal between the US and the EU has reduced uncertainty to some extent. However, subsequent additional demands from the US administration, as well as renewed tensions regarding Greenland, demonstrate the fragility of the current negotiation environment. A deterioration in US–EU trade relations would pose a clear downside risk to the economic outlook, particularly for export performance and investment growth.

Energy security also remains a critical concern for the EU in light of the ongoing war between Russia and Ukraine. The region has become increasingly dependent on liquefied natural gas (LNG) imports from geographically distant suppliers, such as the United States and Middle Eastern countries. At the same time, a surge in energy-intensive data centres in the US, driven by the rapid expansion of AI applications, has significantly increased domestic energy demand. This could constrain the volume of LNG available for export to Europe. Any disruption in global LNG supply chains could trigger sharp increases in energy prices, potentially forcing the ECB to adopt a more restrictive monetary policy stance to contain inflation, with implications across the entire yield curve.

Furthermore, the rapid expansion of green-energy investments adds volatility to the European power system. Variability in renewable energy production can lead to temporary spikes in electricity prices, such as the recent increases observed in Spain, which can negatively affect industrial output and erode consumer purchasing power.

A pronounced increase in interest rates would also pose downside risks for both corporate and household investment. While the likelihood of a sharp rise in rates has recently diminished, such a scenario could still result in investment activity falling below the levels assumed in the baseline forecast.

Higher Harmonized Index of Consumer Prices (HICP), particularly in energy-related costs, would reduce disposable income and dampen consumption. Combined with elevated post-pandemic debt levels, rising military expenditures, and expansionary fiscal policies, especially in France, this may heighten investor concerns about debt sustainability in certain EU member states.

UPSIDE RISKS TO THE BASELINE SCENARIO

A stronger and faster recovery in global industrial activity could provide notable upside potential for the Eurozone economy. This would be particularly beneficial for Germany, which is expected to post slight GDP growth in 2025 - its first expansion in three years. Given Germany's deep economic linkages with other major Eurozone economies, a rebound in German industrial output would likely generate positive spillover effects across the region.

In such an upside scenario, Eurozone GDP growth in 2026 would receive an additional boost, primarily driven by a more dynamic than expected rebound in investment activity. Improved consumer sentiment would further support private consumption, leading

to a stronger contribution to overall growth compared with the baseline scenario. The services sector would also benefit from rising confidence and increased household spending.

For this optimistic scenario to materialise, a continued and gradual decline in inflation, particularly within the services component, remains essential. This would help maintain the ECB's deposit facility rate at 2% and preserve favourable financing conditions.

Overview of Baseline, Upside and Downside scenarios

Below Erste Group is summarizing expected development of the GDP for all regions, all scenarios and scenario weights, as main indicator of the macro-economic situation. In case of Group (Large) Corporate clients, the considered GDP scenarios are the same as shown below for the standalone countries, however including GDP predictions for Germany.

Additionally, Erste is disclosing the most relevant variables for the macro-shift model in the most significant regions.

Austria, Czechia, Slovakia and Romania are presented as they have the highest share of credit risk exposure, expected credit loss and the highest share of FLI component in the expected credit loss measurement. Macro-shift models are calibrated for the three main sub-portfolios: private individuals, micro enterprises and another corporate business. Models' calibration and variables disclosed below are incorporated into expected credit loss measurement as of 31 December 2025. The baseline and weighted scenario outcome for the major variables is disclosed in the tabular format for the years 2026-2028.

Baseline, upside and downside scenarios of GDP growth by geographic region

		Scenario weights	GDP growth in %		
	Scenario	2026-2028	2026	2027	2028
Dec 25					
Austria	Upside	21%	3.3	3.7	3.7
	Baseline	50%	0.7	1.1	1.1
	Downside	29%	-2.0	-1.6	-1.6
Czechia	Upside	24%	4.7	4.7	4.8
	Baseline	50%	2.7	2.7	2.8
	Downside	26%	0.2	0.2	0.3
Slovakia	Upside	26%	3.7	4.2	4.4
	Baseline	50%	1.3	1.8	2.0
	Downside	24%	-1.8	-1.3	-1.1
Romania	Upside	24%	5.0	5.9	5.6
	Baseline	50%	2.1	3.0	2.7
	Downside	26%	-1.4	-0.5	-0.8
Hungary	Upside	18%	4.4	4.7	4.9
	Baseline	50%	2.0	2.3	2.5
	Downside	32%	-0.6	-0.3	-0.1
Croatia	Upside	26%	4.9	5.3	4.9
	Baseline	50%	2.8	2.6	2.6
	Downside	24%	0.7	-0.1	0.3
Serbia	Upside	21%	4.8	6.6	5.6
	Baseline	50%	2.7	4.5	3.5
	Downside	29%	0.5	2.3	1.3
Germany	Upside	22%	3.0	3.6	3.3
	Baseline	50%	0.9	1.5	1.2
	Downside	28%	-1.7	-1.1	-1.4
Dec 24		**2025-2027**	**2025**	**2026**	**2027**
Austria	Upside	23%	3.3	3.2	3.6
	Baseline	50%	0.9	0.8	1.2
	Downside	27%	-1.8	-1.9	-1.5
Czechia	Upside	22%	4.6	4.7	4.6
	Baseline	50%	2.6	2.7	2.6
	Downside	28%	-3.9	-2.1	0.1
Slovakia	Upside	28%	4.4	4.3	4.6
	Baseline	50%	2.0	1.9	2.2
	Downside	22%	-4.9	-2.8	-0.5
Romania	Upside	26%	4.4	5.6	5.0
	Baseline	50%	1.2	2.4	1.8
	Downside	24%	-3.0	-1.0	-0.7
Hungary	Upside	19%	4.4	6.0	5.7
	Baseline	50%	2.0	3.6	3.3
	Downside	31%	-4.4	-1.8	0.5
Croatia	Upside	28%	4.8	5.5	4.5
	Baseline	50%	2.9	2.8	2.5
	Downside	22%	-3.0	-1.2	0.2
Serbia	Upside	21%	6.7	6.5	6.7
	Baseline	50%	4.5	4.3	4.5
	Downside	29%	-0.8	0.5	1.3
Germany	Upside	24%	2.8	3.4	3.1
	Baseline	50%	0.8	1.4	1.1
	Downside	26%	-3.2	-2.0	-1.0

Baseline and scenario weighted values of the main variables in the most significant regions

	Baseline scenario			Scenario weighted outcome		
	2026	2027	2028	2026	2027	2028
Dec 25						
Austria						
GDP growth	0.7	1.1	1.1	0.5	0.9	0.9
Inflation	2.0	2.2	2.0	2.1	2.3	2.1
Yields_10Y	2.8	2.7	2.7	2.8	2.7	2.2
Czechia						
GDP Deflator	1.4	1.4	1.4	1.4	1.4	1.4
CPI core	157.7	161.5	165.8	157.7	161.5	165.7
Slovakia						
Unemployment Rate	5.8	5.6	5.5	5.8	5.6	5.5
Inflation	3.2	2.3	2.1	3.5	2.6	2.4
Romania						
GDP growth	2.1	3.0	2.7	1.9	2.8	2.5
Interest Rate (ROBOR 3M)	5.5	4.3	4.0	5.6	4.4	4.1
Inflation (CPI)	6.5	3.0	3.0	6.5	3.0	3.0
	2025	**2026**	**2027**	**2025**	**2026**	**2027**
Dec 24						
Austria						
GDP growth	0.9	0.8	1.2	0.7	0.6	1.0
Inflation	1.7	1.5	2.0	1.8	1.6	2.1
Yields_10Y	2.3	2.3	2.3	2.3	2.3	2.3
Czechia						
Unemployment Rate	3.4	3.5	3.5	3.7	4.0	4.0
Inflation (PPI)	147.8	151.0	154.1	148.2	151.5	154.6
Slovakia						
Unemployment Rate	5.5	5.3	5.1	5.4	5.6	5.3
Inflation	4.5	3.0	2.3	4.6	3.2	2.0
Romania						
GDP growth	1.2	2.4	1.8	1.0	2.4	2.0
Interest Rate (ROBOR 3M)	5.2	4.4	4.3	5.2	4.4	4.2
Inflation (CPI)	4.1	3.2	3.1	4.5	3.2	2.8

Collective assessment

In addition to standard SICR assessment, Erste Group applied collective SICR assessment, i.e., transfer into Stage 2 based on pre-defined portfolio characteristics, due to emerging risks not covered by standard models. This approach is aligned with all affected entities and business lines and approved by the respective governance bodies of Erste Group. It requires, after the assessment of the outliers from the common portfolio characteristics, to have exemptions from the collective SICR assessment, if properly documented why they would behave differently than the rest of the portfolio.

In December 2025, Erste Group applied collective staging assessment (industry stage overlays), that had been implemented in 2024. This approach means that rules for transferring into stage 2 are defined as a combination, in case of industries selected in line with industry strategy, to ensuring that it reflects risks and changes in the risk assessment which our portfolio is exposed to, and one-year IFRS PDs.

During 2025, several adjustments were made to the industry stage overlays in line with updates to the Group's risk strategy and observed portfolio developments:

March - the Hotel and Leisure sub-industry, category Leisure, was added into the scope of industry overlays what resulted into ECL allocation in amount of EUR 10 million.

September - following a review of the industry strategy, the Construction and Building Materials sub-industry was removed from the scope of industry stage overlays. This decision resulted in the release of allocated ECL amounting to EUR 6 million.

October - the Real Estate Developers sub-industry was excluded from the overlays for Central and Eastern European (CEE) countries, and subsequently for the Holding, due to stable portfolio performance. No deterioration was observed in the CEE region in recent periods, and no adverse developments are anticipated. The removal of this overlay led to the release of EUR 20 million in allocated ECL. In Austria, the segment remained within the scope of the overlay. Even though the inflow of new

defaults has stabilised, it continues to remain at an elevated level. Once a sustained improvement is confirmed in 2026, the overlays in the Austrian perimeter will also be released.

December - the Metals (Iron/Steel) industry category was added to the industry stage overlays following a change in the Group's risk strategy. The adjustment was driven by decreasing demand in certain key end-user industries (e.g., construction), increased price competition from Asian imports, and persistent structural cost pressures stemming from elevated energy and labour expenses. This update resulted in a minor ECL allocation of EUR 0.4 million.

Out of the overall credit risk exposure of EUR 417 billion (2024: EUR 399 billion), portfolio under collective staging assessment (industry stage overlays) represents EUR 63 billion, thereof EUR 12 billion is in Stage 2 (out of which EUR 4 billion due to applying rules for industry stage overlays).

In addition, local risk management may apply a local SICR collective assessment when it is determined that the recalibration of the PD model, the macro-shift FLI model, or the scoring model does not sufficiently reflect current economic conditions, such as developments in inflation, interest rates, or unemployment.

In 2022, local risk management in Czechia and Croatia assessed that the recalibration of the macro-shift FLI model for private individuals did not sufficiently reflect the current environment. Consequently, a local SICR collective assessment for private individuals was introduced. Based on the regular review of exit triggers, these collective assessments were maintained as of year-end 2025. As of 31 December 2025, the exposure in Stage 2 resulting from this collective assessment amounts to EUR 1 billion, with an allocated ECL to EUR 17 million (2024: exposure of EUR 1 billion, ECL of EUR 21 million).

In addition, at the same time, in Croatia, following the internal validation of the scoring model for private individuals, another type of local SICR collective assessment is applied. As of 31 December 2025, the exposure in Stage 2 due to this collective assessment amounts to EUR 366 million and an allocated ECL to EUR 12 million (2024: exposure of EUR 330 million, ECL of EUR 11 million).

In September 2024, because of floods in parts of Central Europe, new SICR collective assessment rules were introduced in Czechia to cover the physical risk. In the second quarter of 2025, these rules were decommissioned – the evaluation of the exit trigger showed no deterioration of the affected portfolio since September 2024. It triggered the release of allocated ECL by EUR 15 million.

EFFECT ON EXPECTED CREDIT LOSS

The analysis tables below present the effects of the collective SICR assessment and FLI on both exposure migration to Stage 2 and the resulting increase of ECL. Additional sensitivities to the baseline, upside and downside scenarios are simulated. Effects on geographical segments are disclosed.

In December 2025, the exposure in Stage 2 due to the application of the rules for collective SICR assessment (industry stage overlays) stood at EUR 3,784 million (2024: EUR 6,559 million), with additional ECL allocated in the amount of EUR 71 million (2024: EUR 122 million).

As described above, the FLI were reassessed based on the latest macro-scenarios in the fourth quarter of 2025. Considering the review of in-model adjustments (removal of the CST scenario from the downside scenario), the Stage 2 exposure triggered by FLI decreased to EUR 2,942 million as of December 2025 (2024: EUR 3,599 million). The decrease of the Stage 2 exposure affected the level of ECL allocated in Stage 2 due to FLI: EUR 265 million (2024: EUR 326 million).

Scenario simulation presents sensitivity analyses taking into consideration only changes due to the different values of PDs, if baseline, upside or downside FLI scenarios had 100% weight. Sensitivities of these scenarios are calculated in comparison to current production - weighted scenarios FLI shifted - PDs (weights and scenarios are disclosed in the 'Incorporation of forward-looking information' section above). Both staging and resulting ECL were simulated with the scenario PDs.

The incorporation of 100% baseline scenario instead of the currently applied weighted scenario outcome would lead to a decrease of Stage 2 exposure by EUR 289 million (2024: EUR 856 million), resulting in an ECL drop by EUR 19 million (2024: EUR 58 million).

The downside scenario would lead to additional EUR 3,905 million (2024: EUR 5,281 million) of exposure migration to Stage 2 in comparison with scenario weighted FLI, resulting in ECL increase of EUR 294 million (2024: EUR 383 million).

For the ECL change a positive sign (+) equals a release while a negative sign (-) equals an allocation. Values presented sensitivities are results of internal simulations.

Forward looking information (FLI) and collective SICR assessment

Impact on credit risk exposure by geographical segment

	Current status - parameters (FLI shifted)						Simulations - difference to FLI shifts effect		
				Stage 2 impacted by Collective assessment					
in EUR million	Stage 1	Stage 2	Total	Industry	PI	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Dec 25									
Austria	**163,297**	**22,904**	**186,200**	**3,244**	**0**	**2,064**	**-2,239**	**-250**	**3,351**
EBOe & Subs.	49,186	6,132	55,319	905	0	720	-795	-101	1,125
Savings Banks	66,307	14,250	80,557	2,317	0	1,151	-1,381	-149	1,992
Other Austria	47,803	2,522	50,325	22	0	193	-63	0	233
CEE	**167,141**	**10,325**	**177,466**	**540**	**1,055**	**878**	**-485**	**-39**	**555**
Czechia	84,587	4,222	88,809	173	850	429	-253	-13	200
Slovakia	26,290	1,670	27,960	66	0	30	-28	0	59
Romania	26,197	1,897	28,095	121	0	183	-151	-21	240
Hungary	10,775	845	11,620	45	0	126	-32	-4	37
Croatia	15,505	1,427	16,931	92	205	105	-18	0	15
Serbia	3,786	265	4,051	44	0	5	-3	-1	5
Other	**17,559**	**5**	**17,565**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**347,996**	**33,234**	**381,231**	**3,784**	**1,055**	**2,942**	**-2,723**	**-289**	**3,905**
Dec 24									
Austria	**156,474**	**25,257**	**181,732**	**4,743**	**0**	**2,393**	**-1,886**	**-525**	**3,529**
EBOe & Subs.	46,276	6,697	52,974	1,297	0	809	-635	-170	999
Savings Banks	61,449	15,360	76,809	3,333	0	1,340	-1,071	-301	1,620
Other Austria	48,749	3,200	51,949	113	0	244	-180	-54	910
CEE	**150,805**	**15,127**	**165,932**	**1,818**	**1,382**	**1,205**	**-1,016**	**-332**	**1,751**
Czechia	77,490	7,215	84,705	611	988	616	-509	-152	882
Slovakia	23,396	2,295	25,692	462	0	71	-64	-56	76
Romania	23,631	2,466	26,097	470	0	298	-320	-80	610
Hungary	8,986	1,129	10,115	49	0	185	-92	-34	108
Croatia	14,026	1,706	15,732	174	394	44	-6	-2	39
Serbia	3,276	316	3,592	52	0	-9	-25	-8	36
Other	**16,370**	**3**	**16,373**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**323,649**	**40,387**	**364,037**	**6,561**	**1,382**	**3,598**	**-2,902**	**-857**	**5,280**

Impact on credit loss allowances by geographical segment

	Current status - parameters (FLI shifted)						Simulations - difference to FLI shifts effect		
				Out of which:					
				Collective assessment due to					
in EUR million	Stage 1	Stage 2	Total	Industry	PI	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Dec 25									
Austria	**-196**	**-701**	**-897**	**-55**	**0**	**-144**	**141**	**12**	**-207**
EBOe & Subs.	-47	-188	-236	-15	0	-38	41	3	-63
Savings Banks	-112	-458	-570	-40	0	-77	88	6	-128
Other Austria	-37	-55	-91	0	0	-29	12	3	-17
CEE	**-357**	**-677**	**-1,034**	**-15**	**-17**	**-121**	**75**	**7**	**-87**
Czechia	-107	-275	-383	-5	-11	-30	24	3	-23
Slovakia	-47	-95	-142	-2	0	-4	8	0	-10
Romania	-115	-168	-283	-5	0	-43	35	3	-46
Hungary	-25	-47	-72	-1	0	-21	3	0	-3
Croatia	-50	-76	-126	-2	-6	-21	4	0	-4
Serbia	-14	-14	-28	-1	0	-2	1	0	-1
Other	**-2**	**-1**	**-3**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**-555**	**-1,379**	**-1,934**	**-71**	**-17**	**-265**	**216**	**19**	**-294**
Dec 24									
Austria	**-184**	**-753**	**-937**	**-75**	**0**	**-169**	**103**	**27**	**-173**
EBOe & Subs.	-43	-180	-223	-19	0	-39	27	6	-41
Savings Banks	-99	-498	-597	-53	0	-95	62	16	-92
Other Austria	-42	-76	-117	-3	0	-35	14	5	-40
CEE	**-328**	**-795**	**-1,123**	**-47**	**-21**	**-156**	**113**	**32**	**-212**
Czechia	-97	-286	-382	-17	-14	-51	30	8	-47
Slovakia	-37	-124	-161	-11	0	-6	5	3	-14
Romania	-121	-243	-364	-11	0	-61	67	17	-136
Hungary	-24	-50	-74	-1	0	-21	6	2	-7
Croatia	-40	-79	-119	-7	-7	-17	3	1	-5
Serbia	-11	-13	-24	0	0	0	2	1	-3
Other	**-2**	**-2**	**-4**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**-514**	**-1,550**	**-2,064**	**-122**	**-21**	**-325**	**216**	**59**	**-385**

41. Restructuring, renegotiation and forbearance

Restructuring means contractual modification of any of the customer's loan repayment conditions including tenor, interest rate, fees, principal amount due or a combination thereof. Forbearance can be initiated by the bank or by the customer (on account of loss of employment, illness etc.). Components of forbearance can be instalment reduction, tenor extension, interest reduction or forgiveness, principal reduction or forgiveness, revolving exposure change to instalment and/or others.

A restructuring is considered 'forbearance' if it entails a concession towards a customer facing or about to face financial difficulties in meeting their contractual financial commitments. A borrower is in financial difficulties if any of the following conditions are met:

_ the customer was more than 30 days past due in the past 3 months;
_ the customer would be 30 days past due or more without receiving forbearance;
_ the customer is in default;
_ the customer would default without receiving forbearance.

Additional criteria for non-retail segment:

_ early warning signals for this customer identified (deteriorated financial figures, increased probability of default);
_ customers managed in a workout unit.

Forbearance concession triggers the performing forbearance classification and means that any of the following conditions are met:

_ modification/refinancing of the contract would not have been granted, had the customer not been in financial difficulty;
_ there is a difference in favour of the customer between the modified/refinanced terms of the contract and the previous terms of the contract;

_ the modified/refinanced contract includes more favourable terms than other customers with a similar risk profile would have obtained from the same institution;
_ activation of embedded forbearance clause of the contract;
_ any waiver of a default relevant covenant.

The performing forbearance classification can be discontinued and the account can become a non-forborne account when all the following conditions are met:
_ a minimum of two years has passed from the date of classifying the exposure as performing forbearance (probation period);
_ under the forborne payment plan, at least 50% of the original (pre-forbearance) instalment has been regularly repaid (significant repayment) at least during half of the probation period (in the case of retail customers);
_ regular repayments in a significant amount during at least half of the probation period have been made (in the case of non-retail customers);
_ significant repayment includes amount previously past-due (if any) or written-off (if no-past due amounts) for both segments retail and non-retail;
_ none of the exposure of the customer is more than 30 days past due at the end of the probation period.

Performing forborne exposures become non-performing when one of the following forbearance classifications is fulfilled during the monitoring period of a minimum two years:
_ the contract modification involves total or partial cancellation of the debt by (partial) write-off;
_ an additional forbearance measure is extended;
_ the customer becomes more than 30 days past due on forborne exposure and in the past the customer was in the non-performing
_ forbearance category;
_ the customer meets any of the default event criteria defined in the default definition;
_ for corporate customers, when a final restructuring agreement cannot be concluded within 18 months after the first forbearance measure.

The non-performing forbearance classification can be discontinued and reclassified as performing under probation when all the following conditions are met:
_ the customer is not classified as defaulted according to the definition of default;
_ the customer has demonstrated the ability to comply with the post-forbearance conditions;
_ one year has passed from the date of classifying the exposure as non-performing forbearance or from the latest of the following events:
_ the moment of extending the restructuring measure;
_ the end of the grace period included in the restructuring agreement;
_ the moment when the exposure has been classified as defaulted;
_ the forbearance has not led the exposure to be classified as non-performing.

Credit risk exposure, forbearance exposure and credit loss allowances

in EUR million	Loans and advances	Debt securities	Other positions	Loan commitments	Total
Dec 25					
Credit exposure	**256,813**	**69,492**	**35,632**	**54,875**	**416,812**
thereof gross forborne exposure	5,657	0	0	189	5,846
Performing exposure	251,071	69,478	35,437	54,740	410,726
thereof performing forborne exposure	3,242	0	0	144	3,386
Credit loss allowances for performing exposure	-1,589	-13	-99	-240	-1,941
thereof credit loss allowances for performing forborne exposure	-169	0	0	-7	-176
Non-performing exposure	5,742	14	195	136	6,086
thereof non-performing forborne exposure	2,415	0	0	45	2,460
Credit loss allowances for non-performing exposure	-2,413	-6	-54	-50	-2,522
thereof credit loss allowances for non-performing forborne exposure	-838	0	0	-6	-844
Dec 24					
Credit exposure	**249,162**	**63,769**	**34,854**	**50,981**	**398,766**
thereof gross forborne exposure	5,502	0	0	264	5,766
Performing exposure	243,481	63,756	34,703	50,801	392,741
thereof performing forborne exposure	3,377	0	0	194	3,571
Credit loss allowances for performing exposure	-1,711	-23	-110	-229	-2,073
thereof credit loss allowances for performing forborne exposure	-157	0	0	-10	-167
Non-performing exposure	5,680	13	151	180	6,025
thereof non-performing forborne exposure	2,126	0	0	70	2,196
Credit loss allowances for non-performing exposure	-2,412	-4	-67	-83	-2,566
thereof credit loss allowances for non-performing forborne exposure	-783	0	0	-30	-813

Types of forbearance exposure

in EUR million	Gross forborne exposure	Modification in terms and conditions	Refinancing
Dec 25			
Loans and advances	5,657	4,864	793
Debt securities	0	0	0
Loan commitments	189	154	35
Total	**5,846**	**5,018**	**828**
Dec 24			
Loans and advances	5,502	4,799	703
Debt securities	0	0	0
Loan commitments	264	218	46
Total	**5,766**	**5,017**	**749**

Loans and advances also include lease, trade and other receivables.

Impact of non-significant contractual modifications of debt instruments AC assigned to Stage 2 and 3

	Dec 24		Dec 25	
in EUR million	Amortised cost before the modification	Net modification gains/losses	Amortised cost before the modification	Net modification gains/losses
Loans and advances				
General governments	2	0	45	0
Other financial corporations	15	0	35	0
Non-financial corporations	2,609	-6	2,866	-1
Households	1,053	-6	780	-5
Total	**3,679**	**-12**	**3,727**	**-6**

As of 31 December 2025, the total GCA of Erste Group's debt instruments measured at AC, which were impacted by non-significant contractual modifications while they were assigned to Stage 2 or 3 and re-assigned to Stage 1 during the year 2025 amounted to EUR 1,253 million (2024: EUR 1,123 million).

42. Non-performing credit risk exposure and credit loss allowances

For the definition of credit risk exposure classified as non-performing, please refer to the description of risk categories in the subsection 'Credit risk classification'. Credit risk allowances include credit loss allowances for financial assets, credit loss allowances for loan commitments and financial guarantees (all allowances within the scope of IFRS 9) and provisions for other commitments.

Credit loss allowances (all stages combined) covered 75% (2024: 78%) of the reported non-performing on-balance and off-balance credit risk exposure.

During 2025, the non-performing credit risk exposure slightly increased by EUR 61 million, or 1%, while the credit loss allowances for loans and advances together with credit loss allowances for loan commitments and financial guarantees decreased by EUR -170 million or -4%. This development resulted in a moderate decrease of 3 percentage points in the coverage of non-performing credit risk exposure by credit risk allowances.

The following tables show the coverage of the non-performing credit risk exposure by credit loss allowances (without taking into consideration collateral). The differences in the credit allowance levels between the reporting segments result from the risk situation in the respective markets, different levels of collateralisation as well as the local legal environment and regulatory requirements.

The non-performing exposure ratio (NPE ratio) is calculated as the non-performing credit risk exposure divided by total credit risk exposure while the NPE coverage ratio is computed as total credit loss allowances (all allowances within the scope of IFRS 9) divided by non-performing credit risk exposure at AC and FVOCI. Collateral is not considered in the NPE coverage ratio.

Non-performing credit risk exposure by geographical segment and coverage by credit loss allowances and collateral

	Non-performing		Credit risk exposure		Credit loss allowances	Collateral for NPE		NPE ratio		NPE coverage ratio	NPE collateralisation ratio	
in EUR million	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI
Dec 25												
Austria	**3,811**	**3,770**	**205,001**	**190,004**	**-2,092**	**2,199**	**2,199**	**1.9%**	**2.0%**	**55.5%**	**57.7%**	**58.3%**
EBOe & Subs.	1,058	1,042	57,206	56,372	-565	628	628	1.8%	1.8%	54.2%	59.4%	60.3%
Savings Banks	2,415	2,404	86,041	82,983	-1,373	1,455	1,455	2.8%	2.9%	57.1%	60.2%	60.5%
Other Austria	338	324	61,753	50,649	-154	116	116	0.5%	0.6%	47.5%	34.3%	35.8%
CEE	**2,275**	**2,162**	**194,181**	**179,781**	**-2,362**	**764**	**751**	**1.2%**	**1.2%**	**109.3%**	**33.6%**	**34.7%**
Czechia	827	798	94,071	89,626	-878	222	219	0.9%	0.9%	110.0%	26.8%	27.4%
Slovakia	535	468	32,328	28,524	-386	219	218	1.7%	1.6%	82.5%	40.8%	46.6%
Romania	411	410	30,169	28,528	-570	144	144	1.4%	1.4%	138.9%	35.1%	35.1%
Hungary	135	122	14,723	11,754	-153	51	42	0.9%	1.0%	125.6%	37.9%	34.5%
Croatia	312	310	18,014	17,243	-317	112	112	1.7%	1.8%	102.2%	36.0%	36.3%
Serbia	54	54	4,875	4,106	-60	17	17	1.1%	1.3%	109.9%	30.8%	30.8%
Other	**0**	**0**	**17,631**	**17,565**	**-3**	**0**	**0**	**0.0%**	**0.0%**	**>500.0%**	**0.0%**	**0.0%**
Total	**6,086**	**5,933**	**416,812**	**387,350**	**-4,457**	**2,963**	**2,950**	**1.5%**	**1.5%**	**75.1%**	**48.7%**	**49.7%**
Dec 24												
Austria	**3,872**	**3,828**	**201,970**	**185,583**	**-2,174**	**2,138**	**2,138**	**1.9%**	**2.1%**	**56.8%**	**55.2%**	**55.9%**
EBOe & Subs.	1,013	1,012	54,609	53,988	-546	615	615	1.9%	1.9%	53.9%	60.8%	60.8%
Savings Banks	2,279	2,268	81,479	79,099	-1,389	1,329	1,329	2.8%	2.9%	61.2%	58.3%	58.6%
Other Austria	580	547	65,882	52,496	-239	194	194	0.9%	1.0%	43.8%	33.5%	35.5%
CEE	**2,152**	**2,090**	**180,360**	**168,196**	**-2,449**	**779**	**768**	**1.2%**	**1.2%**	**117.2%**	**36.2%**	**36.7%**
Czechia	838	811	89,845	85,540	-866	274	268	0.9%	0.9%	106.7%	32.7%	33.1%
Slovakia	418	390	29,575	26,191	-368	189	188	1.4%	1.5%	94.4%	45.2%	48.3%
Romania	389	389	27,696	26,509	-684	128	128	1.4%	1.5%	175.8%	33.0%	33.0%
Hungary	132	125	12,276	10,254	-156	45	40	1.1%	1.2%	124.8%	34.3%	32.1%
Croatia	315	314	16,637	16,050	-312	130	130	1.9%	2.0%	99.3%	41.2%	41.3%
Serbia	61	60	4,332	3,652	-63	13	13	1.4%	1.6%	104.8%	21.1%	21.4%
Other	**0**	**0**	**16,436**	**16,373**	**-4**	**0**	**0**	**0.0%**	**0.0%**	**>500.0%**	**0.0%**	**0.0%**
Total	**6,025**	**5,918**	**398,766**	**370,152**	**-4,627**	**2,917**	**2,906**	**1.5%**	**1.6%**	**78.2%**	**48.4%**	**49.1%**

Non-performing credit risk exposure by business segment and coverage by credit loss allowances and collateral

in EUR million	Non-performing		Credit risk exposure		Credit loss allowances	Collateral for NPE		NPE ratio		NPE coverage ratio	NPE collateralisation ratio	
	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI
Dec 25												
Retail	1,678	1,671	95,307	93,583	-1,550	626	621	1.8%	1.8%	92.8%	37.3%	37.2%
Corporates	1,968	1,834	137,957	123,691	-1,481	873	865	1.4%	1.5%	80.7%	44.4%	47.2%
Group Markets	0	0	24,206	14,047	-24	0	0	0.0%	0.0%	>500.0%	0.0%	0.0%
ALM & LCC	24	24	73,108	72,917	-28	9	9	0.0%	0.0%	116.5%	39.8%	39.9%
Savings Banks	2,415	2,404	86,041	82,983	-1,373	1,455	1,455	2.8%	2.9%	57.1%	60.2%	60.5%
GCC	0	0	193	130	-2	0	0	0.1%	0.2%	>500.0%	0.0%	0.0%
Total	**6,086**	**5,933**	**416,812**	**387,350**	**-4,457**	**2,963**	**2,950**	**1.5%**	**1.5%**	**75.1%**	**48.7%**	**49.7%**
Dec 24												
Retail	1,650	1,645	86,964	85,711	-1,555	619	615	1.9%	1.9%	94.5%	37.5%	37.4%
Corporates	2,088	1,997	129,919	117,441	-1,634	969	962	1.6%	1.7%	81.8%	46.4%	48.2%
Group Markets	1	1	29,686	17,432	-22	0	0	0.0%	0.0%	>500.0%	0.0%	0.0%
ALM & LCC	6	6	70,583	70,392	-25	0	0	0.0%	0.0%	404.8%	2.6%	2.6%
Savings Banks	2,279	2,268	81,479	79,099	-1,389	1,329	1,329	2.8%	2.9%	61.2%	58.3%	58.6%
GCC	0	0	136	76	-3	0	0	0.3%	0.5%	>500.0%	0.0%	0.0%
Total	**6,025**	**5,918**	**398,766**	**370,152**	**-4,627**	**2,917**	**2,906**	**1.5%**	**1.6%**	**78.2%**	**48.4%**	**49.1%**

43. Detailed analysis of loans and advances to customers

The tables on the following pages present the structure of the customer loan book, excluding loans to central banks and credit institutions broken down by different categories. Loans and advances to customers comprise:

_ loans and advances to customers at FVPL;
_ loans and advances to customers at AC;
_ finance lease receivables;
_ trade and other receivables.

The presentation is by gross carrying amount excluding loan loss allowances and collateral.

Loans and advances to customers by geographical segment and currency

in EUR million	EUR	CEE-LCY	CHF	USD	Other	Total
Dec 25						
Austria	**122,952**	**0**	**1,551**	**3,152**	**2,519**	**130,175**
EBOe & Subs.	42,764	0	532	37	11	43,345
Savings Banks	59,924	0	862	18	1,839	62,643
Other Austria	20,264	0	157	3,096	669	24,187
CEE	**48,750**	**56,574**	**32**	**238**	**101**	**105,695**
Czechia	9,246	39,966	26	132	68	49,437
Slovakia	21,071	0	0	9	33	21,113
Romania	4,026	10,739	0	54	0	14,820
Hungary	1,786	5,112	0	5	0	6,904
Croatia	10,718	0	5	36	0	10,759
Serbia	1,903	757	0	1	0	2,661
Other	**28**	**42**	**0**	**0**	**43**	**114**
Total	**171,730**	**56,616**	**1,583**	**3,389**	**2,664**	**235,983**
Dec 24						
Austria	**118,456**	**0**	**1,546**	**3,312**	**2,883**	**126,197**
EBOe & Subs.	41,814	0	628	50	18	42,509
Savings Banks	57,403	0	898	65	1,621	59,988
Other Austria	19,238	0	20	3,197	1,244	23,700
CEE	**45,788**	**49,868**	**10**	**190**	**78**	**95,933**
Czechia	8,933	35,036	2	77	65	44,113
Slovakia	19,779	0	0	9	12	19,800
Romania	3,815	10,116	0	85	0	14,015
Hungary	1,747	4,060	0	7	0	5,815
Croatia	9,917	0	7	11	0	9,935
Serbia	1,599	655	0	1	0	2,255
Other	**11**	**14**	**0**	**0**	**29**	**54**
Total	**164,256**	**49,882**	**1,556**	**3,501**	**2,989**	**222,184**

'CEE-LCY' refers to the CEE geographical segment view where the local currency is the currency of the respective country (e.g., CZK in Czechia, RON in Romania etc.).

Loans and advances to customers by geographical segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Dec 25					
Austria	**108,256**	**13,690**	**4,576**	**3,652**	**130,175**
EBOe & Subs.	37,145	3,810	1,374	1,016	43,345
Savings Banks	48,260	9,082	2,983	2,319	62,643
Other Austria	22,851	798	220	318	24,187
CEE	**78,062**	**21,063**	**4,481**	**2,089**	**105,695**
Czechia	38,392	8,894	1,378	774	49,437
Slovakia	15,296	3,860	1,501	456	21,113
Romania	11,048	2,744	631	397	14,820
Hungary	3,322	2,905	566	111	6,904
Croatia	8,026	2,122	312	299	10,759
Serbia	1,978	538	93	53	2,661
Other	**105**	**4**	**4**	**0**	**114**
Total	**186,424**	**34,758**	**9,060**	**5,742**	**235,983**
Dec 24					
Austria	**104,481**	**13,443**	**4,606**	**3,668**	**126,197**
EBOe & Subs.	36,435	3,695	1,395	985	42,509
Savings Banks	45,760	9,001	3,048	2,179	59,988
Other Austria	22,286	747	163	504	23,700
CEE	**69,900**	**19,641**	**4,379**	**2,013**	**95,933**
Czechia	34,057	8,007	1,257	792	44,113
Slovakia	14,284	3,738	1,395	382	19,800
Romania	10,095	2,795	759	366	14,015
Hungary	2,810	2,385	509	110	5,815
Croatia	7,033	2,213	385	305	9,935
Serbia	1,621	503	73	58	2,255
Other	**51**	**3**	**0**	**0**	**54**
Total	**174,432**	**33,087**	**8,985**	**5,680**	**222,184**

Loans and advances to customers by business segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Dec 25					
Retail	67,426	13,324	3,872	1,659	86,280
Corporates	68,409	12,192	2,117	1,741	84,459
Group Markets	2,126	111	17	0	2,255
ALM & LCC	183	44	67	23	317
Savings Banks	48,260	9,082	2,983	2,319	62,643
GCC	20	4	4	0	29
Total	**186,424**	**34,758**	**9,060**	**5,742**	**235,983**
Dec 24					
Retail	61,432	12,328	3,656	1,630	79,046
Corporates	64,854	11,705	2,161	1,865	80,585
Group Markets	2,206	25	25	1	2,257
ALM & LCC	172	25	95	6	298
Savings Banks	45,760	9,001	3,048	2,179	59,988
GCC	8	3	0	0	11
Total	**174,432**	**33,087**	**8,985**	**5,680**	**222,184**

In the following tables, the non-performing loans and advances to customers divided by segments are contrasted with allowances for customer loans (all allowances for loans and advances to customers within the scope of IFRS 9) and the collateral for non-performing loans (NPL). The NPL ratio, the NPL coverage ratio (excluding collateral) and the NPL collateralisation ratio are also included.

Non-performing loans and advances to customers by geographical segment and coverage by loan loss allowances and collateral

	Non-performing		Customer loans		Loan loss allowances	Collateral for NPL		NPL ratio		NPL coverage ratio	NPL collateralisation ratio	
in EUR million	Total	AC	Total	AC	AC	Total	AC	Total	AC	AC	Total	AC
Dec 25												
Austria	**3,652**	**3,652**	**130,175**	**130,166**	**-1,813**	**2,181**	**2,181**	**2.8%**	**2.8%**	**49.7%**	**59.7%**	**59.7%**
EBOe & Subs.	1,016	1,016	43,345	43,337	-484	624	624	2.3%	2.3%	47.7%	61.4%	61.4%
Savings Banks	2,319	2,319	62,643	62,642	-1,227	1,441	1,441	3.7%	3.7%	52.9%	62.2%	62.2%
Other Austria	318	318	24,187	24,187	-102	116	116	1.3%	1.3%	32.1%	36.5%	36.5%
CEE	**2,089**	**2,084**	**105,695**	**104,179**	**-2,183**	**736**	**731**	**2.0%**	**2.0%**	**104.8%**	**35.2%**	**35.1%**
Czechia	774	774	49,437	49,436	-811	209	209	1.6%	1.6%	104.9%	27.0%	27.0%
Slovakia	456	456	21,113	21,113	-371	216	216	2.2%	2.2%	81.5%	47.4%	47.4%
Romania	397	397	14,820	14,820	-524	141	141	2.7%	2.7%	132.0%	35.5%	35.5%
Hungary	111	106	6,904	5,390	-133	44	38	1.6%	2.0%	125.5%	39.1%	36.2%
Croatia	299	299	10,759	10,759	-287	110	110	2.8%	2.8%	96.0%	36.7%	36.7%
Serbia	53	53	2,661	2,661	-57	17	17	2.0%	2.0%	107.3%	31.8%	31.8%
Other	**0**	**0**	**114**	**114**	**-1**	**0**	**0**	**0.2%**	**0.2%**	**>500.0%**	**0.0%**	**0.0%**
Total	**5,742**	**5,736**	**235,983**	**234,459**	**-3,998**	**2,917**	**2,912**	**2.4%**	**2.4%**	**69.7%**	**50.8%**	**50.8%**
Dec 24												
Austria	**3,668**	**3,668**	**126,197**	**126,170**	**-1,856**	**2,105**	**2,105**	**2.9%**	**2.9%**	**50.6%**	**57.4%**	**57.4%**
EBOe & Subs.	985	985	42,509	42,502	-468	608	608	2.3%	2.3%	47.5%	61.7%	61.7%
Savings Banks	2,179	2,179	59,988	59,986	-1,225	1,312	1,312	3.6%	3.6%	56.2%	60.2%	60.2%
Other Austria	504	504	23,700	23,682	-163	185	185	2.1%	2.1%	32.3%	36.7%	36.7%
CEE	**2,013**	**2,008**	**95,933**	**94,853**	**-2,260**	**758**	**754**	**2.1%**	**2.1%**	**112.5%**	**37.7%**	**37.5%**
Czechia	792	792	44,113	44,113	-807	262	262	1.8%	1.8%	101.9%	33.1%	33.1%
Slovakia	382	382	19,800	19,800	-352	187	187	1.9%	1.9%	92.3%	49.1%	49.1%
Romania	366	366	14,015	14,015	-618	127	127	2.6%	2.6%	168.8%	34.6%	34.6%
Hungary	110	106	5,815	4,734	-135	42	38	1.9%	2.2%	128.1%	38.6%	36.3%
Croatia	305	305	9,935	9,935	-287	126	126	3.1%	3.1%	94.2%	41.5%	41.5%
Serbia	58	58	2,255	2,255	-60	13	13	2.6%	2.6%	103.5%	21.9%	21.9%
Other	**0**	**0**	**54**	**54**	**-2**	**0**	**0**	**0.4%**	**0.4%**	**>500.0%**	**0.0%**	**0.0%**
Total	**5,680**	**5,676**	**222,184**	**221,077**	**-4,118**	**2,863**	**2,859**	**2.6%**	**2.6%**	**72.5%**	**50.4%**	**50.4%**

Total gross customer loans, total non-performing loans and total collateral include both AC and FVPL portfolios.

The NPL ratio of loans and advances to customers is calculated by dividing the gross carrying amount of non-performing loans and advances to customers by the total gross carrying amount of loans and advances to customers. Consequently, it differs from the NPE ratio in section 'Credit risk exposure'. Collaterals for non-performing loans mainly consist of real estates.

The NPL coverage ratio is calculated by dividing total loss allowances by the gross carrying amount of the non-performing loans and advances to customers. Collateral is not considered.

Non-performing loans and advances to customers by business segment and coverage by loan loss allowances and collateral

	Non-performing		Customer loans		Loan loss allowances	Collateral for NPL		NPL ratio		NPL coverage ratio	NPL collateralisation ratio	
in EUR million	Total	AC	Total	AC	AC	Total	AC	Total	AC	AC	Total	AC
Dec 25												
Retail	1,659	1,653	86,280	84,764	-1,498	623	618	1.9%	2.0%	90.6%	37.6%	37.4%
Corporates	1,741	1,741	84,459	84,453	-1,253	844	844	2.1%	2.1%	72.0%	48.5%	48.5%
Group Markets	0	0	2,255	2,255	-5	0	0	0.0%	0.0%	>500.0%	0.0%	0.0%
ALM & LCC	23	23	317	317	-14	9	9	7.4%	7.4%	61.8%	40.3%	40.3%
Savings Banks	2,319	2,319	62,643	62,642	-1,227	1,441	1,441	3.7%	3.7%	52.9%	62.2%	62.2%
GCC	0	0	29	29	-1	0	0	0.9%	0.9%	479.7%	0.0%	0.0%
Total	**5,742**	**5,736**	**235,983**	**234,459**	**-3,998**	**2,917**	**2,912**	**2.4%**	**2.4%**	**69.7%**	**50.8%**	**50.8%**
Dec 24												
Retail	1,630	1,625	79,046	77,964	-1,506	616	611	2.1%	2.1%	92.6%	37.8%	37.6%
Corporates	1,865	1,865	80,585	80,560	-1,370	935	935	2.3%	2.3%	73.5%	50.2%	50.2%
Group Markets	1	1	2,257	2,257	-6	0	0	0.0%	0.0%	>500.0%	0.0%	0.0%
ALM & LCC	6	6	298	298	-10	0	0	2.1%	2.1%	156.4%	2.4%	2.4%
Savings Banks	2,179	2,179	59,988	59,986	-1,225	1,312	1,312	3.6%	3.6%	56.2%	60.2%	60.2%
GCC	0	0	11	11	-2	0	0	1.8%	1.8%	>500.0%	0.0%	0.0%
Total	**5,680**	**5,676**	**222,184**	**221,077**	**-4,118**	**2,863**	**2,859**	**2.6%**	**2.6%**	**72.5%**	**50.4%**	**50.4%**

Loans and advances to customers at AC and coverage by loan loss allowances by geographical segment and IFRS 9 treatment

	Loans to customers					Credit loss allowances				Coverage ratio		
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Dec 25												
Austria	**106,785**	**19,696**	**3,619**	**67**	**8**	**-139**	**-545**	**-1,129**	**0**	**2.8%**	**31.2%**	**0.0%**
EBOe & Subs.	37,027	5,283	1,009	17	7	-34	-145	-305	0	2.8%	30.2%	0.0%
Savings Banks	47,872	12,429	2,296	45	1	-85	-377	-765	0	3.0%	33.3%	0.0%
Other Austria	21,886	1,983	314	4	0	-20	-23	-59	0	1.2%	18.8%	0.0%
CEE	**93,047**	**8,898**	**1,961**	**273**	**1,515**	**-295**	**-598**	**-1,235**	**-56**	**6.7%**	**62.9%**	**20.4%**
Czechia	45,026	3,619	726	65	1	-95	-236	-461	-19	6.5%	63.6%	29.8%
Slovakia	19,012	1,550	440	111	0	-40	-89	-225	-17	5.8%	51.2%	14.9%
Romania	12,793	1,608	369	49	0	-90	-153	-278	-3	9.5%	75.4%	6.4%
Hungary	4,486	786	95	23	1,514	-19	-44	-64	-6	5.6%	67.0%	26.5%
Croatia	9,354	1,104	288	14	0	-40	-62	-176	-9	5.6%	61.3%	66.4%
Serbia	2,376	232	44	10	0	-12	-14	-29	-1	6.0%	67.0%	10.8%
Other	**109**	**5**	**0**	**0**	**0**	**0**	**-1**	**0**	**0**	**19.2%**	**0.0%**	**0.0%**
Total	**199,941**	**28,599**	**5,581**	**340**	**1,524**	**-434**	**-1,144**	**-2,364**	**-56**	**4.0%**	**42.4%**	**16.4%**
Dec 24												
Austria	**100,740**	**21,739**	**3,628**	**63**	**27**	**-127**	**-591**	**-1,137**	**0**	**2.7%**	**31.3%**	**0.0%**
EBOe & Subs.	35,711	5,804	968	19	8	-31	-140	-298	0	2.4%	30.8%	0.0%
Savings Banks	44,377	13,410	2,155	44	1	-76	-409	-740	0	3.0%	34.4%	0.0%
Other Austria	20,652	2,525	504	0	18	-21	-43	-99	0	1.7%	19.6%	0.0%
CEE	**79,868**	**12,806**	**1,871**	**307**	**1,081**	**-268**	**-709**	**-1,209**	**-74**	**5.5%**	**64.6%**	**24.0%**
Czechia	37,296	6,002	722	93	0	-85	-249	-448	-26	4.1%	62.0%	27.6%
Slovakia	17,278	2,032	367	123	0	-33	-113	-189	-17	5.6%	51.5%	14.0%
Romania	11,559	2,069	356	32	0	-92	-219	-300	-6	10.6%	84.2%	18.9%
Hungary	3,579	1,036	95	25	1,080	-19	-46	-65	-6	4.4%	68.3%	22.6%
Croatia	8,234	1,393	292	16	0	-29	-69	-178	-11	4.9%	61.2%	67.0%
Serbia	1,922	274	39	20	0	-10	-13	-29	-9	4.6%	73.5%	44.5%
Other	**51**	**2**	**0**	**0**	**0**	**0**	**-2**	**0**	**0**	**75.6%**	**98.2%**	**0.0%**
Total	**180,659**	**34,548**	**5,499**	**371**	**1,108**	**-396**	**-1,302**	**-2,346**	**-74**	**3.8%**	**42.7%**	**19.9%**

Stage 1 and Stage 2 comprise not credit impaired loans and advances while Stage 3 includes credit impaired loans and advances. POCI (purchased or originated credit impaired) consists of loans already credit impaired when purchased or originated.

The defaulted part of POCI loans amounted to EUR 156 million (2024: EUR 177 million), the non-defaulted part to EUR 184 million (2024: EUR 194 million).

Loans and advances to customers at AC and coverage by loan loss allowances by business segment and IFRS 9 treatment

	Loans to customers					Loan loss allowances				Coverage ratio		
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Dec 25												
Retail	75,849	7,212	1,614	89	1,516	-163	-424	-896	-15	5.9%	55.5%	16.4%
Corporates	73,779	8,821	1,647	206	7	-184	-335	-693	-41	3.8%	42.1%	19.9%
Group Markets	2,147	107	0	0	0	-2	-3	0	0	2.6%	16.2%	0.0%
ALM & LCC	270	24	23	0	0	0	-4	-10	0	16.8%	42.9%	77.8%
Savings Banks	47,872	12,429	2,296	45	1	-85	-377	-765	0	3.0%	33.3%	0.0%
GCC	24	5	0	0	0	0	-1	0	0	19.2%	0.0%	0.0%
Total	**199,941**	**28,599**	**5,581**	**340**	**1,524**	**-434**	**-1,144**	**-2,364**	**-56**	**4.0%**	**42.4%**	**16.4%**
Dec 24												
Retail	67,296	8,990	1,579	99	1,082	-148	-428	-909	-20	4.8%	57.6%	20.3%
Corporates	66,648	11,927	1,758	227	25	-169	-456	-691	-54	3.8%	39.3%	23.7%
Group Markets	2,048	208	1	0	0	-2	-3	0	0	1.6%	0.4%	0.0%
ALM & LCC	281	11	6	0	0	0	-4	-5	0	33.0%	89.7%	0.0%
Savings Banks	44,377	13,410	2,155	44	1	-76	-409	-740	0	3.0%	34.4%	0.0%
GCC	9	2	0	0	0	0	-2	0	0	75.6%	98.2%	0.0%
Total	**180,659**	**34,548**	**5,499**	**371**	**1,108**	**-396**	**-1,302**	**-2,346**	**-74**	**3.8%**	**42.7%**	**19.9%**

The NPL exposures above exclude any write-offs recognised in accordance with IFRS 9. Erste Group distinguishes between contractual write-offs (debt forgiveness towards the defaulted client, either unconditional or subject to conditions) and technical write-offs (claim removal from the books due to no reasonable expectation of recovery, whereby the legal claim towards the customer remains). Both types of write-offs have as a pre-condition that all reasonable workout measures and late collections tools have been applied for optimal recovery. In case of collateralised loans, write-off prior to the realisation of the collateral is not allowed unless specific circumstances apply. Additional technical write-off triggers include enforcement, worthlessness of claim/collateral, legally binding bankruptcy/liquidation or other economic loss of the rights to claim/sale. The amount written off during 2025, which is still subject to enforcement activity, totals EUR 388 million (2024: EUR 178 million).

44. Market risk

Market risk is the risk of loss that may arise due to adverse changes in market prices and to the parameters derived from them. These market value changes might appear in the profit and loss account, in the statement of comprehensive income or in hidden reserves. At Erste Group, market risk is divided into interest rate risk; credit spread risk, currency risk, equity risk, commodity risk and volatility risk. This concerns both trading and banking book positions.

METHODS AND INSTRUMENTS EMPLOYED

At Erste Group, potential losses that may arise from market movements are assessed using the value at risk (VaR) methodology. The VaR describes what level of losses may be expected as a maximum at a defined probability – the confidence level – within a certain holding period of the positions under historically observed market conditions.

The VaR calculation for the trading book is based on the methodology of historical simulation with a one-sided confidence level of 99%, a holding period of one day and a look back period of two years.

Back-testing for the trading book is used to constantly monitor the validity of the internal market risk model. This process is conducted with a one-day delay to monitor if the model projections regarding losses have actually materialised. At a confidence level of 99%, the actual loss on a given day should exceed the VaR estimate statistically only two to three times a year (1% of around 250 workdays).

The VaR calculation for banking book positions (BB-VaR) is based on the methodology used for ICAAP calculation of Erste Group where 250.000 historical scenarios (starting with 2010) are calculated with a theoretical holding period of 1 year and a confidence level of 99.90%. The same calculation is used for the BB-VaR with a 1 day holding period and a 99% confidence level, consistent with the trading book methodology. The results of both calculations, ICAAP and BB-VaR are presented in the Group ALCO to the Management Board.

A known limitation of the VaR approach is that on the one hand, it estimates losses only up to the confidence level and on the other hand, the model considers only those market scenarios observed within the look-back period to calculate the VaR for the current position of the bank. To address this limitation and to investigate any extreme market situations not reflected in the VaR approach, stress tests are conducted at Erste Group. These stress tests are designed to cover market movements of low probability and high impact.

The stress tests are carried out according to several methods: for the trading book, a stressed VaR (SVaR) is derived from the normal VaR calculation. Instead of simulating only over the two most recent years, an analysis of a much longer period is carried out to identify a one-year period that constitutes a relevant period of stress for the current portfolio mix. According to the regulatory framework, that one-year stressed period is used to calculate a VaR with a 99% confidence level. This enables Erste Group to hold sufficient own funds available for the trading book even in periods of elevated market volatility, while also enabling it to incorporate these resulting effects into the management of trading positions.

Standard scenarios are also defined, in which selected market risk factors are subject to extreme movements. Such scenarios are calculated at Erste Group for interest rates, stock prices, exchange rates and volatilities. Historic scenarios are a modification of the concept of standard scenarios. In this case, risk factor movements modelled after certain crisis events such as ‘Covid-19 crisis’ or ‘Lehman bankruptcy’ form the basis of the stress calculation. In addition, hypothetical stress test scenarios are defined based on analysis of the current economic environment and projections of adverse developments of key market risk drivers. These analyses are made available to the Market Risk Committee within the scope of the regular market risk reporting. Banking book positions are considered in the comprehensive stress test.

METHODS AND INSTRUMENTS OF RISK MITIGATION

At Erste Group, market risks are controlled in the trading book by setting several layers of limits. The overall limit based on risk-weighted assets (RWAs) for the trading book is allocated by the Management Board in the Risk Appetite Statement while considering the risk-bearing capacity and projected earnings. A further breakdown in VaR, SVaR and sensitivity limits is done by the Market Risk Committee on the basis of a proposal from the Trading Book Risk Management unit.

All market risk activities of the trading book are assigned risk limits which are entirely consistent with the overall RWA limit. The RWA limit is broken down into dedicated VaR and SVaR limits and assigned in a top-down procedure to the individual trading units. Additionally, in a bottom-up procedure, sensitivity limits are assigned on trading desk level to control exposures to individual risk drivers and ensure sufficient diversification. These are then aggregated and applied as a second-limit layer to the VaR and SVaR limits.

Limit compliance is verified at two levels: by the appropriate local risk management unit and by the Trading Book Risk Management unit. The monitoring of sensitivity limits is performed on both intraday and end-of-day basis. On demand, limit reports can also be triggered by the trading units or risk management on an ad-hoc basis.

Trading book VaR and SVaR are calculated daily at group level and reported to all key stakeholders including the relevant board members. In case of a limit breach, the escalation procedure ensures the timely remediation of the limit breach.

In the Banking Book, limits are implemented top-down from Group to individual entity covering change in economic value and in net interest income as well as limits on market risk Pillar 2 RWA. Limit monitoring is done by respective local risk management and Group Banking Book Risk Management. A dedicated escalation procedure is in place in case of limit breaches.

ANALYSIS OF MARKET RISK

The following tables show the VaR amounts at the 99% confidence level using equally weighted market data and with a holding period of one day. The figures do not cover exposures which are accounted for in the standardized approach (e.g., FX risks in the banking book, specific position risk):

Value at Risk of banking book and trading book

in EUR thousand	Total	Interest	Credit spread	Currency	Shares	Commodity	Volatility
Dec 25							
Erste Group	**93,713**	**88,697**	**55,462**	**803**	**1,249**	**333**	**594**
Banking book	91,015	86,411	55,462	-	-	-	-
Trading book	2,698	2,285	-	803	1,249	333	594
Dec 24							
Erste Group	**118,670**	**119,568**	**18,646**	**731**	**1,060**	**197**	**648**
Banking book	114,849	116,212	18,646	-	-	-	-
Trading book	3,821	3,356	-	731	1,060	197	648

As of year-end 2025 the number of VaR backtesting outliers is one in the trading book and hence the regulatory multiplier has a value of 3.0. This is marginally higher compared to the zero outliers at year-end 2024. The outlier was caused by major market movements across all asset classes in response to worse than expected employment data in the US in the context of trade tariff tensions. The postponed implementation of the new regulatory framework for market risk under the CRR3 to 2027 means that the internal model will be used also in 2026. VaR figure for Banking Book decreased due to lower duration investments on asset side and higher inflow of demand deposits. For year end 2025 methodological changes were performed. Scope of bonds subject to credit spread risk has been extended from fair value bond portfolio to also including amortised cost bond portfolio (closing of SREP finding) and treatment of margins in cashflows was aligned with the methodology for the Supervisory Outlier Test from Economic Value Perspective (carve out of margins).

Interest rate risk in the banking book (IRRBB)

Interest rate risk is the current and prospective risk of a negative impact to the institution's economic value of equity, or to the institution's net interest income, taking market value changes into account as appropriate, which arise from adverse movements in interest rates affecting interest rate sensitive instruments, including gap risk, basis risk and option risk.

To identify interest rate risk, all financial instruments, including off-balance instruments are used to calculate the impact of certain interest rate scenarios on their economic value and their net interest income. Limits and thresholds are implemented for both aspects of the IRRBB, the change in economic value as well as the change in net interest income. Positions without contractually defined maturity or repricing structures, such as demand deposits or overdrafts are modelled accordingly. For positions where the customer has the right to prepay his debt prepayment models are applied.

During 2025 Erste Group has updated its behavioural models according to the internal Model Risk Management Policy and regulatory expectations. Among others, this update comprises enlargement of model coverage and extension of data histories, reflecting the recent developments of interest rates.

For internal risk calculations and for the regulatory interest rate risk measures, the maximum downward shock is floored according to the Article 4 (k) of the EBA Regulatory Technical Standard on the supervisory outlier tests (EBA/RTS/2022/10) and the Article 3 (7) of the Commission Delegated Regulation (EU) 2024/856. With increasing yield curves, especially in EUR, USD and CZK, these embedded floors have become less relevant.

Exchange rate risk

Risk from open foreign exchange positions is the risk related to exchange rates that derives from the mismatch between assets and liabilities, or from currency-related financial derivatives. In the trading book, these risks might originate from customer-related or trading operations and are monitored and managed daily. Foreign currency exposure is subject to regulatory and internal limits. The internal limits for the trading book are set by the Market Risk Committee.

Erste Group separately measures and manages other types of risks relating to the Group's balance sheet and earnings structure. The translation risk related to the valuation of the balance sheet items, earnings, dividends and participations/net investments in local currency or foreign exchange has an impact on consolidated earnings and consolidated capital. Erste Group also reduces the negative impact related to volatility of foreign exchange rates on asset performance (for example because of foreign exchange lending in the CEE countries that was stopped for clients not having sufficient regular income in the respective loan currency).

In order to manage its multi-currency earnings structure, Erste Group regularly discusses hedging opportunities and takes decisions in the Group Asset Liability Committee (ALCO). Balance Sheet Management (BSM) uses as the usual source of information the current financial results and the financial budget prepared for the upcoming period to obtain as much information as possible on the future foreign currency cash flows. The proposal, which mainly includes the volume, hedging level, hedge ratio and timeline of the hedging, is submitted by BSM to ALCO. The impact of translation on consolidated capital is monitored and

reported to ALCO. The ALCO decisions are then executed by BSM and the implementation status is reported on a monthly basis to ALCO.

The following table shows the largest open foreign currency positions of Erste Group. The inclusion of structural FX positions in the table below is in line with the EBA guideline on the treatment of structural FX (EBA/GL/2020/09) which requires banks to calculate own funds for FX positions resulting from participations in foreign subsidiaries. The inclusion of structural FX positions leads to overall significantly higher open positions in the core market currencies. In 2025 ALCO approved partial hedging of the structural FX positions in CZK and HUF. The hedges are executed using a combination of derivatives and spot positions and are recorded as net investment hedges.

Open foreign currency positions

in EUR thousand	Open Position
Dec 25	
RON	1,763,722
CZK	825,137
RSD	533,618
HUF	404,604
MKD	323,630
BAM	255,484
PLN	17,053
CHF	13,434
USD	8,593
CNH	6,472

Dec 24	
CZK	2,431,289
RON	1,659,256
HUF	768,588
RSD	495,111
MKD	294,404
BAM	226,908
GBP	82,203
CHF	33,372
PLN	25,795
TRY	8,541

Credit spread risk

Credit spread risk is the risk driven by changes in the market perception about the price of credit risk, liquidity premium and potentially other components of credit-risky instruments. Erste Group is exposed to credit spread risk with respect to its securities portfolio, both in the trading as well as in the banking book.

For the trading book, credit spread risk for government bonds is part of the general market risk covered by VaR and SVaR. Corporate bonds are allocated to benchmark spread curves depending on sector, rating and currency as part of the general risk covered by VaR and SVaR. The issuer specific risk is covered by the standardised approach for Pillar 1 of regulatory capital requirements. For the issuer specific risk of the trading book in Pillar 2, the spread risk is broken down into a systematic and a residual part risk and report-ed on an aggregated level.

Quantifying the credit spread risk of the securities in the banking book is based on a historical simulation. The maximum (hypothetical) drawdown that can be attributed to credit related risk factors over a one-year horizon is calculated. It is based on credit spread sensitivities (CR01) and the risk factors used are mainly z-spreads for sovereigns and corporate benchmark bond spreads for financials and corporates. The portfolio included into the calculation comprises all bonds on the asset and liability side. The resulting amount is used as part of the ICAAP calculations to determine the Pillar 2 capital consumption of the banking book portfolio.

For banking book positions, the impacts of changes in credit spreads on the economic value and net interest income are additionally assessed through rating-dependent widening and narrowing shock scenarios derived from historical data.

Hedging

Banking book market risk management consists of optimising Erste Group's risk position by finding the proper trade-off between the economic value of the balance sheet and forecasted earnings. ALM is responsible for the interest rate and FX risk management

of the banking book and respective hedging actions. ALCO is informed by BSM on a regular basis about the interest rate risk of the banking book and required approvals (e.g., for strategic positions, the BSM strategy, investments, etc.) by the members of the ALCO.

To achieve the goals of risk management, hedging activities focus on the two main control variables: net interest income and market value of equity risk. In a broader sense, hedging refers to an economic activity that mitigates risk but does not necessarily qualify for hedge accounting under IFRS rules. IFRS hedge accounting is applied, if possible, to avoid accounting mismatches due to hedging activity. Within the scope of IFRS-compliant hedge accounting, fair value hedges, cash flow and net investment hedges are used. In addition, the fair value option is used for hedging the market risk from the economic perspective. Most of the hedging within Erste Group concerns hedging of interest rate risk. The remainder is hedging of foreign exchange rate risk using net investment hedges.

45. Liquidity risk

LIQUIDITY STRATEGY

In 2025, customer deposits remained the primary source of funding for Erste Group. The growth in loan volume was financed by inflows of customer deposits and issued securities.

With regards its own issuance, Erste Group Bank AG issued EUR 5.2 billion in bonds in 2025 (2024: EUR 4.5 billion). EUR 2.1 billion (2024: EUR 1.4 billion) was collected by issuing senior preferred bonds, of which EUR 1.5 billion (2024: EUR 750 million) was printed via 2 benchmark sized transactions. Mortgage bonds issued in amount of EUR 2.2 billion (2024: EUR 2.2 billion), whereby Tier 2 subordinated debt issuance amounted to EUR 860 million (2024: EUR 990 million). There were no repurchases in 2025 (2024: EUR 9.2 million). The average tenor of all new issues in 2025 is approximately 6.8 years (2024: 7.2 years).

LIQUIDITY METRICS AND REPORTS

The liquidity risk in Erste Group is defined in line with the principles set out by the Basel Committee on Banking Supervision as well as the European and Austrian regulations Regulation (EU) No 575/2013 (CRR), Regulation (EU) 2015/61 and the Council and the 'Kreditinstitute-Risikomanagement-Verordnung - KI-RMV' in their current versions. Accordingly, a distinction is made between market liquidity risk, which is the risk that the group entities cannot easily offset or close a position at the market price because of inadequate market depth or market disruption and funding liquidity risk, which is the risk that the banks in the group will not be able to meet efficiently both expected and unexpected current and future cash flow and collateral needs without affecting either daily operations or the financial condition of the group members.

Funding liquidity risk is further divided into insolvency risk and structural liquidity risk. The former is the short-term risk that current or future payment obligations cannot be met in full and on time in an economically justified manner, while structural liquidity risk is the long-term risk of losses due to a change in the Group's own refinancing cost or spread.

The regulatory liquidity ratios LCR and NSFR are well implemented in Erste Group which uses the above-mentioned technical environment to calculate the LCR according to Regulation (EU) No 2015/61 as well as the NSFR according to the Regulation (EU) No 575/2013 in their currently valid versions.

Erste Group calculates LCR daily on solo and group level and reports it monthly to the authorities. Furthermore, the LCR is part of the internal Risk Appetite Statement (RAS). LCR limits are defined in the RAS targeting to be well above the regulatory requirement of 100%. Legal lending limits exist in all CEE countries where Erste Group is represented. As they restrict liquidity flows between Erste Group's subsidiaries in different countries they are considered for the assessment of liquidity risk in the survival period model as well as in the calculation of the LCR at group level.

The NSFR is calculated monthly on solo and group level and is reported on a quarterly basis to the authorities. Same as the LCR, the NSFR is part of the internal RAS and limits are defined in the RAS targeting to be well above the regulatory requirement of 100%.

Short-term insolvency risk is monitored by calculating the survival period analysis (SPA) on both entity and group levels. This analysis determines the maximum period during which the entity can survive a set of defined scenarios, including a severe combined market and idiosyncratic crisis while relying on its pool of liquid assets. The monitored worst-case scenario simulates very limited money market and capital market access and at the same time significant client deposit outflows. Furthermore, the simulation assumes increased drawdown on guarantees and loan commitments dependent on the type of customer, as well as the

potential out-flows from collateralised derivative transactions estimating the effect of collateral outflows in the case of adverse market movements. The SPA is covering a stress horizon of up to 12 months. It is calculated monthly at entity and group level. Structural liquidity is monitored with the internal Structural Liquidity Ratio (STRL), depicting the going concern maturity mismatches of the subsidiaries and the group. The STRL is calculated monthly both on solo entity level and on group level.

All above mentioned reports (LCR, NSFR, SPA and STRL) are reported to the Operational Liquidity Committee (OLC) as well as to the Management Board during the Group ALCO.

Additionally, concentration risks in the funding structure and 'Counterbalancing Capacity' (CBC) are regularly monitored and reported to the regulator. Erste Group's funds transfer pricing (FTP) system has also proven to be an efficient tool for structural liquidity risk management.

METHODS AND INSTRUMENTS OF RISK MITIGATION

Apart from the reporting of liquidity metrics to the OLC and the Group ALCO, another important instrument for managing the liquidity risk within Erste Group and in relation to its subsidiaries is the FTP system. Important information for liquidity management can be obtained by the process of planning funding needs. Therefore, a detailed overview of funding needs is prepared on a quarterly basis for the planning horizon across Erste Group.
The Comprehensive Contingency Plan of the Erste Group ensures the necessary coordination of all parties involved in the liquidity management process in case of crisis and is reviewed on a regular basis. The contingency plans of the subsidiaries are coordinated as part of the plan for Erste Group.

ANALYSIS OF LIQUIDITY RISK

In Erste Group, the liquidity risk is analysed by the following methods.

Liquidity coverage ratio. Erste Group uses the regulatory LCR for internal monitoring and steering of the liquidity position. To keep the LCR according LCR DA above both limits, the regulatory limit and the internal limit, Erste Group closely monitors its short-term liquidity inflows and outflows as well as its available counterbalancing capacity (CBC).

Erste Group has continued to actively increase their liquidity buffer resulting in a higher LCR ratio in comparison to previous year. Increase is mainly due to the increase of Level 1 central government assets and higher volume of excess minimum reserve. Thus, Erste Group is having a more than comfortable buffer well above internal and external limits. Following the closure of findings from the 2024 liquidity inspection, parts of the LCR methodology have been adjusted accordingly. This adjustment has resulted in a slight downward impact, effective from August 2025.

Liquidity coverage ratio

in EUR million	Dec 24	Dec 25
Liquidity buffer	79,810	90,532
Net liquidity outflow	52,642	55,588
Liquidity coverage ratio	151.6%	162.9%

Structural liquidity gaps. The long-term liquidity position is managed using structural liquidity gaps based on contractual and partially behavioural cash flows of all liquidity relevant components of the balance sheet (on-balance and off-balance). This liquidity position is calculated for each material currency.

Cash flows are broken down by contractual maturities in accordance with the amortisation schedule and arranged in maturity ranges. All customer products without contractual maturities (such as demand deposits and overdrafts) are included according to a going concern maturity profile using model based on statistically observed client behaviour. The increased liquidity buffer also has a positive impact on the first year time band of the structural liquidity gap.

Structural liquidity gap

	0-12 months		1-3 years		3-5 years		> 5 years	
in EUR million	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25
Liquidity gap	24,319	32,057	3,113	-2,579	4,103	3,050	-36,159	-40,115

An excess of assets over liabilities is indicated by a positive value, while an excess of liabilities over assets is indicated by a negative value. The cash inflows from liquid securities amounting to EUR 67 billion (2024: EUR 64 billion), which are accepted as collateral by the central banks to which Erste Group has access, are considered in the first-time bucket rather than considering them at their contractual maturity.

Counterbalancing capacity. Erste Group regularly monitors its counterbalancing capacity, which consists of cash, excess minimum reserves at the central banks as well as unencumbered central bank eligible assets and other liquid securities, including impacts from repos, reverse repos and securities lending transactions. These assets can be mobilised in the short term to offset potential cash out-flows in a crisis situation.

Term structure of counterbalancing capacity

in EUR million	< 1 month	1-12 months	1-5 years	> 5 years
Dec 25				
Cash, excess reserve	22,139	0	0	0
Liquid assets	62,236	-10,489	-30,509	-21,238
Other central bank eligible assets	16,145	1,283	-9,769	-7,659
Thereof retained covered bonds	12,522	1,165	-10,178	-3,510
Thereof credit claims	3,880	0	0	-3,880
Counterbalancing capacity	**100,520**	**-9,206**	**-40,278**	**-28,897**
Dec 24				
Cash, excess reserve	19,927	0	0	0
Liquid assets	57,497	-8,783	-28,657	-20,057
Other central bank eligible assets	14,872	691	-11,525	-4,038
Thereof retained covered bonds	9,877	1,403	-10,418	-862
Thereof credit claims	4,319	0	0	-4,319
Counterbalancing capacity	**92,296**	**-8,092**	**-40,182**	**-24,095**

The figures above show the total amount of potential liquidity available for the group in a going concern situation considering the applicable central bank haircuts. In a crisis situation, adverse market movements can decrease this amount. The initial counterbalancing capacity available at group level is reduced by additional stressed haircuts. Negative figures are maturing positions of the counterbalancing capacity. Positive figures after first time bucket are positions not immediately available as counterbalancing capacity.

The growth in counterbalancing capacity is primarily driven by higher volumes of highly liquid Level 1 assets, increased excess minimum reserves, and a higher amount of issued retained covered bonds. Consequently, counterbalancing capacity volume even further increased at an already high level, ensuring a comfortable liquidity buffer for Erste Group.

Financial liabilities. The table below shows the undiscounted principal cash flows for all financial liabilities and it contains interest cash flows.

Financial liabilities

in EUR million	Carrying amounts	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years
Dec 25						
Non-derivative liabilities	**324,781**	**340,028**	**252,380**	**17,425**	**44,630**	**25,593**
Deposits by banks	16,919	23,375	8,561	2,821	8,070	3,923
Customer deposits	252,991	255,050	239,106	7,805	6,256	1,883
Debt securities in issue	49,358	55,267	4,516	6,495	28,757	15,499
Subordinated liabilities	5,514	6,337	197	305	1,547	4,288
Derivative liabilities	**1,262**	**4,002**	**606**	**664**	**2,566**	**167**
Derivatives liabilities with netted Cash Flows	-	3,486	572	422	2,353	138
Derivatives liabilities with gross Cash Flow (net)	-	517	33	242	213	28
Outflows	-	68,048	53,184	8,666	4,960	1,237
Inflows	-	-67,531	-53,151	-8,424	-4,747	-1,209
Contingent liabilities	**-**	**79,557**	**79,557**	**-**	**-**	**-**
Financial guarantees	-	7,766	7,766	-	-	-
Commitments	-	71,792	71,792	-	-	-
Other financial liabilities	**2,564**	**2,564**	**2,564**	**-**	**-**	**-**
Total	**328,608**	**426,152**	**335,107**	**18,089**	**47,196**	**25,759**
Dec 24						
Non-derivative liabilities	**314,801**	**326,531**	**246,509**	**17,033**	**41,005**	**21,984**
Deposits by banks	21,261	24,272	11,833	2,600	6,203	3,636
Customer deposits	241,651	244,305	227,856	9,992	5,051	1,406
Debt securities in issue	46,494	51,779	6,650	4,014	28,144	12,970
Subordinated liabilities	5,395	6,175	169	427	1,608	3,971
Derivative liabilities	**1,343**	**3,804**	**327**	**687**	**2,581**	**208**
Derivatives liabilities with netted Cash Flows	-	2,981	121	523	2,171	166
Derivatives liabilities with gross Cash Flow (net)	-	822	206	164	410	42
Outflows	-	52,221	36,478	5,743	8,809	1,192
Inflows	-	-51,399	-36,271	-5,579	-8,399	-1,150
Contingent liabilities	**-**	**73,137**	**73,137**	**-**	**-**	**-**
Financial guarantees	-	7,431	7,431	-	-	-
Commitments	-	65,706	65,706	-	-	-
Other financial liabilities	**1,484**	**1,484**	**1,484**	**-**	**-**	**-**
Total	**317,628**	**404,956**	**321,458**	**17,719**	**43,587**	**22,192**

As of year-end 2025, the currency composition of the non-derivative liabilities consisted of approximately 71% EUR, 18% CZK, 4% RON, 3% USD and 4% in other currencies (2024: 71% EUR, 18% CZK, 4% RON, 3% USD and 4% in other currencies).

Besides the contingent liabilities from unused credit lines and guarantees, material potential cash outflow is calculated from the collateralised derivative transactions for the stress testing, following a historical lookback approach, which amounted to EUR 1 billion (2024: EUR 1 billion) in the severe combined idiosyncratic and market crisis scenario as of 31 December 2025.

As of 31 December 2025, the volume of customer deposits due on demand amounted to EUR 185 billion (2024: EUR 171 billion). According to customer segments, the customer demand deposits are composed as follows: 65% private individuals, 19% small and medium-sized enterprises, 8% large corporates, 5% public sector and 3% non-banking financial institutions (2024: 65% private individuals, 19% small and medium-sized enterprises, 8% large corporates, 5% public sector and 3% non-banking financial institutions).

46. Operational risk

Pursuant to point (52) of Article 4(1) of regulation (EU) No 575/2013 (CRR), Erste Group defines operational risk (OpRisk) as risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including, but not limited to, legal risk, model risk or information and communication technology (ICT) risk, but excluding strategic and reputational risk. Non-Financial Risks (NFR) comprise both operational and reputational risks. Erste Group's operational risk appetite sets the limits and escalation levels in line with the group risk strategy for risk-taking as a consequence of doing business. The OpRisk Framework

is a modular, interrelated and comprehensive approach integrated into the banks and the group's steering and risk management system. It is designed to fulfil internal risk management and external regulatory requirements.

ORGANISATION AND GOVERNANCE

The roles and responsibilities for OpRisk management is defined by the 'Three Lines of Defence' model. The day-to-day management of operational risk is the primary responsibility of Business Line Management (BLM). BLM is responsible for identifying, assessing and managing the risks residual in the products, activities, processes and systems on an ongoing basis by using operational risk management instruments. Operational and Non-Financial Risk independently oversees the Group-wide management of operational risks, identifies and reports risks on the Group-level. The NFR function defines the NFR framework, promotes a consistent application across the group and maintains the operational risk capital requirement calculation under Standardised Measurement Approach .

Regional Operational Conduct Committee (ROCC) decides on strategic steering topics based on NFR reporting, serves as a sounding board for risk decisions concerning non-financial risks , environmental, social and governance impacts and decides on escalations to the Holding Board of Erste Group. Further on, it acts as Reputational Risk, Operational Resilience and ESG Committee.

NON-FINANCIAL RISK FRAMEWORK AND MEASUREMENT

OpRisk framework consists of various elements. Risk identification takes place through the collection of internal loss data and Key Risk Indicators (KRI) to measure the risk level changes. Risk indicators are reviewed periodically to ensure early detection of risk potentials to cause losses. The risk identification process includes an on-going mechanism to identify new sub-risk types, risk drivers and emerging risks. Risk evaluation is an ongoing process in which the Business Line Management (BLM) proactively identifies and analyses relevant non-financial risks and assesses the effectiveness of the controls to mitigate those risks, both for the run and change the bank processes (e.g., new product approval, third-party service providers). BLM evaluates the risks in line with the risk appetite and reports the residual risks to senior management or Risk Committees for risk response. The acceptance level of NFR is managed by using the Group Operational Risk Scaling Matrix which is setting the limits of the residual operational risk tolerated by Erste Group. Risk monitoring via corrective measures is performed on a regular basis. Regular risk reporting provides detailed information to business and risk management units, senior management and the board of directors, most importantly the quarterly Group Risk Re-port, which informs on recent losses, loss trends, qualitative information derived from Risk Control Self-Assessments, NFR decisions, risk indicators, key ratios and the own funds requirements for operational risk. Small entities implemented internal loss data collection, new product approval and third party risk management instruments following the proportionality principle.

Erste Group measures the capital requirements for operational risk using a non-model-based approach for the calculation of the own funds requirements in line with the Regulation (EU) 575/2013 (CRR3). Under the Standardised Measurement Approach the Business Indicator Component (BIC) is calculated by multiplying the Business Indicator (BI) by a set of regulatory determined marginal coefficients in the applicable BI ranges. The BI is a financial statement proxy of operational risk exposure.

Non-current assets and other investments

47. Property, equipment and investment properties

PROPERTY AND EQUIPMENT

Depreciation of property and equipment is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Depreciation is recognised in the statement of income in the line item 'Depreciation and amortisation' and impairment in the line item 'Other operating result'.

	Useful lives in years
Buildings	30-50
Re-buildings on own and foreign real estates	15-50
Office furniture and equipment	4-10
Passenger cars	4-8
Computer hardware	4-6

Land is not depreciated.

Any impairment losses including their reversals and gain or loss arising on disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) are recognised in the statement of income under the line item 'Other operating result'.

INVESTMENT PROPERTIES

Investment property is property (land and buildings or part of a building or both) held for the purpose of earning rental income or for capital appreciation or both.

Investment property is presented on the balance sheet in the line item 'Investment properties'.

Rental income is recognised in the statement of income in the line item 'Rental income from investment properties and other operating leases'. Depreciation is presented in the statement of income in the line item 'Depreciation and amortisation' using the straight-line method over an estimated useful life. The useful lives of investment properties are in the range of 15-100 years. Any impairment losses, as well as their reversals, are recognised under the line item 'Other operating result'.

IMPAIRMENT

The bank assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. Testing for impairment is done at individual asset level if the asset generates cash inflows that are largely independent of those from other assets. The typical case is investment property. Otherwise, the impairment test is carried out at the level of the cash-generating unit (CGU) to which the asset belongs.

ACQUISITION AND PRODUCTION COSTS

Own property, equipment and investment properties

in EUR million	Land and buildings	Office and plant equipment/other fixed assets	IT assets (hardware)	Movable other property	Property and equipment	Investment properties
Jan 24	**2,481**	**994**	**617**	**312**	**4,405**	**1,987**
Additions	261	84	96	63	504	141
Disposals	-52	-82	-64	-136	-335	-27
Acquisition of subsidiaries	0	1	0	0	1	106
Disposal of subsidiaries	-16	0	-1	0	-17	0
Reclassification	-2	1	1	0	0	0
Assets held for sale	-10	0	-10	0	-20	0
Currency translation	-17	-3	-5	2	-24	-6
Dec 24	**2,645**	**995**	**634**	**240**	**4,514**	**2,199**
Additions	222	96	88	71	478	339
Disposals	-54	-56	-57	-111	-278	-20
Acquisition of subsidiaries	0	0	0	0	0	27
Disposal of subsidiaries	-51	0	0	-7	-58	0
Reclassification	8	-1	3	0	10	-10
Assets held for sale	-16	0	0	0	-16	-178
Currency translation	32	3	7	-1	40	12
Dec 25	**2,786**	**1,036**	**675**	**193**	**4,690**	**2,369**

ACCUMULATED DEPRECIATION

Own property, equipment and investment properties

in EUR million	Land and buildings	Office and plant equipment/other fixed assets	IT assets (hardware)	Movable other property	Property and equipment	Investment properties
Jan 24	**-1,123**	**-655**	**-407**	**-150**	**-2,334**	**-554**
Amortisation and depreciation	-71	-62	-72	-29	-234	-30
Disposals	42	77	62	80	261	11
Acquisition of subsidiaries	0	0	0	0	0	-2
Disposal of subsidiaries	5	0	0	0	5	0
Impairment	-3	-1	0	-4	-7	-1
Reversal of impairment	11	0	0	0	11	1
Reclassification	1	1	0	0	1	-1
Assets held for sale	-70	0	9	0	-61	-68
Currency translation	60	2	3	-3	62	2
Dec 24	**-1,147**	**-637**	**-405**	**-107**	**-2,296**	**-642**
Amortisation and depreciation	-75	-65	-77	-28	-246	-32
Disposals	37	50	55	60	203	11
Acquisition of subsidiaries	0	0	0	0	0	-2
Disposal of subsidiaries	51	0	0	7	58	0
Impairment	-2	-1	0	-1	-4	0
Reversal of impairment	3	0	0	0	3	0
Reclassification	-16	0	0	2	-14	14
Assets held for sale	11	0	0	0	11	85
Currency translation	-14	-2	-4	1	-18	-6
Dec 25	**-1,152**	**-654**	**-432**	**-65**	**-2,302**	**-572**

CARRYING AMOUNTS

Own property, equipment and investment properties

in EUR million	Land and buildings (used by the Group)	Office and plant equipment/other fixed assets	IT assets (hardware)	Movable other property	Property and equipment	Investment properties
Dec 24	1,498	358	229	134	2,218	1,557
Dec 25	1,634	382	243	128	2,387	1,797

Rights of use: property, equipment and investment properties

in EUR million	Land and buildings (used by the Group)	Office and plant equipment/other fixed assets	IT assets (hardware)	Movable other property	Property and equipment	Investment properties
Dec 24	501	3	0	33	537	121
Dec 25	532	3	0	18	553	116

Total carrying amounts

in EUR million	Land and buildings (used by the Group)	Office and plant equipment/other fixed assets	IT assets (hardware)	Movable other property	Property and equipment	Investment properties
Dec 24	1,999	360	229	167	2,754	1,678
Dec 25	2,166	385	243	146	2,941	1,913

For details related to right of use assets capitalized in balance sheet arising from leases where Erste Group is lessee, please see *Note 51 Leases where the Group is a lessee*.

The carrying amount of investment properties include properties subject to operating leases in the amount of EUR 1,812 million (2024: EUR 1,179 million). Investment properties with a carrying amount of EUR 790 million (2024: EUR 741 million) are pledged as collaterals. Investment properties with a carrying amount of EUR 969 million (2024: EUR 761 million) are subject to the Austrian Non-Profit Housing Act (Wohnungsgemeinnützigkeitsgesetz) and hence are subject to the specific rules in respect of sale and use of these properties. The carrying amount of property and equipment includes properties subject to operating leases in the amount of EUR 155 million (2024: EUR 161 million).

In the reporting period, expenditures in the amount of EUR 232 million (2024: EUR 111 million) are capitalised in the carrying amount of fixed assets and investment properties during their construction. The contractual commitments for purchase of fixed assets are EUR 7 million (2024: EUR 2 million).

In 2025, for land and buildings net impairment gains in the amount of EUR 2 million in Slovakia (2024: EUR 4 million net impairment gain in Czech Republic) were realized. As of 31 December 2025, the recoverable amount of these impaired assets amounted to EUR 16 million (2024: EUR 4 million).

As of 31 December 2025 the fair value of investment properties with a carrying amount of EUR 1,913 million (2024: EUR 1,678 million) amounts to EUR 2,373 million (2024: EUR 2,122 million) and is classified as level 3 of the fair value hierarchy.

The fair values are determined by experts with recognised and relevant professional qualification. Fair values of commercial real estate in Austria and CEE owned by Erste Group through Austrian companies are based on valuation reports relying essentially, but not solely, on observable market inputs (such as selling price per square meter charged in recent market observable transactions for similar assets). For all other property owned by Erste Group through subsidiaries located in CEE countries the valuations are carried out mainly using the comparative and investment methods. Assessment is made on the basis of a comparison and analysis of appropriate comparable investment and rental transactions, together with evidence of demand within the vicinity of the relevant property. The characteristics of such similar transactions are then applied to the asset, taking into account size, location, terms, covenant and other material factors.

48. Intangible assets

Erste Group's intangible assets include goodwill (see *Note 58 Subsidiaries*), computer software, customer relationships and other intangible assets.

Intangible assets with finite lives are amortised over their useful economic lives using the straight-line method. The amortisation expense is recognised in the statement of income under the line item 'Depreciation and amortisation'.

	Useful lives in years
Computer software	4-10
Customer relationships	10-20

IMPAIRMENT OF INTANGIBLE ASSETS INCLUDING GOODWILL

It is typical of intangible assets that they do not generate cash inflows that are largely independent of those from other assets. As a result, the impairment test is carried out at the level of the cash-generating unit (CGU) to which the asset belongs. For CGUs to which goodwill has been allocated the impairment test is carried out annually in November, or whenever there is an indication of possible impairment during the year.

For CGUs at Erste Group the recoverable amount for determining the potential impairment loss is typically based on value in use which is the present value of the future cash flows expected to be derived from the CGU. The calculation starts with estimation of future earnings distributable to shareholders. In this respect financial plans for the CGUs as agreed by the management while taking into account the fulfilment of the respective regulatory capital requirements are used. The planning period is five years. Any forecasted earnings beyond the planning period are derived on the basis of the last year of the planning period and a long-term growth rate. The present value of such perpetual earnings growing at a stable rate (referred to as terminal value) takes into consideration macroeconomic parameters and economically sustainable cash flows for each CGU.

The cash flows are determined by subtracting the annual capital requirement generated by a change in the amount of risk-weighted assets from the estimated future earnings. The capital requirement was defined through the target tier 1 ratio in light of the expected future minimum regulatory capital requirements.

The discount rates reflect risks specific to the CGU and have been determined based on the capital asset pricing model (CAPM). According to the CAPM, the discount rate comprises a risk-free interest rate together with a market risk premium that itself is multiplied by a factor that represents the systematic market risk (beta factor). Furthermore, a country-risk premium component is considered in calculation of the discount rate. The values used to establish the discount rates are determined using external sources of information.

When the recoverable amount of a CGU is less than its carrying amount, the difference is recognised as an impairment loss in the statement of income under the line item 'Other operating result'.

The analysis on the recoverability of non-financial assets is explained in section 'Material accounting policies' in the chapter '*Material accounting judgements, assumptions and estimates*'.

Acquisition and production costs

in EUR million	Goodwill	Customer relationships	Software acquired	Self-constructed software within the Group	Others (licenses, patents, etc.)	Total
Jan 24	**663**	**158**	**1,908**	**632**	**341**	**3,701**
Additions	0	0	155	25	5	185
Disposals	0	0	-64	-19	-24	-108
Acquisition of subsidiaries	66	30	0	0	2	98
Disposal of subsidiaries	0	0	0	0	0	0
Reclassification	0	0	10	-9	-1	0
Assets held for sale	0	0	-1	0	-12	-12
Currency translation	-1	-2	-32	0	-1	-36
Dec 24	**727**	**186**	**1,976**	**629**	**309**	**3,827**
Additions	12	10	152	27	13	215
Disposals	0	-1	-281	-19	-13	-313
Acquisition of subsidiaries	0	0	0	0	0	0
Disposal of subsidiaries	0	0	0	0	0	0
Reclassification	0	0	-3	-6	8	-1
Assets held for sale	0	0	0	0	0	0
Exchange-rate changes	1	2	45	-1	1	47
Dec 25	**740**	**196**	**1,889**	**631**	**319**	**3,775**

Accumulated depreciation

in EUR million	Goodwill	Customer relationships	Software acquired	Self-constructed software within the Group	Others (licenses, patents, etc.)	Total
Jan 24	**-118**	**-138**	**-1,368**	**-467**	**-297**	**-2,388**
Amortisation and depreciation	0	-4	-107	-59	-13	-183
Disposals	0	0	59	19	24	103
Acquisition of subsidiaries	-1	0	0	0	-2	-4
Disposal of subsidiaries	0	0	0	0	0	0
Impairment	0	0	-9	0	0	-10
Reversal of impairment	0	0	0	0	0	0
Reclassification	0	0	-5	0	5	0
Assets held for sale	0	0	1	0	11	12
Currency translation	1	2	22	0	1	25
Dec 24	**-119**	**-140**	**-1,408**	**-507**	**-271**	**-2,445**
Amortisation and depreciation	0	-7	-116	-47	-12	-182
Disposals	0	1	279	19	13	312
Acquisition of subsidiaries	0	0	0	0	0	0
Disposal of subsidiaries	0	0	0	0	0	0
Impairment	0	0	-12	0	-1	-13
Reversal of impairment	0	0	0	0	0	0
Reclassification	0	0	-1	1	0	0
Assets held for sale	0	0	0	0	0	0
Currency translation	-1	-2	-31	1	-1	-34
Dec 25	**-119**	**-149**	**-1,288**	**-534**	**-272**	**-2,362**

Carrying amounts

in EUR million	Goodwill	Customer relationships	Software acquired	Self-constructed software within the Group	Others (licenses, patents, etc.)	Total
Dec 24	**609**	**45**	**568**	**122**	**38**	**1,382**
Dec 25	**621**	**48**	**600**	**97**	**47**	**1,413**

The contractual commitments for the purchase of intangible assets amounted to EUR 0 million (2024: EUR 2 million). As of 31 December 2025 the customer relationship Ringturm Kapitalanlagegesellschaft m.b.H. amounted to EUR 11 million (2024: EUR 16 million). The remaining amortization period of the customer relationship in Ringturm Kapitalanlagegesellschaft m.b.H. was 2.8 years. In addition, a customer relationship of InterCapital Asset Management d.o.o. in the amount of EUR 10 million was

recognised in 2025. Amortization is spread on average over the next 9 years for 2 customer segments. In October 2025 InterCapital Asset Management d.o.o. was merged into company Erste Asset Management d.o.o.

GOODWILL

The addition to goodwill includes EUR 12 million from the acquisition of InterCapital Asset Management d.o.o. (in October 2025 InterCapital Asset Management d.o.o. was merged into company Erste Asset Management d.o.o.).

The goodwill of Česká spořitelna a.s. ('CSAS') was tested for objective evidence of impairment on a quarterly basis during 2025. The annual goodwill impairment test was performed as of 31 October 2025. With regards to the ongoing planning uncertainty caused by the unpredictable economic environment due to several global conflicts (Israel, Ukraine), Erste Group derived an additional planning scenario for the impairment test. In addition to the base case scenario, which was weighted as the most likely scenario with 75% probability, a downside scenario with 25% probability weighting was also defined. The recoverable amount was higher than the carrying amount, thus no impairment was required.

Carrying amount and material parameters used for the impairment test per subsidiary (CGU) for significant goodwills

	CSAS
Carrying amount of goodwill as of 1 January 2025 (in EUR million)	544
Effect of exchange rate changes for the year 2025 (in EUR million)	0
Basis upon which recoverable amount has been determined	Value in Use (discounted cash flow model based)
Key interest input parameters into the discounted cash flow model	Risk Free Rate, Terminal Growth Rate, ß Factor, Market Risk Premium
Description of approach to determining value assigned to risk free rate	Risk Free Rate has been set at 3.25% p.a. throughout relevant Group's CGUs on relevant financial statistics published by Deutsche Bundesbank as at the reference date 31. October 2025.
Description of approach to determining values assigned to terminal growth rate	For non-Austrian (CEE) CGUs: Terminal Growth Rate has been equated to 3% representing the recommended cap level for the Terminal Growth Rate, as per the report ESMA/2013/2 'European Enforcers Review of Impairment of Goodwill and Other Intangible Assets in the IFRS Financial Statements' published by the European Securities and Markets Authority (ESMA).
Description of approach to determining values assigned to β factor	Set as the median value of a group of levered ß factors attributable to a sample of 'peer banks' representative of the tested banks (CGUs), as published by Capital IQ as of the reference date 31 October 2025
Description of approach to determining values assigned to market risk premium	Set at 5.98% throughout relevant Group's CGUs based on published evaluations by the Austrian Chamber of Commerce (Kammer der Steuerberater und Wirtschaftsprüfer).
Period of cash flow projection (years)	5 years (2026 - 2030); extrapolation to perpetuity based on Terminal Growth Rate
Discount rate applied to cash flow projections (pre-tax)	14.2%
The value assigned to β Factor	1.26
Amount of goodwill impairment loss recognised in profit or loss for the year 2025 (in EUR million)	0
Post-impairment carrying amount of goodwill as of 31 December 2025 (in EUR million)	544

Carrying amount of goodwill as of 1 January 2024 (in EUR million)	544
Effect of exchange rate changes for the year 2024 (in EUR million)	0
Basis upon which recoverable amount has been determined	Value in Use (discounted cash flow model based)
Key interest input parameters into the discounted cash flow model	Risk Free Rate has been set at 2.60% p.a. throughout relevant Group's CGUs based on relevant financial statistics published by Deutsche Bundesbank as at the reference date 31 October 2024.
Description of approach to determining value assigned to risk free rate	For non-Austrian (CEE) CGUs: Terminal Growth Rate has been equated to 3%, representing the recommended cap level for the Terminal Growth Rate, as per the report ESMA/2013/2 'European Enforcers Review of Impairment of Goodwill and Other Intangible Assets in the IFRS Financial Statements' published by the European Securities and Markets Authority (ESMA).
Description of approach to determining values assigned to terminal growth rate	For non-Austrian (CEE) CGUs: Terminal Growth Rate has been equated to 3%, representing the recommended cap level for the Terminal Growth Rate, as per the report ESMA/2013/2 'European Enforcers Review of Impairment of Goodwill and Other Intangible Assets in the IFRS Financial Statements' published by the European Securities and Markets Authority (ESMA).
Description of approach to determining values assigned to β factor	Set as the median value of a group of levered β factors attributable to a sample of 'peer banks' representative of the tested banks (CGUs), as published by Capital IQ as of the reference date 31 October 2024.
Description of approach to determining values assigned to market risk premium	Set at 6.87% throughout relevant Group's CGUs based on published evaluations by the Austrian Chamber of Commerce (Kammer der Steuerberater und Wirtschaftsprüfer).
Period of cash flow projection (years)	5 years (2025 - 2029); extrapolation to perpetuity based on Terminal Growth Rate
Discount rate applied to cash flow projections (pre-tax)	13.8%
The value assigned to β Factor	1.19
Amount of goodwill impairment loss recognised in profit or loss for the year 2024 (in EUR million)	0
Post-impairment carrying amount of goodwill as of 31 December 2024 (in EUR million)	544

For cash generating units outside the euro-zone, an inflation differential has been considered when determining the discount rates applicable to the related 2026-2030 cash flow projections.

The outcome of the sensitivity analysis shows by how much the key input parameters into the applied discounted cash flow models would need to vary in order to cause the unit's calculated recoverable amount to equal its related carrying amount:

Dec 25	CSAS
Amount by which recoverable amount exceeds/fall short the carrying amount (in EUR million)	4,794
Risk free rate increase/decrease that would cause recoverable amount to equal carrying amount (basis points)	798
Terminal growth rate increase/decrease that would cause recoverable amount to equal carrying amount (basis points)	-6,808
β factor increase/decrease that would cause recoverable amount to equal carrying amount (coefficient value)	1.335
Market risk premium increase/decrease that would cause recoverable amount to equal carrying amount (basis points)	635

Dec 24	
Amount by which recoverable amount exceeds/fall short the carrying amount (in EUR million)	3,916
Risk free rate increase/decrease that would cause recoverable amount to equal carrying amount (basis points)	650
Terminal growth rate increase/decrease that would cause recoverable amount to equal carrying amount (basis points)	-6,033
β factor increase/decrease that would cause recoverable amount to equal carrying amount (coefficient value)	0.945
Market risk premium increase/decrease that would cause recoverable amount to equal carrying amount (basis points)	547

49. Other assets

in EUR million	Dec 24	Dec 25
Prepayments	162	187
Inventories	108	129
Sundry assets	796	985
Other assets	**1,066**	**1,301**

In the line 'Inventories' real estate project developments and repossessed assets (mainly real estate) are disclosed.

The impairment of inventories, shown as expense in the reporting period amounts to EUR 1 million (2024: EUR 5 million). The carrying amount of inventories carried at fair value less costs to sell amounts to EUR 16 million (2024: EUR 25 million). The cost of inventories recognised as expense in the reporting period amounts to EUR 4 million (2024: EUR 3 million).

FIDUCIARY ASSETS

The Group provides trust and other fiduciary services that result in the holding or investing of assets on behalf of its clients. Assets held in a fiduciary capacity are not reported in the financial statements, as they are not the assets of Erste Group.

Leases

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration.

50. Erste Group as a lessor

On the side of the lessor, a distinction is made between finance leases and operating leases. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. In the case of a finance lease, Erste Group reports a receivable from the lessee under the line item 'Finance lease receivables'. The receivable is equal to the present value of the contractually agreed payments taking into account any residual value. Interest income on the receivable is reported in the statement of income in the line item 'Other similar income' under 'Net interest income'.

In the case of operating leases, which are leases other than finance leases, the leased asset is reported in 'Property and equipment' or in 'Investment properties' and is depreciated in accordance with the principles applicable to the assets involved. Lease income is recognised on a straight-line basis over the lease term in the statement of income under the line item 'Rental income from investment properties and other operating leases'.

Erste Group is mitigating the risk associated with any rights it retains in underlying assets. This is achieved especially by means of residual value guarantees, variable lease payments for use in excess of specified limits and buy-back agreements with third parties.

Erste Group (intermediate lessor) accounts for the head lease and the sublease as two separate contracts. The intermediate lessor is required to classify the sublease as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

The vast majority of lease agreements in which Erste Group operates as a lessor are finance leases.

FINANCE LEASES

Erste Group leases both movable property and real estate to other parties under finance lease arrangements. For finance lease receivables included in this item, the reconciliation of the gross investment in leases to the present value of the minimum lease payments is as follows:

in EUR million	Dec 24	Dec 25
Outstanding lease payments	5,789	5,880
Non-guaranteed residual values	165	160
Gross investment	**5,954**	**6,040**
Unrealised financial income	623	667
Net investment	**5,331**	**5,373**
Present value of non-guaranteed residual values	116	112
Present value of outstanding lease payments	**5,215**	**5,261**

Maturity analysis by residual maturities

	Dec 24		Dec 25	
in EUR million	Gross investment	Present value of outstanding lease payments	Gross investment	Present value of outstanding lease payments
< 1 year	1,630	1,438	1,647	1,453
1-2 years	1,266	1,125	1,323	1,176
2-3 years	1,034	932	1,096	985
3-4 years	797	724	829	748
4-5 years	524	472	485	427
> 5 years	702	524	661	472
Total	**5,954**	**5,215**	**6,040**	**5,261**

During 2025, Erste Group recognised interest income on finance lease receivables in the amount of EUR 271 million (2024: EUR 290 million). Gains/losses from derecognition of finance lease receivables are recognised in line item 'Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss' (see *Note 10 Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss*).

Finance lease receivables

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount					Credit loss allowances					
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Carrying amount
Dec 25											
General governments	234	10	0	0	244	-1	-1	0	0	-2	242
Credit institutions	1	0	0	0	1	0	0	0	0	0	1
Other financial corporations	236	4	13	0	253	-1	0	-1	0	-2	252
Non-financial corporations	3,282	596	83	1	3,963	-16	-21	-25	0	-63	3,900
Households	825	68	15	0	908	-5	-2	-6	0	-13	895
Total	**4,579**	**678**	**112**	**1**	**5,369**	**-22**	**-25**	**-32**	**0**	**-79**	**5,290**
Dec 24											
General governments	248	5	0	0	253	-1	-1	0	0	-2	251
Credit institutions	1	0	0	0	1	0	0	0	0	0	1
Other financial corporations	234	4	18	0	255	-1	0	0	0	-1	254
Non-financial corporations	3,123	724	87	1	3,934	-14	-28	-26	0	-68	3,866
Households	800	73	13	0	886	-4	-2	-5	0	-11	875
Total	**4,405**	**806**	**119**	**1**	**5,331**	**-20**	**-31**	**-32**	**0**	**-83**	**5,248**

For information about development of credit loss allowances refer to *Note 39 Development of credit loss allowances*.

OPERATING LEASES

Under operating leases, Erste Group leases both real estate and movable property to other parties.

Maturity analysis of lease payments from operating leases

in EUR million	Dec 24	Dec 25
< 1 year	167	160
1-2 years	151	145
2-3 years	145	143
3-4 years	147	141
4-5 years	149	131
> 5 years	147	378
Total	**905**	**1,098**

During 2025, Erste Group recognised income relating to variable lease payments in the amount of EUR 2 million (2024: EUR 3 million). For information about rental income please refer to *Note 7 Rental income from investment properties and other operating leases*.

51. Leases where the Group is a lessee

Under IFRS 16, Erste Group as a lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The right-of-use asset is depreciated to the earlier of the end of its useful life or the end of the lease term. Erste Group uses the straight-line method of depreciation. The right-of-use assets are presented on the balance sheet as part of 'Property and equipment' or, if they are sub-leased to third parties, for operating leases as part of 'Investment properties' and for finance leases as a 'Finance lease receivable'.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments also include the exercise price under a purchase option and consider lease payments in an optional renewal period if Erste Group is reasonably certain to exercise the options. Extension and termination options are included in a number of real estate leases across Erste Group. The use of extension and termination options gives Erste Group added flexibility in case more suitable premises in terms of costs and/or location are identified or in case it is considered favourable to remain in a location beyond the original lease term.

When determining the present value of lease payment Erste Group typically uses the incremental borrowing rate as the discount rate. For movables it consists of EURIBOR as a base rate, adjusted by a surcharge based on the entity's rating, the amount of funds borrowed, the term of the lease and the collateral provided. The determination of the incremental borrowing rate for property leases is based on two components, the market rate and the single property rate. The market rate considers the lease term, creditworthiness and the base rate EURIBOR and is derived from existing bank data. The single property rate represents a surcharge to the market rate based on the quality of the single property. On the balance sheet the lease liabilities are presented in the line item 'Lease liabilities'.

Erste Group primarily rents real estates such as buildings and land for headquarters, branches and parking lots. In addition, movables such as IT equipment and ATMs are rented for business operations.

Rights of use assets

in EUR million	Land and buildings	Property and equipment
Dec 25		
Carrying amount	532	553
Additions	114	122
Depreciation	-89	-96
Dec 24		
Carrying amount	501	537
Additions	97	116
Depreciation	-91	-97

Maturity analysis of lease liabilities based on undiscounted cash flows

in EUR million	Dec 24	Dec 25
< 1 year	103	115
1-5 years	342	357
> 5 years	362	364
Total	**807**	**836**

During 2025, interest expenses on lease liabilities were recognised in the amount of EUR 14 million (2024: EUR 13 million). In addition, expenses in the amount of EUR 4 million (2024: EUR 4 million) relating to short term leases and expenses amounting to EUR 6 million (2024: EUR 7 million) relating to leases of low value items, for which the recognition exemption of IFRS 16 applies, were recognised. Gains arising from sale and leaseback transactions in the amount of EUR 2 million (2024: EUR 5 million) were recognised. During 2025, income from subleasing right-of-use assets was recognised in the amount of EUR 1 million (2024: EUR 2 million). Total cash outflow for leases in 2025 was EUR 116 million (2024: EUR 111 million).

Accruals, provisions, contingent liabilities and legal proceedings

52. Other liabilities

in EUR million	Dec 24	Dec 25
Deferred income	124	128
Sundry liabilities	2,534	2,577
Other liabilities	**2,658**	**2,706**

Deferred income outstanding at 31 December 2025 includes 'contract liabilities' in accordance with IFRS 15 in amount of EUR 111 million (2024: EUR 110 million). Revenue recognised in the reporting year 2025 that was included in the contract liability balance at the beginning of the period amounts to EUR 80 million (2024: EUR 47 million).

The item 'Sundry liabilities' mainly contains outstanding settlement liabilities as well as other liabilities from employee benefits.

53. Provisions

Provisions are liabilities with uncertain timing or amount. The balance sheet line item 'Provisions' includes:
- provisions for defined employee benefit plans recognised based on requirements of IAS 19
- provisions for expected credit losses from loan commitments and financial guarantees recognised based on requirements of IFRS 9; and
- remaining classes of provisions recognised in accordance with IAS 37 such as provisions or litigation, restructuring, commitments and guarantees not in scope of IFRS 9.

MATERIAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND ESTIMATES

Recognition of provisions requires judgement with respect to whether Erste Group has a present obligation as a result of a past event and whether it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Furthermore, estimates are necessary with respect to the amount and timing of future cash flows when determining the amount of provisions. Further details on provisions for off-balance credit risk exposures are explained in *Note 35 Credit risk exposure* and *39 Development of credit loss allowances*. Legal proceedings that do not meet the criteria for recognition of provisions are described in *Note 54 Contingent liabilities*.

Following classes of provision can be distinguished in the business of Erste Group:

in EUR million	Dec 24	Dec 25
Defined employee benefit plans	746	657
Loan commitments and financial guarantees given in scope of IFRS 9	474	435
Pending legal issues and tax litigation	258	196
Commitments and guarantees given out of scope of IFRS 9	12	6
Other provisions	136	121
Provisions	**1,626**	**1,416**

DEFINED EMPLOYEE BENEFIT PLANS

Defined employee benefit plans operated by Erste Group are for pensions, severance and jubilee benefits. They largely relate to plans operated in Austria which are described below. In addition, there are defined employee benefit plans for foreign subsidiaries in Romania, Croatia, Serbia and Slovakia and the New York branch.

In Austria, the defined benefit pension plans relate largely to retired employees before 2000. The pension obligations for current employees or those who retired after 2000 were transferred to external pension funds.

Employees of Austrian entities who started their employment before 1 January 2003, are entitled to receive a severance payment if their employment is terminated by the employer or if they retire. The amount depends on the number of years of service and the

employee's salary at termination of the employment. For other employees a contribution-based system is provided. The contributions to external employee pension funds are recognised as expenses.

Jubilee provisions are special one-off payments stipulated in the collective agreement which are dependent on remuneration and duration of service. Eligibility is conditioned on a certain minimum duration of the employment.

From IAS 19 categorisation perspective, pension and severance benefits qualify as post-employment defined benefits plans whereas jubilee benefits are other long-term employee benefits.

Obligations ensuing from defined employee benefit plans are determined using the projected unit credit method. The calculation involves actuarial assumptions which are further discussed below.

The liability recognised under a defined benefit plan represents the present value of the defined benefit obligation less the fair value of the plan assets available for the direct settlement of obligations. The resulting defined benefit liability is reported on the balance sheet under the line item 'Provisions'. At Erste Group, the plan assets consist of qualifying insurance policies purchased to back severance and jubilee benefit provisions. Plan assets for pension provision are held by a long-term employee benefit fund.

Remeasurements consist of actuarial gains and losses on the defined benefit obligations and the return on plan assets. Remeasurements of pension and severance defined benefit plans are recognised as accumulated OCI in equity specifically under 'Remeasurement of defined benefit plans' in the statement of changes in equity. The change for the period is reported as OCI in the statement of comprehensive income in the line 'Remeasurement of defined benefit plans'. Remeasurements of jubilee defined benefit plans are recognised in the statement of income under the line item 'Personnel expenses'.

Long-term employee provisions

in EUR million	Pensions	Severance payments	Jubilee benefits	Total
Present value of long-term employee benefit obligations - Dec 21	**720**	**447**	**115**	**1,282**
Present value of long-term employee benefit obligations - Dec 22	**609**	**367**	**98**	**1,074**
Present value of long-term employee benefit obligations - Dec 23	**599**	**375**	**108**	**1,082**
Settlements/curtailments	1	0	0	1
Service cost	1	9	6	17
Interest cost	19	12	3	35
Payments	-61	-32	-6	-99
Exchange rate difference	3	0	0	3
Actuarial gains/losses recognised in OCI	**-9**	**-3**	**0**	**-11**
Actuarial gains/losses recognised in PL	**0**	**0**	**-3**	**-3**
Present value of long-term employee benefit obligations - Dec 24	**553**	**362**	**108**	**1,023**
Obligations covered by plan assets	31	182	62	275
Obligations covered by provisions	521	180	46	748
Less fair value of plan assets	**31**	**182**	**62**	**275**
Provisions - Dec 24	**521**	**180**	**46**	**748**

Present value of long-term employee benefit obligations - Dec 24	**553**	**362**	**108**	**1,023**
Settlements/curtailments	1	0	0	1
Service cost	1	8	6	16
Interest cost	19	13	4	35
Payments	-58	-34	-7	-100
Exchange rate difference	-5	0	0	-5
Actuarial gains/losses recognised in OCI	**-24**	**-17**	**0**	**-41**
Actuarial gains/losses recognised in PL	**0**	**0**	**-11**	**-11**
Present value of long-term employee benefit obligations - Dec 25	**487**	**330**	**100**	**917**
Obligations covered by plan assets	33	171	56	260
Obligations covered by provisions	454	159	44	657
Less fair value of plan assets	**33**	**171**	**56**	**260**
Provisions - Dec 25	**454**	**159**	**44**	**657**

ACTUARIAL ASSUMPTIONS

The cost of the defined benefit pension plan is determined using an actuarial valuation. The actuarial valuation involves making assumptions about interest rates, future pension increases, future salary increases and mortality rates.

For Austrian entities the actuarial calculation of pension obligations is based on the following assumptions:

in %	Dec 24	Dec 25
Interest rate	3.48	3.99
Expected increase in retirement benefits	3.10	3.10

The expected retirement age for each employee was individually calculated on the basis of the changes set out in the Budget Implementation Act of 2003 (Austrian Federal Law Gazette Vol. I No. 71/2003) regarding the increase in the minimum retirement age. The currently applicable legislation on the gradual raising of the retirement age for women to 65 was taken into consideration.

For Austrian entities the actuarial calculation of severance payment and jubilee benefits is based on the following assumptions:

in %	Dec 24	Dec 25
Interest rate	3.48	3.99
Average increase in salary (incl. career trend and collective agreement trend)	4.00	4.00

The interest rate applied for the calculation of the long-term employee provisions is derived from the yield of a portfolio of AA-rated corporate bonds. For this purpose the weighted average yield of the underlying portfolio with a corresponding duration is determined.

For the non-Austrian subsidiaries and branches interest rates between 3.0% (2024: 2.0%) and 6.8% (2024: 6.9%) were used.

Obligations were calculated based on mortality tables entitled 'AVÖ 2018–P – Rechnungsgrundlagen für die Pensionsversicherung' or comparable mortality tables.

The following table presents a sensitivity analysis for each significant actuarial assumptions showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the balance sheet.

	Dec 24			Dec 25		
in EUR million	Pensions	Severance payments	Total	Pensions	Severance payments	Total
Change in discount rate +0.5%	535	345	880	472	316	788
Change in discount rate -0.5%	573	380	953	503	346	849
Change in future salary increases +0.5%	553	380	933	487	346	833
Change in future salary increases -0.5%	553	345	898	487	315	802
Change in future benefit increases +0.5%	584	362	946	513	330	843
Change in future benefit increases -0.5%	523	362	885	462	330	792
Increase in survival rate by approx. 10%	598	362	960	526	330	856

INVESTMENT STRATEGY

Erste Group's severance payments and jubilee payments are partially covered by the fair value of plan assets, while large majority of the defined benefit pension plans are unfunded.

The primary investment strategy of Erste Group is the continuous optimization of plan assets and the effective coverage of existing entitlements. The Group works with professional fund managers for the investment of plan assets. The Investment Fund Act applies as a requirement with respect to specific investment guidelines relating to the investment of plan assets. Additionally, the Investment Committee is responsible for monitoring the mandate guidelines and the investment structure, the supervision, which may arise from regulatory or other legal requirements, as well as the monitoring of demographic changes. It is composed of senior staff in the financial sector and representatives of the S-Versicherung and Erste Asset Management.

Movements in plan assets

in EUR million	Pensions	Severance payments	Jubilee benefits	Total
Fair value of plan assets - Dec 23	**30**	**183**	**60**	**273**
Addition	0	0	0	0
Interest income on plan assets	2	6	2	9
Contributions by the employer	1	12	6	20
Benefits paid	-1	-19	-6	-27
Return on plan assets recognised in OCI	1	6	0	7
Return on plan assets recognised in PL	0	0	0	0
Fair value of plan assets - Dec 24	**31**	**189**	**62**	**283**
Addition	0	0	0	0
Interest income on plan assets	2	6	2	10
Contributions by the employer	1	9	2	13
Benefits paid and other	-5	-19	-8	-32
Return on plan assets recognised in OCI	2	-3	0	-1
Return on plan assets recognised in PL	0	0	0	0
Fair value of plan assets - Dec 25	**33**	**183**	**58**	**274**

In 2026, the expected contributions for the severance and jubilee benefit obligations will amount to EUR 6 million (2025: EUR 6 million). The contributions shown in the table include not only regular contributions but also one-time payments at the end of the year. The total gain on plan assets in 2025 amounted to EUR 9 million (2024: gain EUR 17 million).

Asset allocation in the different asset classes

	Dec 24					Dec 25				
in EUR million	Europe-EMU	Europe-non EMU	USA	Other countries	Total	Europe-EMU	Europe-non EMU	USA	Other countries	Total
Cash and cash equivalents					48					13
Equity instruments	1	1	34	12	49	2	2	40	13	58
Investment-grade bonds										
Government	72	2	0	4	78	34	5	0	5	44
Non-government bonds	19	9	11	10	50	52	20	26	14	112
Non-investment-grade bonds										
Government	0	0	0	6	6	0	0	0	6	6
Non-government bonds	13	5	7	10	35	14	6	5	8	33
Alternatives										
Other	4	3	0	13	19	0	0	0	8	8
Derivatives (market risk)										
Other					0					1
Plan assets					**285**					**274**

In the table above, Investment-grade refers to BBB and above. The plan assets shown in the table above include mainly assets that are quoted and traded on active markets.

For the yearly pension payments of the unfunded defined benefit plans and the unfunded part of severance payments Erste Group generally takes care within its asset-liability management strategy covering the funding plan and interest rate risk position of the Group.

Effects of defined post-employment benefit plans in profit or loss and other long-term employee benefits

in EUR million	Dec 24	Dec 25
Settlements/curtailments	-1	-1
Service cost	-17	-16
Net interest	-26	-25
Total	**-43**	**-41**

Settlements and curtailments as well as service costs are included in the income statement in the line item 'Personnel expenses'. Net interest includes interest expenses for long-term employee benefits as well as the expected return on plan assets. These are disclosed in the income statement in the line item 'Other similar income' and 'Other similar expense' under 'Net interest income'. As of 31 December 2025, the cumulative amount of remeasurement from defined benefit plans, recognised in other comprehensive income amounted to EUR 716 million before tax (2024: EUR 756 million).

IMPACT ON CASH FLOWS

Benefits expected to be paid by the defined benefit plans in each of the respective periods

in EUR million	Pensions	Severance payments	Total
2026	53	16	69
2027	50	15	65
2028	47	16	63
2029	44	18	62
2030	41	20	61
2031-2035	157	146	303

DURATION

Weighted average duration of the defined benefit obligations

in years	Dec 24	Dec 25
Pensions	6.97	6.56
Severance payments	9.89	9.35
Total	8.12	7.69

The weighted average duration is affected by changes in longevity and in the mortality table.

LOAN COMMITMENTS AND FINANCIAL GUARANTEES GIVEN IN SCOPE OF IFRS 9

In the ordinary course of business, Erste Group provides financial guarantees, consisting of various types of letters of credit and guarantees. A financial guarantee is a contract that requires the guarantor to make specified payments to reimburse the holder for a loss it incurs in case a specified debtor fails to make a payment when due in accordance with the original or modified terms of a debt instrument.

For financial guarantees provisions are recognised based on the expected credit loss impairment model if the amount is higher than the unamortised balance of the initial premium.

Loan commitments are firm commitments to provide credit under prespecified terms and conditions. Loan commitments are generally not recognised in the balance sheet before they are drawn. If it is probable that the bank will enter into the loan agreement loan commitment fees received are deferred and adjust the effective interest rate of the loan when the commitment is drawn. Loan commitments result in recognition of provisions based on the expected credit loss impairment model.

Expenses or income related to provisions for loan commitments and financial guarantees are reported in the statement of income under the line item 'Impairment result from financial instruments'.

For information about development of credit loss allowances for provision for financial guarantees and loan commitments refer to *Note 39 Development of credit loss allowances*, part 'Loan commitments and financial guarantees': table '*Movement in credit loss allowances – loan commitments and financial guarantees*'.

PROVISIONS RECOGNISED IN ACCORDANCE WITH IAS 37

Expenses or income related to provisions which are in scope of IAS 37 are reported in the statement of income under the line item 'Other operating result'.

Following table provides the information about the development of the IAS 37 provisions

in EUR million	As of	Allocations	Use	Releases	Unwind of discount	Exchange rate and other changes	As of
	Jan 25						Dec 25
Pending legal issues and tax litigation	258	85	-20	-129	1	1	196
Commitments and guarantees given out of scope of IFRS9	12	6	0	-12	0	0	6
Other provisions	136	6	-8	-14	2	1	121
Provisions	**406**	**97**	**-28**	**-155**	**2**	**2**	**324**

	Jan 24						Dec 24
Pending legal issues and tax litigation	289	32	-15	-44	0	-3	258
Commitments and guarantees given out of scope of IFRS9	24	13	0	-25	0	0	12
Other provisions	71	108	-30	-4	1	-11	136
Provisions	**384**	**154**	**-44**	**-74**	**1**	**-14**	**406**

Under position 'Pending legal issues and tax litigation' provisions related to litigations from lending business, asset management or litigations related to customer protection topics, which normally occur in banking business, are disclosed. In 2025, a partial release of provisions for risks related to Romanian Consumer Protection Claims Act was recognised in the income statement in the amount of EUR 42 million (2024: allocation of EUR 1 million). The total amount of the provision as of 31 December 2025 was EUR 23 million (2024: EUR 66 million).

With respect to the business activities of the Romanian building society subsidiary BCR Banca pentru Locuinte SA (BPL) the recognition of a penalty (in relation to whether state subsidies had been disbursed to building society's clients in accordance with the applicable legal provisions) amounting in total to EUR 78 million was derecognized in autumn 2025 following favorable court ruling. Consequently, no liability will remain recognised at year-end 2025 (2024: EUR 78 million).

In Croatia, the Supreme Court, in a proceeding initiated by a local consumer protection association against several credit institutions ('Collective Case'), among them Erste Bank Croatia ('EBC'), declared in 2015 that Swiss Franc (CHF) clauses in loan agreements with consumers are valid, but contractual provisions permitting unilateral change of the variable interest rates in CHF denominated consumer loans, used by the majority of credit institutions until 2008, are null and void. In 2016, the Croatian Constitutional Court rescinded the part of the Supreme Court of Croatia decision relating to the validity of CHF clauses. After the case had been returned for a retrial with respect to the CHF clause to the court of second instance, such court delivered its decision in 2018, declaring in essence the nullification of the CHF currency clause, holding that collective and individual consumer rights were breached.

In the course of the aforementioned pending Collective Case, EBC was forced to offer a statutory conversion in 2015, allowing clients to convert their CHF denominated loans to EUR denominated loans based on respective conversion agreements. A certain number of CHF denominated loans concluded between 2004 and 2008 are subject of individual court proceedings initiated by clients arguing to be entitled to restitution on the account of partial nullity of their initial loan agreement although the conversion was conducted. A final legal standing on the issue of restitution claims for converted loans is currently under consideration on the level of the Supreme Court. Due to the uncertainty on the final legal standing and the continuous non-uniform judicial practice of courts in Croatia in regards to converted loans, respective provisions for individual cases were adjusted accordingly.

In July 2024, the Federal Fiscal Court raised the question whether Art 6 sec 1 subsec 28 (2nd sentence) Austrian VAT Act constitutes state aid pursuant to Article 107 (1) of the Treaty on the Functioning of the European Union (TFEU) to the ECJ in proceedings brought by an Austrian bank. A decision can be expected in around one to two years. From today's perspective, Erste believes there is a high probability that the ECJ will affirm the existence of state aid in its decision. The calculation of the provision is based on a best estimate. In 2024, a provision amounting to EUR 102 million was recognized. The 2025 remeasurement did not result in any material change.

54. Contingent liabilities

To meet the financial needs of customers, the bank enters into various irrevocable commitments and contingent liabilities. Even though these obligations may not be recognised on the balance sheet, they do involve credit risk and are therefore part of the overall risk of the Bank (see *Note 35 Credit risk exposure* and *39 Development of Credit loss allowances*).

Legal proceedings

Erste Group Bank AG and some of its subsidiaries are involved in legal disputes, most of which have arisen in the course of ordinary banking business. These proceedings are not expected to have a significant negative impact on the financial position or profitability of Erste Group or Erste Group Bank AG. Erste Group is also subject to the following ongoing proceedings, some of which, if adversely adjudicated, may have a significant impact on the financial position or profitability of Erste Group or Erste Group Bank AG. Any possible financial impacts of these proceedings are not disclosed, as neither the duration nor the outcome can be reliably estimated and to avoid influencing the outcome of the various proceedings.

CONSUMER PROTECTION CLAIMS

Several subsidiaries of Erste Group have been named in their respective jurisdictions as defendants in a number of lawsuits and in regulatory proceedings, filed by individual customers, regulatory authorities or consumer protection agencies and associations. Some of the lawsuits are class actions. The proceedings mainly relate to allegations that certain contractual provisions, particularly in respect of consumer loans, violate mandatory consumer protection laws and regulations and principles of general civil law and that certain fees or parts of interest payments charged to customers in the past must be repaid. The allegations relate to the enforceability of certain fees as well as to contractual provisions for the adjustment of interest rates and currencies. In some jurisdictions, the legal risks in connection with loans granted in the past are also increased by the enactment of politically-motivated laws impacting existing lending relationships, which may result in repayment obligations towards customers. The following consumer protection issues are deemed noteworthy.

In Romania, BCR is - aside from being a defendant in a number of individual lawsuits initiated by consumers regarding alleged violations of applicable consumer protection laws - among several local credit institutions pursued by the consumer protection authority for allegedly abusive clauses pertaining to pre-2010 lending practices. In connection therewith, BCR is currently a defendant in an individual litigation claim filed by the local consumer protection authority on behalf of or several borrowers. The court proceeding is still pending. A potential adverse judgment on the validity of certain contractual clauses may have an impact of invalidating such clauses also in other similar agreements concluded by BCR with other consumers.

CSAS MINORITY SHAREHOLDERS CLAIMS

Following the completion of a squeeze-out procedure in CSAS resulting in Erste Group Bank AG becoming the sole shareholder of CSAS, some former minority shareholders of CSAS filed legal actions with the courts in Prague against Erste Group Bank AG. In that proceedings the plaintiffs allege in essence that the share price of 1,328 CZK (then approx. EUR 51 per share) paid by Erste Group Bank AG in the squeeze-out of the CSAS minority shareholders in 2018 was unfair and too low and should be increased. In case the courts find there should be an increase, this would affect all minority shareholders squeezed-out. In the squeeze-out performed in 2018 Erste Group Bank AG acquired a total of 1.03% of minority shares for a consideration of approx. EUR 80 million. Erste Group Bank AG views that the purchase price, established by a valuation done by professional external experts and in the course of the ongoing proceeding supported by another external expert valuation appointed by Erste Group Bank AG, was correct and fair. The competent first instance court in Prague confirmed the view of Erste Group Bank AG of having paid a fair and correct share price to the former minority shareholders and ruled against the plaintiffs in its first instance judgement, rejecting their claims for an increase of the share price being paid out. The judgement was appealed by several plaintiffs. The appellate proceeding is still pending.

Capital instruments, equity and reserves

55. Total equity

in EUR million	Dec 24	Dec 25
Subscribed capital	821	821
Additional paid-in capital	1,516	1,516
Retained earnings and other reserves	18,110	20,481
Owners of the parent	**20,447**	**22,819**
Additional equity instruments	2,688	3,479
Non-controlling interests	7,633	8,367
Total	**30,767**	**34,665**

As of 31 December 2025, subscribed capital (also known as registered capital) consists of 410,514,384 (2024: 410,514,384) voting bearer shares (ordinary shares). The pro rata amount of registered capital, per no-par value share, was EUR 2.00. Additional paid-in capital (or share premium) represents the amount by which the issue price of the shares exceeded their par value. Retained earnings and other reserves represent accumulated net profit brought forward, as well as income and expenses recognised in other comprehensive income.

SHARE BUYBACK PROGRAM

There was no share buyback program in the course of 2025.

At the Annual General Meeting of Erste Group on 22 May 2024, the Management Board was authorized, with the approval of the Supervisory Board, to repurchase own shares up to 10% of the share capital within a period of 30 months and to cancel own shares pursuant to section 65 (1) 8 in conjunction with section 192 of the Austrian Stock Corporation Act. After approval by the ECB on 4 June 2024, the Management Board and Supervisory Board of Erste Group decided to launch a share buyback program with a volume of up to EUR 500 million. The share buyback program was carried out by a bank commissioned by Erste Group. The program started on 28 June 2024 and was completed on 28 November 2024. 10,398,524 shares and 2.47% of the share capital have been redeemed.

Capital decrease was entered in the commercial register during 2024.

ADDITIONAL EQUITY INSTRUMENTS

In addition, Erste Group Bank AG issued additional tier 1 capital (AT1 bonds). AT1 bonds are unsecured and subordinated bonds. AT1 bonds are perpetual and can be called by the issuer at predetermined dates. The bonds include discretionary non-cumulative coupon payments. Due to these features, they are classified as equity under IFRS.

AT1 bonds issued

Nominal value	Currency	Issue	Initial fixed rate	Reset rate after the first call date	Coupon payments	First and subsequent call dates
500 million	EUR	January 2020	3.375%	5Y swap +3.433%	Semi-annually on 15th April and 15th October	15.04.2027 + coupon dates thereafter
750 million	EUR	November 2020	4.25%	5Y swap +4.646%	Semi-annually on 15th April and 15th October	15.10.2027 + daily until 18.04.2028 + subsequent coupon dates thereafter
500 million	EUR	September 2023	8.50%	5Y swap +5.463%	Semi-annually on 15th April and 15th October	16.10.2028 + monthly on 15th until coupon payment + subsequent coupon dates thereafter
750 million	EUR	May 2024	7.00%	5Y swap +4.646%	Semi-annually on 15th April and 15th October	15.04.2031 + coupon dates thereafter
1 billion	EUR	May 2025	6.375%	5Y swap +4.008%	Semi-annually on 15th April and 15th October	15.10.2032 + coupon dates thereafter

If common equity tier 1 ratio of Erste Group or Erste Group Bank AG falls below 5.125% (i.e. a trigger event occurs) the principal amount will be written down (fully or partially) on a temporary basis. The issuer may, at its sole discretion, write up the amount (fully or partially) provided a positive profit has been recorded and the trigger event no longer exists.

In 2025 the bank issued a new AT1 bond in the amount of EUR 1 billion and redeemed a 2019 issuance.

DISTRIBUTIONS ON OWN EQUITY INSTRUMENTS

Distributions on own equity instruments are recognised as a liability and deducted from equity when their payment is confirmed. For dividends on common shares the decision is taken by the Annual General Meeting. For coupons on additional tier 1 instruments the payouts do not need approvals but an event of non-payment would require a decision of Erste Group Bank AG Board.

Changes in number of outstanding shares

	Dec 24	Dec 25
Shares outstanding as of 1 January	**399,294,699**	**388,126,224**
Acquisition of treasury shares	-14,698,790	-2,746,469
Disposal of treasury shares	14,678,790	3,026,469
Capital increase/Capital decrease	-11,148,475	0
Shares outstanding as of 31 December	**388,126,224**	**388,406,224**
Treasury shares	22,388,160	22,108,160
Number of shares issued as of 31 December	**410,514,384**	**410,514,384**
Weighted average undiluted number of outstanding shares	415,854,514	408,949,788
Weighted average diluted number of outstanding shares	416,176,925	409,244,552

In addition to the calculation of the annual average number of shares outstanding by incorporation of acquisitions and disposals of treasury shares during the year, the line items 'weighted average number of outstanding shares' and 'weighted average diluted number of outstanding shares' consider a proportionate allocation of the treasury shares held by non-controlling interests.

TREASURY SHARES AND CONTRACTS ON TREASURY SHARES

Equity instruments of Erste Group that it or any of its subsidiaries acquire (referred to as treasury shares) are deducted from equity.

TRANSACTIONS AND SHARES HELD BY THE MANAGEMENT BOARD AND SUPERVISORY BOARD

The shares of Management- and Supervisory Board member, whose office term began or ended during the financial year, held as at the date of inception or termination of their term in office were recognised as additions or disposals.

Shares and related dividends held by Management Board

Managing Board member	Dec 24	Additions	Disposals	Dec 25	Dividends received in 2025 (in EUR)
Peter Bosek (Chairman)	10,351	1,097	0	11,448	34,344
Ingo Bleier	11,574	3,638	0	15,212	45,636
Stefan Dörfler	15,215	3,695	0	18,910	56,559
Alexandra Habeler-Drabek	11,922	3,583	0	15,505	46,515
Maurizio Poletto	8,187	3,583	0	11,770	35,310

Shares and related dividends held by Supervisory Board

Supervisory Board member	Dec 24	Additions	Disposals	Dec 25	Dividends received in 2025 (in EUR)
Christine Catasta	0	0	0	0	0
Henrietta Egerth-Stadlhuber	0	0	0	0	0
Alois Flatz	0	0	0	0	0
Martin Grießer	222	29	0	251	666
Markus Haag	426	24	0	450	1,278
Gottfried Haber (since 21.05.2025)	0	0	0	0	0
Regina Haberhauer	396	24	0	420	1,188
Jakob Hofstädter	701	63	0	764	2,103
Marion Khüny	0	0	0	0	0
Mariana Kühnel (until 24.03.2025)	0	0	0	0	0
Caroline Kuhnert	0	0	0	0	0
Elisabeth Krainer-Senger-Weiss	1,592	3,183	0	4,775	14,325
Barbara Pichler	742	39	0	781	2,226
Friedrich Rödler (until 21.05.2025)	3,802	0	3,802	0	11,406
Friedrich Santner	0	0	0	0	0
Michael Schuster	30	0	0	30	90
Walter Schuster	0	0	0	0	0
Gabriele Semmelrock-Werzer (since 21.05.2025)	0	42	0	42	126
Christiane Tusek	0	0	0	0	0
Karin Zeisel	122	29	0	151	366

For further details on shares held by Supervisory Board refer to the published 'Director's Dealings' of Erste Group Bank AG.

As of 31 December 2025, Supervisory Board members did not receive any Erste Group Bank AG shares or options for such shares as part of their remuneration. Persons related to members of the Management Board or Supervisory Board held 1,696 shares (2024: 1,690 shares) of Erste Group Bank AG.

REMAINING AUTHORISED AND CONTINGENT CAPITAL AS OF 31 DECEMBER 2025

Clause 5 of the articles of association authorises the Management Board to increase the registered capital with the consent of the Supervisory Board until 18 May 2027 – also in several tranches – by an amount of up to EUR 343,600,000 by issuing up to 171,800,000 voting no-par value bearer shares in return for contributions in cash and/or in kind, with the issue price and the issuing conditions being determined by the Management Board with the consent of the Supervisory Board. Furthermore, the Management Board is authorized to fully or partly exclude the statutory subscription right of the shareholders with the consent of the Supervisory Board if the capital increase is in return for contributions in kind or if the capital increase is in return for cash and the pro rata amount of the share capital attributable to the shares issued under exclusion of subscription rights in both cases (section 5.1.1 capital increase against contribution in kind and section 5.1.2 capital increase against cash contribution) does not exceed EUR 85,960,000.

The measures in sections 5.1.1 (capital increase against contribution in kind) to 5.1.2 (capital increase against cash contribution) can also be combined. The aggregate pro rata amount of registered capital represented by new shares in respect of which the shareholders' subscription rights are excluded under this authorization in section 5.1 (authorized capital), together with the pro rata amount of registered capital attributable to new shares which serve to fulfil subscription rights, conversion rights and conversion obligations arising from convertible bonds issued with the exclusion of subscription rights from 18 May 2022 onwards pursuant to section 8.3 and which are issued from conditional capital pursuant to section 6.3 to satisfy share options of employees, senior employees and members of the Management Board of the Company or of a group company, must not exceed the proportionate amount of 10% of the share capital in total.

Clause 6.3 of the articles of association states that conditional capital based on the resolutions of the Management Board in 2002 and 2010 (both approved by the Supervisory Board) with a nominal value of EUR 21,923,264 persists that can be consumed by issuing up to 10,961,632 ordinary bearer shares or ordinary registered shares (ordinary share) with an issue price of at least EUR 2.00 per share against cash contribution and by excluding the subscription rights of the current shareholders. This conditional capital is used for granting options to staff, management and members of the Management Board of the entity of one of its related undertakings.

Under clause 6.4 of the articles of association, the company has conditional capital of EUR 124,700,000.00 available, which may be utilized by issuing up to 62,350,000 pieces bearer shares. This conditional capital can be used for granting conversion or

subscription rights to holders of convertible bonds. In case the terms and conditions of the convertible bonds provide for a mandatory conversion, it shall also serve to cover the mandatory conversion. The issue price and exchange ratio shall be determined pursuant to a recognised pricing method on the basis of accepted finance-mathematical methods and the share price of the company.

According to clause 7 of the articles of association, currently no authorized conditional capital exists.

56. Non-controlling interest

		Haftungsverbund Savings Banks, thereof:		
in EUR million	Total	Sparkasse Oberösterreich	Sparkasse Steiermark	Sparkasse Kärnten
Dec 25				
Country of incorporation	Austria	Austria	Austria	Austria
Place of business	Austria	Austria	Austria	Austria
Main business activity	Banking	Banking	Banking	Banking
Ownership% held by NCI	50,1%-100%	90%	75%	75%
Reporting currency	EUR	EUR	EUR	EUR
Dividends paid to equity holders of the parent	77	18	22	16
Net result attributable to non-controlling interests	640	73	172	31
Accumulated NCI	7,466	974	2,003	285
Subsidiary-level stand-alone key financial information				
Current assets	26,742	5,671	6,001	1,512
Non-current assets	67,195	10,185	14,286	4,073
Current liabilities	69,983	11,386	15,894	4,844
Non-current liabilities	12,245	3,176	1,232	172
Operating income	2,868	403	788	171
Profit or loss from continuing operations	996	91	406	49
Total comprehensive income	**1,951**	**145**	**563**	**112**
Dec 24				
Country of incorporation	Austria	Austria	Austria	Austria
Place of business	Austria	Austria	Austria	Austria
Main business activity	Banking	Banking	Banking	Banking
Ownership% held by NCI	50,1%-100%	90%	75%	75%
Reporting currency	EUR	EUR	EUR	EUR
Dividends paid to equity holders of the parent	106	48	19	18
Net result attributable to non-controlling interests	694	73	192	25
Accumulated NCI	6,750	893	1,727	266
Subsidiary-level stand-alone key financial information				
Current assets	26,056	6,028	6,051	1,390
Non-current assets	62,248	9,527	13,156	3,808
Current liabilities	66,518	11,489	14,803	4,513
Non-current liabilities	11,951	2,901	1,777	207
Operating income	2,592	345	677	144
Profit or loss from continuing operations	974	81	367	31
Total comprehensive income	**1,461**	**118**	**417**	**71**

Scope of consolidation

The IFRS scope of consolidation of Erste Group as of 31 December 2025 comprises 281 companies including Erste Group Bank AG as the parent company (31 December 2024: 299). These comprise a total of 49 entities, which are members of the Haftungsverbund (cross-guarantee system) of the Austrian savings bank sector. Alongside Erste Group Bank AG, local savings banks, Bausparkasse der österreichischen Sparkassen Aktiengesellschaft, Erste Bank der oesterreichischen Sparkassen AG and Zweite Wiener Vereins-Sparcasse are members of the Haftungsverbund (cross-guarantee system). The scope of consolidation also includes 'ex-ante fund' IPS GesbR which can be used solely for the purpose to cover loss events of members of the cross-guarantee system. It was established in 2014 and the members are required to pay into the fund until 31 December 2031.

57. Scope of consolidation - additions and disposals

ADDITIONS 2026

These disclosures are provided based on requirements of IFRS 3.B66 which mandates information on business combinations for which the acquisition date occurs after the end of the reporting period but before the financial statements are authorised for issue.

Acquisition of Santander Bank Polska S.A. and subsidiaries

In May 2025, Erste Group Bank AG and Banco Santander S.A. entered into an agreement under which Erste Group acquired a 49% stake in Santander Bank Polska Group S.A. ('Santander Bank Polska'), a publicly listed universal bank operating in Poland, and a 50% stake in Santander Towarzystwo Funduszy Inwestycyjnych S.A. ('Santander TFI'), an asset management company. The transaction was closed on 9 January 2026, the acquisition date, when Erste Group obtained control of the companies. At the extraordinary general assembly of Santander Bank Polska held on 22 January 2026, a resolution to rename Santander Bank Polska to 'Erste Bank Polska S.A.' was unanimously approved. The rebranding will also apply to Santander Bank Polska group companies that have 'Santander' in their name.

The acquisition of Santander Bank Polska is consistent with Erste Group's strategic objective of strengthening its presence in Central and Eastern Europe and expanding its retail and corporate banking operations in Poland, one of the largest and fastest-growing banking markets in the EU. The business combination provides the Group with access to a well-diversified customer base, a strong distribution network and a scalable operational platform. Santander Bank Polska is the third-largest bank in Poland by assets, with market share of 8% (based on transaction perimeter as of December 2024), and is also one of the most profitable banks in the country. It offers a full range of commercial banking products to retail, SME and corporate clients. Santander TFI is an asset management company with EUR 6 billion in assets under management as of December 2024.

Erste Group considers that the 49.00% stake in Santander Bank Polska constitutes a controlling interest, despite not representing a majority of the voting rights. Currently Banco Santander S.A. holds 9.70%, Allianz Polska Otwarty Fundusz Emerytalny 5.23% and Nationale-Nederlanden OFE 5.01% of the share capital in Santander Bank Polska. The remaining 31.06% of the share capital is in free float. There are around 100 institutional investors each holding less than a 0.5% stake. The remaining free float is held by individual investors. There is no information regarding voting agreements among the shareholders. Over the last five years the participation rate at general meetings of Santander Bank Polska was stable between 82% to 86%. The critical participation rate at which shareholders, acting in a mutual agreement, could theoretically outvote Erste Group exceeds 98%. As a result, Erste Group concludes that due to the wide dispersion of shareholdings of the other vote holders it exercises control over Santander Bank Polska.

Regarding Santander TFI, the other 50% stake is held directly by Santander Bank Polska which grants Erste Group control over 100% of the voting rights.

The transaction will be accounted for as a business combination using the acquisition method under IFRS 3.

Consideration transferred

The consideration amounts to EUR 7,035 million paid in cash. No equity-settled consideration arrangements exist. The amount consists of EUR 6,844 million paid for Santander Bank Polska and EUR 171 million paid for Santander TFI. The remaining EUR 20 million relates to post-tax effect of the acquisition price increase in connection with the sale of shares in Santander Consumer Bank S.A. (subsidiary of Santander Bank Polska) held by Santander Bank Polska S.A. prior to the finalisation of the transaction. The consideration of EUR 20 million will be paid in cash in the first quarter of 2026 in accordance with the contract, while the remaining consideration of EUR 7,015 million was paid on the acquisition date.

Acquisition related costs
The Group incurred acquisition-related costs of EUR 38 million relating to external legal fees, advisory and due diligence costs. These costs will be included in 'administrative expenses' in the consolidated statement of income.

Identifiable assets acquired and liabilities assumed
The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition measured based on the IFRS 3 requirements.

in EUR million	Carrying Amount	IFRS 3 adjustment	IFRS 3 measurement
Cash and cash balances	3,240	0	3,240
Financial assets held for trading	4,236	0	4,236
Financial assets at fair value through other comprehensive income	9,066	0	9,066
Debt securities at amortised cost	11,880	277	12,158
Loans and advances to banks at amortised cost	3,740	0	3,740
Loans and advances to customer at amortised cost	33,549	266	33,815
Finance lease receivables	2,546	15	2,560
Hedge accounting derivatives	479	0	479
Property and equipment	309	0	309
Intangible assets	633	-369	264
Customer relationship	0	2,170	2,170
Investments in associates and join ventures	234	97	332
Deferred tax assets	158	-158	0
Other assets	2,834	3	2,837
Total assets	**72,906**	**2,301**	**75,206**
Financial liabilities held for trading	2,925	0	2,925
Deposits from banks at amortised cost	675	0	675
Deposits from customers at amortised cost	55,059	0	55,059
Debt securities issued at amortised cost	3,813	0	3,813
Lease liabilities	92	0	92
Hedge accounting derivatives	46	0	46
Provisions	579	331	909
Deferred tax liability	0	481	481
Other liabilities	1,317	66	1,383
Total liabilities	**64,505**	**878**	**65,383**

Given that the acquisition date of Santander Bank Polska occurred on 9 January 2026, the amounts are provisional, as Erste Group has not yet finalised the measurement of certain assets acquired and liabilities assumed. In accordance with the requirements of IFRS 3, Erste Group will finalise the accounting for the acquisition within a maximum of one year from the acquisition date. In particular, based on additional information the valuation of loan portfolios, customer relationships, intangible assets, contingent liabilities and resulting deferred tax balances might be adjusted. Consequently, finalisation of the acquisition accounting may result in changes to the carrying amounts of the assets acquired, liabilities assumed and goodwill.

In accordance with IFRS 3, the assets acquired and the liabilities assumed as part of the purchase price allocation at the acquisition date are generally measured at fair value. In accordance with IFRS 13, for assets and liabilities for which quoted prices in active markets are not available, fair values are determined using valuation techniques that require the use of assumptions and judgments. Absence of quoted market prices is common in the purchase price allocation process. Accordingly, the fair values recognised in the PPA are subject to estimation uncertainty and reflect reasonable estimates based on information available at the acquisition date, rather than precise or directly observable amounts.

The acquired receivables

Loans and advances to banks at AC

in EUR million	Amount
Fair value of the receivables	3,740
Gross contractual amounts receivable	3,740
Contractual cash flows not expected to be collected*	0

Loans and advances to customers at AC

in EUR million	Amount
Fair value of the receivables	33,815
Gross contractual amounts receivable	34,790
Contractual cash flows not expected to be collected*	1,463

Loans and advances to customers at FVOCI

in EUR million	Amount
Fair value of the receivables	749
Gross contractual amounts receivable	783
Contractual cash flows not expected to be collected*	36

Finance lease receivables

in EUR million	Amount
Fair value of the receivables	2,560
Gross contractual amounts receivable	2,562
Contractual cash flows not expected to be collected*	53

Factoring receivables (Other assets)

in EUR million	Amount
Fair value of the receivables	1,977
Gross contractual amounts receivable	2,007
Contractual cash flows not expected to be collected*	34

*Local credit loss allowances are used as a proxy as the calculations are still ongoing

Goodwill

Goodwill arising from the acquisition was measured as follows.

in EUR million	Amount
(i) Consideration transferred*	7,035
(ii) Non-controlling interests measured based on a proportionate share in the recognised amounts of the assets and liabilities of Santander Bank Polska = 51% of (iii)	5,010
(iii) Fair value of identifiable net assets**	9,823
Goodwill = (i) + (ii) – (iii)	2,222

* See part Consideration transferred

** See part Identifiable assets acquired and liabilities assumed

The goodwill recognised in connection with the acquisition primarily reflects:

- anticipated synergies expected to arise from integrating the operations of Santander Bank Polska with those of Erste Group, including operational efficiencies, enhanced distribution capabilities, optimisation of funding and liquidity management, and cost rationalisation;
- the value of assembled workforce and other intangible resources that do not meet the recognition criteria for identifiable intangible assets under IAS 38;
- expected future profitability of the combined entity that cannot be separately recognised as an intangible asset; and
- the strategic benefits derived from expanding Erste Group's footprint in a key EU banking market not otherwise available for separate recognition.

Goodwill is not expected to be tax deductible.

ADDITIONS AND DISPOSALS 2025

Additions and disposals had no material impact on the financial position and performance of the Group.

ADDITIONS AND DISPOSALS 2024

On 11 September 2024 Erste Asset Management GmbH (EAM) has signed a purchase agreement to acquire 100% of Impact Asset Management GmbH (IAM), which was previously majority-owned by Cubic (London) Ltd. IAM is an Investment Management company focused on ESG- and Impact Investing. This acquisition enables EAM to strengthen its existing market position as leading provider of ESG- and sustainable investments and expand the presence on the German market. The transaction was effectuated as of 3 December 2024 with the approval of the financial market authority and the responsible competition authorities.

For the assessment of the purchase price allocation, an external expert opinion has been commissioned. The expert opinion provides a goodwill of EUR 64 million and a customer relationship of EUR 30 million. The goodwill was calculated as the difference between the adjusted net asset and the purchase price allocation and is not tax-deductible. No other significant assets and liabilities were identified during the purchase price allocation.

Assets and liabilities recognized in first consolidation are as follows:

in EUR million	Carrying Amount
Cash and cash balances at central banks	3
Financial assets at fair value through profit or loss	5
Property and equipment	0
Intangible assets – Goodwill	64
Intangible assets – Customer relationships	30
Trade and other receivables	1
Tax assets	0
Other assets	1
Total Assets	**104**
Other financial liabilities	1
Tax liabilities	7
Other liabilities	2
Total Liabilities	**9**
Capital	95
Total Equity	**95**
Total Liabilities and Equity	**104**

The fair value of the total consideration amounts to EUR 95 million. It consists of the cash purchase price of EUR 91 million and the seller's right to 65% of the distributable annual profit at the time of dividend payment for the fiscal year 2024.

Since the transaction was completed just before 31 December 2024, no contribution from IAM is included in the annual results 2024 of Erste Group. If IAM had been included in Erste Group's consolidated financial statements as of 1 January 2024, the contribution to the operating income would have been EUR 15 million and the contribution to net result for the period would have been EUR 5 million.

Other additions and disposals had no material impact on the financial position and performance of Erste Group.

58. Subsidiaries

A subsidiary is an entity controlled by another entity. All entities directly or indirectly controlled by Erste Group Bank AG are consolidated in the Group financial statements on the basis of their annual accounts as of 31 December 2025 and for the year then ended.

Non-controlling interests represent those portions of total comprehensive income and net assets that are neither directly nor indirectly attributable to the owners of Erste Group Bank AG. Non-controlling interests are presented separately in the consolidated statement of income, in the consolidated statement of comprehensive income and within equity on the consolidated balance sheet.

CONTROL

Assessing the existence of control may require considerable accounting judgements, assumptions and estimates, notably in non-standard situations such as:

- power stemming both from voting rights and from contractual arrangements (or mostly from the latter);
- exposure to variable returns from the involvement with the investee stemming from on-balance investments and from off-balance commitments or guarantees (or mostly from the latter); or from readily identifiable income streams (e.g. dividends, interest, fees) and from cost savings, economies of scale and/or operational synergies (or mostly from the latter).

In the case of Erste Group, such accounting judgements, assumptions and estimates have been primarily relevant for the assessment of the following cases:

i. The savings bank members of the Austrian cross-guarantee system

Erste Group Bank AG is a member of the Haftungsverbund (cross-guarantee system) of the Austrian savings bank sector. As of the balance sheet date, all Austrian savings banks, in addition to Erste Group Bank AG, Erste Bank der oesterreichischen Sparkassen AG and Bausparkasse der österreichischen Sparkassen Aktiengesellschaft, formed part of this cross-guarantee system. The provisions of the agreement governing the Haftungsverbund are implemented by Haftungsverbund GmbH. Erste Group Bank AG always holds directly and indirectly at least 51% of the voting rights of the steering company. The indirect voting rights are held via Erste Bank der oesterreichischen Sparkassen AG and via other savings banks in which companies of Erste Group hold the majority of voting rights.

Erste Group has also assessed whether it exercises control over those savings banks in the cross-guarantee system, in which the group it forms, holds less than 50% of the voting rights.

From the contractual agreement the following substantive rights related to the savings banks arise, which, through control of Haftungsverbund GmbH, are attributable to Erste Group Bank AG:

_ participation in the appointment of board members;
_ approval of budgets including capital decisions;
_ provision of binding guidelines in the areas of risk and liquidity management as well as internal audit; and
_ determination of thresholds for capital requirement including the payment of dividends.

Considering the magnitude of Erste Group Bank AG's involvement with the member banks – whether in the form of synergies, investments, commitments, guarantees, or access to common resources – the Group has significant exposure to the variable returns of each of the members. As Erste Group Bank AG, via its direct and indirect participation in the Haftungsverbund GmbH, is able to affect the variable returns through the rights stipulated in the contractual agreement, Erste Group Bank AG exercises control over the savings banks.

ii. Investment funds under own management

The Group has assessed whether the investment funds it manages through its asset management subsidiaries are controlled and hence shall be consolidated. This assessment has been made on the basis that power over such investment funds is generally conferred based on the contractual arrangements appointing an Erste Group subsidiary as fund manager without any substantive removal rights by fund's investors. Furthermore, Erste Group made the conclusive judgement that its exposure to such own-managed funds' variable returns is basically considered as significant if, additionally to the exposure through management fees, Erste Group is also exposed in the form of at least 20% investment in the fund. Furthermore, in its capacity as fund manager, Erste Group is also able to affect the returns of the funds through its power. Following this assessment, investment funds under own management in which Erste Group – directly or through its subsidiaries – has significant unit holdings (i.e. holds at least 20% of the units issued by the fund) are deemed to be controlled and included in the scope of consolidation.

iii. Pension funds under own management

The Group has assessed whether the contractual arrangements appointing an Erste Group subsidiary as pension fund manager (with no substantive removal rights by the fund's participants) are generally expected to confer power over such funds, followed by an assessment of the Group's exposure/rights to the pension fund's variable returns. The relevant legal requirements regulating the activities of such pension funds in their respective jurisdictions were also considered, notably in assessing the significance of the rights to variable returns from management fees, as well as of the exposure to losses from any guarantees that the fund manager may be legally bound to. As a result of this review, the Czech pension fund 'Transformovaný fond penzijního připojištění se státním příspěvkem Česká spořitelna – penzijní společnost, a.s.' (the 'Transformed pension fund') is not consolidated. There are no further cases of application in Erste Group.

59. Investments in associates and joint ventures

In the case of Erste Group, all equity method investments are direct or indirect investments in associates and joint ventures over which the Group exercises significant influence or joint control stemming from voting power greater than 20% up to 50%.

Carrying amounts of at equity measured entities

in EUR million	Dec 24	Dec 25
Credit institutions	47	78
Financial institutions	120	168
Others	114	218
Total	**280**	**465**

Aggregated financial information of at equity measured entities

in EUR million	Dec 24	Dec 25
Total assets	5,591	7,035
Total liabilities	4,619	5,415
Income	745	1,271
Profit/loss	73	409

None of Erste Group's investments accounted for using the equity method published price quotations.

Selected equity method investments where the Erste Group has strategic interest

	Dec 24			Dec 25		
in EUR million	Global Payments s.r.o.	Prvá stavebná	VBV - Betriebliche Altersvorsorge AG	Global Payments s.r.o.	Prvá stavebná	VBV - Betriebliche Altersvorsorge AG
Country of Incorporation	Czechia	Slovakia	Austria	Czechia	Slovakia	Austria
Place of business	Czechia	Slovakia	Austria	Czechia	Slovakia	Austria
Main business activity	Payment services	Financing building society	Insurance	Payment services	Financing building society	Insurance
Ownership held %	49%	35%	32%	49%	35%	32%
Voting rights held %	49%	35%	29%	49%	35%	29%
IFRS Classification (JV/A)	Associate	Associate	Associate	Associate	Associate	Associate
Reporting currency	CZK	EUR	EUR	CZK	EUR	EUR
Investee's financial information for the reporting year						
Cash and cash balances	52	1	0	32	1	40
Other current assets	112	107	46	113	133	67
Non-current assets	127	2,906	48	240	2,758	486
Current liabilities	121	2,341	0	131	2,216	0
Non-current liabilities	18	351	27	19	341	209
Operating Income	90	72	18	100	80	12
Post-tax result from continuing operations	19	12	-5	23	18	327
Total comprehensive income	19	12	-5	23	18	327
Depreciation and amortization	-9	-7	0	-10	-7	-2
Interest income	1	104	18	1	106	12
Interest expense	-3	-42	0	-3	-38	0
Tax expense/income	-2	-8	0	0	-6	-5
Reconciliation of investee's net assets against equity investment's carrying amount						
Net assets attributable to Erste Group	74	113	21	115	117	125
Accumulated impairment	0	-69	0	0	-41	0
Carrying amount	74	44	21	115	76	125

The classification of current and non-current financial assets and liabilities is based on the expected remaining maturities of assets and liabilities.

In 2025 a reversal of the impairment of the carrying amount of Prvá stavebná was recognized in the amount of EUR 27 million (2024: impairment of EUR 1 million).

Aggregated financial information of other equity method investments

	Dec 24		Dec 25	
in EUR million	Associates	Joint Ventures	Associates	Joint Ventures
Total comprehensive income	8	22	36	6
Carrying amount	89	38	110	38

60. Unconsolidated structured entities

INTERESTS IN STRUCTURED ENTITIES

Assessing which entities are structured entities and which involvements in such entities are interests, may require considerable accounting judgements and assumptions. In the case of Erste Group, such accounting judgements, assumptions and estimates have been primarily relevant for assessing involvements with investment funds and securitisation vehicles.

For investment funds, Erste Group reached the conclusion that direct Group exposure would typically indicate an interest in these structured entities, irrespective of whether such exposure comes from on-balance financial assets – mostly in the form of units held in such funds, off-balance commitments given or management fees varying in relation to the assets under management (for own-managed funds in general). As described under *Note 58 Subsidiaries* above, own-managed funds where the Group cumulatively holds less than 20% of the related fund units in issue are not consolidated due to lack of control and thus are subject to specific disclosures for unconsolidated structured entities. Erste Group uses following structured entities in the course of its business activity.

INVESTMENT FUNDS

Direct investments in own-managed and third-party-managed investment funds as well as management fees earned for the management of investment funds by subsidiaries of Erste Group are classified as interests in unconsolidated structured entities, if they are not consolidated.

Direct investments in investment funds. Erste Group is invested in several mutual funds as well as in private investment funds which are registered in Austria, Central- and Eastern Europe or other countries. The majority of those funds is managed by subsidiaries of Erste Group, the smaller part of the funds being managed by independent third parties. The investments in funds held by Erste Group do not constitute material investments (basically below 20%) and mostly take the form of redeemable fund unit investments. They are measured at fair value on the Group's balance sheet and are disclosed as debt securities either under line item 'Non-trading financial assets at fair value through profit or loss' or 'Financial assets held for trading'.

Management fees. Moreover, Erste Group earns management fees for providing investment management services as fund manager (by subsidiaries of Erste Group); meaning for making the investment decision for the funds under management of the relevant investment fund.

Beside the management fees for the services as fund manager Erste Group also receives distributions for their investments in fund units. On the other side stand expenses for the administration of investment funds and fees for the business activity of investment funds, especially custodian fees and fees for securities trading transactions. In the normal course of business activity Erste Group enters into derivative transactions with own-managed unconsolidated investment funds. Moreover, own-managed unconsolidated investment funds are also invested - over different time periods - in debt securities issued by or deposits of Erste Group. In restricted cases Erste Group offers capital guarantees for own-managed unconsolidated investment funds.

The magnitude of the Group's equity interests in unconsolidated investment funds may vary in the future depending on the future performance of their respective underlying assets, relevant market circumstances and opportunities, or regulatory requirements.

OTHERS

To a lesser extent, Erste Group is also exposed (notably as lender) to unconsolidated structured entities having other business activities. The respective loans and advances are either measured at amortised cost or at fair value through profit or loss, depending whether they are SPPI-compliant or not. Debt securities include investments in Collateralised Mortgage Obligations as well as securitizations.

MAXIMUM EXPOSURE TO UNCONSOLIDATED STRUCTURED ENTITIES

Erste Group's maximum exposure to losses from its interests in unconsolidated structured entities is equal to the total fair value of its fund units, bond investments, trading derivative assets, provided loans and off-balance sheet commitments and guarantees as of the respective balance sheet date. The maximum exposure corresponds to the carrying amounts after risk provisions as of the balance sheet date. For off-balance sheet loan commitments and guarantees the maximum exposure corresponds to the respective nominal value.

The table below summarises the Group's business relations to unconsolidated structured entities per balance sheet line item, business activity and business location. The summary includes the assets identified as impaired at year-end, as well as related net

impairment losses/gains incurred during the year. The carrying amounts of the exposures summarized below are mostly referring to assets already measured at fair value in the balance sheet of the Group. The carrying amounts of the remaining exposures (notably 'Loans and advances') are materially similar to their fair values.

	Investment Funds				
in EUR million	Own-managed	Third-party managed	Total	Other	Total
Dec 25					
Assets					
Equity instruments, thereof:	0	0	0	7	7
at FVPL	0	0	0	7	7
Debt securities, thereof:	579	289	868	13	882
Financial assets HfT	0	221	221	0	221
at FVPL	579	68	647	13	660
Loans and advances	53	0	53	219	271
Trading derivatives	2	0	2	1	3
Total assets	**634**	**289**	**923**	**239**	**1,162**
thereof impaired	0	0	0	0	0
On-balance sheet exposure analysis per jurisdiction					
Austria	614	0	614	0	614
Central and Eastern Europe	20	16	36	226	262
Other jurisdictions	0	273	273	13	286
Liabilities					
Equity instruments	208	0	208	0	208
Debt securities issued	367	0	367	0	367
Deposits	1,486	0	1,486	23	1,508
Trading derivatives	42	0	42	0	42
Total liabilities	**2,103**	**0**	**2,103**	**23**	**2,125**
Off balance-sheet commitments	**440**	**0**	**440**	**123**	**563**
Dec 24					
Assets					
Equity instruments, thereof:	0	0	0	39	39
at FVPL	0	0	0	39	39
Debt securities, thereof:	625	320	944	20	964
Financial assets HfT	1	249	250	0	250
at FVPL	624	70	695	20	715
Loans and advances	192	0	192	213	405
Trading derivatives	61	0	61	1	63
Total assets	**879**	**320**	**1,198**	**272**	**1,471**
thereof impaired	0	0	0	0	0
On-balance sheet exposure analysis per jurisdiction					
Austria	846	0	846	0	846
Central and Eastern Europe	33	13	46	252	298
Other jurisdictions	0	307	307	20	327
Liabilities					
Equity instruments	155	0	155	0	155
Debt securities issued	350	0	350	0	350
Deposits	1,601	0	1,601	30	1,631
Trading derivatives	3	0	3	1	4
Total liabilities	**2,109**	**0**	**2,109**	**30**	**2,139**
Off balance-sheet commitments	**261**	**0**	**261**	**192**	**453**

Other disclosure matters

61. Related-party transactions

In the course of its ordinary business activity Erste Group enters into business relationships with related persons and entities. Shareholders of Erste Group Bank AG are classified as related parties if they have significant influence over Erste Group. In addition, Erste Group also defines as related parties subsidiaries that are controlled but not consolidated due to non-materiality as well as associated entities and joint ventures that are included in the consolidated financial statements by the equity method. Transactions between Erste Group Bank AG and fully consolidated companies are not recognised in the consolidated financial statements as they have been eliminated. Furthermore, related persons consist of key management personnel, i.e. Management and Supervisory Board members of Erste Group Bank AG. Moreover, Erste Group defines close family members of Management and Supervisory Board members of Erste Group Bank AG, as well as companies which are controlled or significantly influenced by Management and Supervisory Board members of Erste Group Bank AG, as other related parties. Banking transactions with related persons and entities are done at arm's length.

TRANSACTIONS WITH SHAREHOLDERS OF ERSTE GROUP BANK AG

Erste österreichische Spar-Casse Privatstiftung

In addition to its shareholding of the subscribed capital of Erste Group Bank AG, there are other factors giving Erste österreichische Spar-Casse Privatstiftung (ERSTE Stiftung) significant influence over Erste Group. As of 31 December 2025, Erste Group had liabilities toward ERSTE Foundation of EUR 65 million (2024: EUR 28 million). In addition, ERSTE Foundation held bonds issued by Erste Group Bank AG in the amount of EUR 47 million (2024: EUR 46 million). The mentioned transactions resulted in interest expenses of EUR 3 million (2024: EUR 2 million). Erste Group did not receive fee and commission income or rental income in 2024 and 2025. In 2025, ERSTE Foundation received a dividend of EUR 151 million (2024: EUR 136 million) on its shareholding in Erste Group Bank AG.

Under article 15.1 of the articles of association of Erste Group Bank AG, for the duration of its assumption of liability for all current and future debts in the event of default on payment by Erste Group Bank AG, the ERSTE Foundation is entitled, pursuant to Section 92 (9) of the Austrian Banking Act, to delegate up to one-third of the Supervisory Board members to be elected at the Annual General Meeting of Erste Group Bank AG.

TRANSACTIONS WITH NOT CONSOLIDATED SUBSIDIARIES, ASSOCIATED ENTITIES AND JOINT VENTURES

Balances and off-balance exposures

	Dec 24			Dec 25		
in EUR million	Subsidiaries, not consolidated	Associated entities	Joint ventures	Subsidiaries, not consolidated	Associated entities	Joint ventures
Financial assets	**88**	**633**	**472**	**110**	**835**	**480**
Equity instruments	55	99	20	71	124	21
Debt securities	0	5	0	0	0	0
Loans and advances	34	528	451	39	711	460
Loans and advances credit institutions	0	10	0	0	3	0
Loans and advances customers	34	518	451	39	708	460
of which impaired	0	0	0	0	0	0
of which finance lease receivables	0	0	0	0	2	0
Financial liabilities	**28**	**230**	**14**	**28**	**196**	**15**
Deposits	28	230	14	28	196	15
Deposits from banks	0	0	0	0	0	0
Deposits from customers	28	230	14	28	196	15
Other financial instruments						
Loan commitments, financial guarantees and other commitments given (notional amount)	2	307	92	9	433	90
of which defaulted	0	0	0	0	0	0
Loan commitments, financial guarantees and other commitments received (notional amount)	0	1	0	0	5	0
Derivatives (notional amount)	0	0	0	0	7	0
Credit loss allowances and provisions	0	0	0	0	0	0

Expenses and income

	1-12 24			1-12 25		
in EUR million	Subsidiaries, not consolidated	Associated entities	Joint ventures	Subsidiaries, not consolidated	Associated entities	Joint ventures
Interest income	1	25	14	1	24	14
Fee and commission income	0	2	2	0	2	2
Dividend income	4	10	3	3	9	1
Interest expenses	0	-2	0	0	-2	0
Fee and commission expenses	-2	-2	0	-2	-1	0
Impairment result from financial instruments	0	-1	0	0	0	0

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Remuneration of Management and Supervisory Board members

The following table shows total remuneration of the members of the Management and Supervisory Board. The expenses were recognised on an accrual basis in line with the respective rules of the underlying standards IAS 19 and IFRS 2. The amounts disclosed correspond to the estimated disbursement as of the balance sheet date and may deviate from the ones which will be finally paid.

	1-12 24			1-12 25		
in EUR million	Management board	Supervisory board	Total	Management board	Supervisory board	Total
Short-term employee benefits	8	2	10	8	2	10
Post-employment benefits	1		1	1		1
Other long-term benefits	2		2	1		1
Share-based payment	5		5	3		3
Total	**16**	**2**	**18**	**13**	**2**	**15**

Short-term employee benefits. Under this category salaries, benefits in kind, social security contributions and other short-term benefits are included. Further, this category includes variable remuneration to be settled in cash within one year. Disclosed remuneration for Supervisory Board members comprises supervisory board compensation, meeting fees as well as remuneration for board functions in fully consolidated subsidiaries.

Post-employment benefits. The members of the Management Board participate in the defined contribution pension plan of Erste Group according to the same principles as the employees of the Group (see *Note 53 Provisions*). Post-employment benefits shown in the table above contain contribution payments to pension schemes and to severance schemes ('Mitarbeitervorsorgekasse').

Other long-term benefits. This category includes variable remuneration to be settled in cash, but payable - deferred over several years - only after one year. In addition, net allocations to provisions for jubilee payments (see *Note 53 Provisions*) are also reported under this category.

Share-based payment transactions. Expenses for variable share-based payments are disclosed under this line (refer to *Note 62 Share-based payments*, Share-based payment for the Management Board of Erste Group Bank AG).

On 31 December 2025 the outstanding amount of liability for variable remuneration towards members of the Management Board amounts to EUR 8 million (2024: EUR 10 million). This amount includes liabilities resulting from the Share-based Payment Program for the Management Board of Erste Group Bank AG (for the performance year 2021 for the first time) and liabilities from unpaid deferred tranches from the Phantom Shares Program (for performance years up to 2021). For further details please refer to *Note 62 Share-based payments*.

The members of the Management Board of Erste Group were granted a remuneration of 0.4% (2024: 0.5%) of the total personnel expenses for their activities in the financial year 2024.

In 2025, EUR 2 million (2024: EUR 3 million) was paid in cash and 30,684 (2024: 40,607) share-equivalents were assigned to former board members and their dependents.

BANKING TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

As of the end of 2025, loans and advances granted to members of the Management Board and Supervisory Board totalled EUR 3 million (2024: EUR 2 million). Deposits of members of the Management Board and Supervisory Board at Erste Group amounted to EUR 12 million (2024: EUR 14 million) in total. Members of the Management and Supervisory Board held bonds issued by Erste Group of EUR 0 million (2024: EUR 0 million). Loan commitments and financial guarantees, issued in favour of members of the Management and Supervisory Board totalled EUR 1 million (2024: EUR 0 million) as of the end of 2025. From banking transactions with members of the Management Board and Supervisory Board Erste Group received interest income and fee income of EUR 0 million (2024: EUR 0 million) in total. The interest expenses and fee expenses amounted to EUR 0 million (2024: EUR 1 million).

TRANSACTIONS WITH OTHER RELATED PARTIES

Loans and advances to close family members of key management employees and companies over which key management employees have control or significant influence (hereinafter referred to 'other related parties') totalled EUR 8 million (2024: EUR 1 million) as of 31 December 2025. As of the end of 2025, deposits of other related parties at Erste Group amounted to EUR 8 million (2024: EUR 6 million) in total. Loan commitments and financial guarantees, issued in favour of other related parties totalled EUR 0 million (2024: EUR 0 million) as of the end of 2025. From banking transactions with other related parties Erste Group received interest income and fee income of EUR 1 million (2024: EUR 0 million) in total and paid interest and fee expenses of EUR 0 million (2024: EUR 0 million).

62. Share-based payments

The total expense recognised during the reporting period arising from share-based payment transactions amounts to EUR 67 million (2024: EUR 58 million), thereof EUR 33 million (2024: EUR 32 million) relate to equity-settled share-based payment transactions. At the end of the reporting period the liability arising from share-based payment transactions amounts to EUR 76 million (2024: EUR 56 million). The intrinsic value of the liability is EUR 86 million (2024: EUR 70 million).

SHARE-BASED PAYMENT FOR THE MANAGEMENT BOARD OF ERSTE GROUP BANK AG

The share-based remuneration plan for the management board of Erste Group Bank AG comprises short-term and long-term variable remuneration components. The total amount of variable compensation is determined in the following year by a resolution of the Supervisory Board.

Upfront share-based remuneration. 20% of the bonus will be converted into shares on the date of the Supervisory Board resolution and is transferred to the participant's securities deposit and retained for one year.

Deferred share-based remuneration. 30% of the bonus is converted into performance share units (PSUs) on the day of the Supervisory Board resolution using the average share price of the last 30 trading days. A PSU represents an unsecured, conditional right to receive shares of Erste Group Bank AG in the future. In the following five years, the initial number of PSUs is adjusted in a range from 120% to 0% to the group's performance based on performance criteria, which the Supervisory Board reviews on a yearly basis and adjusts in exceptional cases. The final number of PSUs corresponds to the number of shares, which is transferred to the participant's securities deposit and retained for one year.

The awarded shares and PSUs are equity-settled share-based payments that vest by the end of the performance year. The determination of the grant date requires an assessment of all the circumstances. As the Supervisory Board has significant discretionary powers in connection with the assessment of the performance in the performance year, the grant is made with the resolution of the Supervisory Board on the bonus awarded for the past performance year.

For the performance year 2025, it is expected that 9,791 shares and 14,687 PSUs (2024: 20,630 shares and 30,944 PSUs) will be granted to participants. The fair value of PSUs on the measurement date is calculated based on a Monte Carlo simulation model considering the achievement level of Erste Group performance over the next five years and the share price of Erste Group Bank AG. The estimated fair value on the balance sheet date is EUR 2 million (2024: EUR 3 million). In 2025, in total personnel expenses of EUR 2 million (2024: EUR 4 million) and a corresponding retained earnings reserve were recognised.

PHANTOM SHARES PROGRAM

Erste Group grants selected employees every year a bonus for services rendered in the past year (vesting period). If the individual bonus exceeds a certain limit, the final payout amount of at least 25% depends on the development of the average, volume-weighted, daily price of Erste Group shares in subsequent years (phantom share program). The program applies to Erste Group entities in different countries, with different amounts and share equivalents. The share equivalents (phantom shares) are divided into several tranches, which differ in the duration of the observation period for the development of the Erste Group share price.

The phantom share program meets the criteria for cash-settled share-based payments in accordance with IFRS 2.

The estimated fair value of variable compensation for share equivalents is recognised in profit or loss. The liability for stock equivalents that have not yet been paid out is continuously measured at fair value until payment is made. Fair value changes and changes of the final allocation in subsequent years are recognised in profit or loss. To determine the fair value, the number of share equivalents not yet paid out as at the balance sheet date is multiplied by the estimated average price of Erste Group shares for the respective payout year. The fair values of the share equivalents for the respective payout year are determined using an option pricing model (Black-Scholes model). The main parameters are the share price of the Erste Group share on the balance sheet date and the dividend payments expected until payment.

For 2025, it is expected that 141,206 (2024: 233,980) share equivalents with a fair value of EUR 14 million (2024: EUR 13 million) will be granted to eligible employees. The total expense recognised in the reporting period for the phantom share program amounts to EUR 34 million (2024: EUR 26 million), the carrying amount of the liability as at the balance sheet date is EUR 76 million (2024: EUR 56 million). The intrinsic value of the liability from unpaid share equivalents is EUR 86 million (2024: EUR 70 million).

WESHARE BY ERSTE GROUP PROGRAM

The WeShare by Erste Group-Participation program and the WeShare by Erste Group-Investment Plus program are equity-settled share-based payment transactions. Both programs are offered to employees of Erste Group provided that specific requirements (e.g. capital and liquidity requirements, payment of dividends, ECB approval) are met.

Under the WeShare by Erste Group-Investment Plus program all employees, who had been employed by an entity of the Erste Group, from March/April 2025 until June 2025 could voluntarily invest in Erste Group shares and receive free shares depending on the amount of their personal investment. The WeShare by Erste Group-Investment Plus program was settled in June 2025. The

number of free shares, which were granted under this program for the reporting period, is 229,226 (2024: 349,019). Personnel expenses in the amount of EUR 16 million (2024: EUR 16 million) were recorded.

Under the WeShare by Erste Group-Participation program all employees, who have been employed by an entity of the Erste Group for at least six months in year 2025 and are still employed until the transfer of the shares to the employees in June 2026 are entitled to receive shares in an equivalent amount of EUR 350. The expected number of free shares, which are granted under this program for the period, is 171,054 (2024: 295,569). Based on the number of entitled employees, personnel expenses in the amount of EUR 7 million (2024: EUR 7 million) were recorded and a corresponding reserve in retained earnings was created. Furthermore, during 2025 an expense of EUR 8 million was booked, which is related to the active employment requirement of the WeShare by Erste Group-Participation that was offered to employees in 2024.

63. Fees of the Auditors

The following table contains fees charged by the auditors of Erste Group Bank AG and subsidiaries for the financial years 2025 and 2024; the auditors being Sparkassen-Prüfungsverband (auditing agency) and Price Waterhouse Coopers. The values for PricewaterhouseCoopers comprise the services of 'PwC Wirtschaftsprüfung GmbH' as well as the PwC network. The amounts in the table include value-added tax.

in EUR million	Dec 24	Dec 25
Statutory audit of financial statements/consolidated financial statements	**17**	**18**
Audit fees - PwC	7	8
Audit fees - Sparkassen-Prüfungsverband	10	10
Other assurance services	**5**	**5**
Other assurance services - PwC	3	3
Other assurance services - Sparkassen-Prüfungsverband	2	2
Tax consulting	**0**	**0**
Tax consulting - PwC	0	0
Tax consulting - Sparkassen-Prüfungsverband	0	0
Other services	**1**	**2**
Other services - PwC	1	1
Other services - Sparkassen-Prüfungsverband	0	0
Total	**24**	**25**

The Sparkassen-Prüfungsverband (Austrian Savings Bank Auditing Association) provided audit services for an amount of EUR 2 million (2024: EUR 2 million) to Erste Group Bank AG and EUR 7 million (2024: EUR 8 million) for the subsidiaries. For other assurance services EUR 0 million (2024: EUR 0 million) were charged to the subsidiaries of Erste Group Bank AG while EUR 0 million (2024: EUR 0 million) is the amount for other services provided to the subsidiaries. The amounts in the table above also include fees for services provided by SPV Wirtschaftsprüfungsges.m.b.H..

The auditor 'PwC Wirtschaftsprüfung GmbH' provided audit services to Erste Group Bank AG for EUR 2 million (2024: EUR 2 million) and to the subsidiaries for EUR 1 million (2024: EUR 1 million). An amount of EUR 5 million (2024: EUR 5 million) was charged for audit services of the PricewaterhouseCoopers network to the subsidiaries. The total amount for other assurance services provided by 'PwC Wirtschaftsprüfung GmbH' is EUR 1 million (2024: EUR 1 million).

64. Assets held for sale and liabilities associated with assets held for sale

Assets classified as held for sale and assets belonging to disposal groups held for sale are reported under the balance sheet line item 'Assets held for sale'. Liabilities belonging to the disposal groups held for sale are presented on the balance sheet under the line item 'Liabilities associated with assets held for sale'.

Non-current assets and disposal groups that are classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Should the impairment loss in a disposal group exceed the carrying amount of the assets that are within the scope of IFRS 5 measurement requirements, there is no specific guidance on how to treat such a difference. Erste Group recognises this difference as a provision under the balance sheet line item 'Provisions'.

in EUR million	Dec 24	Dec 25
Assets held for sale	154	211
Liabilities associated with assets held for sale	93	84

As of the end of 2025, 'Assets held for sale' include mainly land and buildings in amount of EUR 194 million (2024: EUR 147 million). This includes an amount of EUR 96 million classified as 'Assets held for sale' by Česká spořitelna and relates to the planned sale of the current headquarter. EUR 89 million was classified as 'Assets held for sale' by Immorent subgroup in connection with the planned sale of commercial premises.

In addition, assets and liabilities of Erste Card Club in Croatia were included as of the end of 2025, which met the criteria for the classification as a 'disposal group held for sale' for the first time in 2024. The sale was completed on 2nd January 2026.

Assets held for sale are measured at fair value on non-recurring basis when their carrying amount is impaired down to fair value less costs to sell. The fair values are determined by experts with recognised and relevant professional qualification.

Fair values and fair value hierarchy

in EUR million	Carrying amount	Fair value	Level 1	Level 2	Level 3
Dec 25					
Assets for which the FV is presented in the balance sheet					
Assets held for sale	116	117	0	0	117
Dec 24					
Assets for which the FV is presented in the balance sheet					
Assets held for sale	151	151	0	0	151

65. Assets and liabilities denominated in foreign currencies and outside Austria and return on assets

Assets and liabilities not denominated in EUR

in EUR million	Dec 24	Dec 25
Assets	125,825	127,754
Liabilities	97,546	103,304

Assets and liabilities outside Austria

in EUR million	Dec 24	Dec 25
Assets	220,770	228,729
Liabilities	163,110	165,681

Return on assets (net profit after tax for the year divided by total assets at the reporting period) was 1.17% at 31 December 2025 (2024: 1.12%).

66. Analysis of remaining maturities

Expected remaining maturities of assets and liabilities

	Dec 24		Dec 25	
in EUR million	< 1 year	> 1 year	< 1 year	> 1 year
Cash and cash balances	25,129	0	27,573	0
Financial assets HfT	7,860	3,602	6,043	3,334
Derivatives	699	528	481	348
Other financial assets held for trading	7,162	3,074	5,562	2,986
Non-trading financial assets at FVPL	501	2,539	710	3,123
Equity instruments	7	458	5	518
Debt securities	475	993	702	1,084
Loans and advances to customers	19	1,089	2	1,522
Financial assets at FVOCI	1,455	8,043	2,432	6,749
Equity instruments	-9	118	1	112
Debt securities	1,463	7,925	2,431	6,637
Financial assets at AC	56,156	232,738	51,334	250,373
Debt securities	4,581	48,307	5,815	52,840
Loans and advances to banks	22,793	4,178	16,430	4,397
Loans and advances to customers	28,781	180,252	29,089	193,136
Finance lease receivables	642	4,606	558	4,732
Hedge accounting derivatives	3	177	18	214
Fair value changes of hedged items in portfolio hedge of interest rate risk	-410	390	-1	-62
Property and equipment	0	2,754	0	2,941
Investment properties	0	1,678	0	1,913
Intangible assets	0	1,382	0	1,413
Investments in associates and joint ventures	0	280	0	465
Current tax assets	45	0	84	0
Deferred tax assets	0	266	0	171
Assets held for sale	154	0	211	0
Trade and other receivables	2,582	95	2,816	130
Other assets	1,006	61	1,162	140
Total Assets	**95,123**	**258,613**	**92,940**	**275,634**
Financial liabilities HfT	595	1,226	656	1,756
Derivatives	519	630	557	534
Other trading liabilities	77	596	99	1,222
Financial liabilities at FVPL	2,200	8,081	2,184	7,673
Deposits	44	71	112	62
Debt securities issued	2,020	8,010	1,657	7,611
Other financial liabilities	136	0	415	0
Financial liabilities at AC	161,529	143,803	150,281	165,887
Deposits from banks	14,697	6,564	9,220	7,698
Deposits from customers	138,272	103,263	131,817	121,000
Debt securities issued	7,863	33,996	8,447	37,156
Other financial liabilities	697	-20	796	32
Lease liabilities	46	645	90	631
Hedge accounting derivatives	10	184	58	112
Provisions	458	1,168	421	994
Current tax liabilities	241	0	323	0
Deferred tax liabilities	0	31	0	52
Liabilities associated with assets held for sale	93	0	84	0
Other liabilities	2,337	321	2,399	307
Total liabilities	**167,509**	**155,459**	**156,497**	**177,412**

In the line 'Deposits to customers' the amounts were broken down into the columns '< 1 year' and '> 1 year' on the following basis. For non-maturing deposits such as current accounts and savings deposits, the liquidity model used for interest rate risk in the banking book was applied. Core deposits, which are assumed to remain with the bank over a longer horizon, are allocated to the '> 1 year' bucket. Non-core deposits are expected to flow out within 1 year are therefore included in the '< 1 year' bucket. All deposits with a given maturity structure, such as term deposits, are allocated according to their remaining contractual maturity. To comply with this method, the prior-year figure was adjusted.

67. Events after the balance sheet date

Acquisition of Santander Bank Polska S.A. and subsidiaries
In May 2025, Erste Group Bank AG and Banco Santander S.A. entered into an agreement under which Erste Group acquired a 49% stake in Santander Bank Polska Group S.A. and a 50% stake in Santander Towarzystwo Funduszy Inwestycyjnych S.A.. The transaction was closed on 9 January 2026, the acquisition date, when Erste Group obtained control of the companies. Further details can be found in *Note 57 Scope of consolidation - additions and disposals*.

Sale of Erste Card Club d.o.o.
The sale of Erste Card Club d.o.o. was completed on 2 January 2026 and EUR 101 million in cash was received. The company had already been classified as held for sale as of 31 December 2025.

68. Country by country reporting

The following country by country breakdown complies with the disclosure requirements of Article 89 of the EU Capital Requirements Directive IV:

in EUR million	Operating income	Pre-tax result from continuing operations (ex dividend income)	Taxes on income
Dec 25			
Austria	8,358	2,233	-432
Croatia	598	294	-52
Czech Republic	2,475	1,374	-237
Hungary	1,013	447	-66
Romania	1,304	854	-124
Serbia	195	78	-8
Slovakia	919	478	-162
Other locations	62	-117	-21
Consolidation	-3,265	-277	-1
Total	**11,659**	**5,364**	**-1,103**
Dec 24			
Austria	7,325	2,296	-405
Croatia	570	303	-58
Czech Republic	2,344	1,254	-223
Hungary	970	427	-64
Romania	1,244	666	-105
Serbia	187	77	-9
Slovakia	836	452	-167
Other locations	305	135	-21
Consolidation	-2,603	-652	-1
Total	**11,178**	**4,958**	**-1,053**

The unconsolidated profit before tax is presented for each country in which the Group operates. The profit before tax, excluding dividend income, is presented in accordance with the Transfer Pricing Documentation Act. The consolidation column leads to the consolidated profit. Income tax is allocated according to the expenses incurred in the respective tax jurisdictions in which the Group operates. The previous year's figures were adjusted to reflect the new structure.

For information regarding the country of residence of each fully consolidated entity refer to *Note 70 Details of the companies wholly or partly owned by Erste Group as of 31 December 2025*. Information about the geographical split of the average number of headcounts employed in Erste Group throughout 2025 is disclosed in Note 8 General administrative expenses.

69. Government grants

A government grant is recognised in Erste Group's financial statements, when there is reasonable assurance that it will be received and that Erste Group will comply with the conditions attached to it. Grants that compensate for the acquisition of assets are presented as deduction from the cost of the related asset and are recognised in profit or loss over the periods and in the proportions,

in which depreciation and amortisation expenses on those assets are recognised. Grants that compensate for expenses incurred are presented as deduction of relevant expenses in the period in which the expenses are incurred.

The total amount of government grants recognised in the group adds up to EUR 18 million (2024: EUR 7 million). Out of this total amount, EUR 12 million (2024: EUR 1 million) relates to government grants received by Czech entities, primarily in connection with the Modernisation Fund. The remaining government grants have been reported by Austrian entities.

70. Details of the companies wholly or partly owned by Erste Group as of 31 December 2025

The table below presents material, fully consolidated subsidiaries, investments in associates accounted for at equity and other investments.

		Interest of Erste Group in %	
Company name, registered office		Dec 24	Dec 25
Fully consolidated subsidiaries			
Credit institutions			
Banca Comerciala Romana SA	Bucharest	99.9	99.9
Banka Sparkasse d.d.	Ljubljana	28.0	28.0
Bausparkasse der österreichischen Sparkassen Aktiengesellschaft	Wien	100.0	100.0
BCR Banca pentru Locuinte SA	Bucharest	99.9	99.9
Ceska sporitelna, a.s.	Praha	100.0	100.0
Die Zweite Wiener Vereins-Sparcasse	Wien	0.0	0.0
Dornbirner Sparkasse Bank AG	Dornbirn	0.0	0.0
Erste & Steiermärkische Bank d.d.	Rijeka	69.3	69.3
ERSTE BANK AD PODGORICA	Podgorica	69.3	69.3
ERSTE BANK AKCIONARSKO DRUSTVO, NOVI SAD	Novi Sad	80.5	80.5
Erste Bank der oesterreichischen Sparkassen AG	Wien	100.0	100.0
Erste Bank Hungary Zrt	Budapest	100.0	100.0
Erste Group Bank AG	Wien	0.0	0.0
ERSTE Jelzálogbank Zártkörüen Müködö Részvénytársaság	Budapest	100.0	100.0
Erste Lakas-Takarekpenztar Zartkoruen Mukodo Reszvenytarsasag	Budapest	100.0	100.0
Kärntner Sparkasse Aktiengesellschaft	Klagenfurt	25.0	25.0
KREMSER BANK UND SPARKASSEN AKTIENGESELLSCHAFT	Krems	0.0	0.0
Lienzer Sparkasse AG	Lienz	0.0	0.0
Slovenska sporitelna, a. s.	Bratislava	100.0	100.0
Sparkasse Baden	Baden	0.0	0.0
Sparkasse Bank AD Skopje	Skopje	24.1	24.1
Sparkasse Bank dd Bosna i Hercegovina	Sarajevo	25.0	25.0
Sparkasse Bludenz Bank AG	Bludenz	0.0	0.0
Sparkasse Bregenz Bank Aktiengesellschaft	Bregenz	0.0	0.0
Sparkasse der Gemeinde Egg	Egg	0.0	0.0
Sparkasse der Stadt Amstetten AG	Amstetten	0.0	0.0
Sparkasse der Stadt Feldkirch	Feldkirch	0.0	0.0
Sparkasse der Stadt Kitzbühel	Kitzbühel	0.0	0.0
Sparkasse Eferding-Peuerbach-Waizenkirchen	Eferding	0.0	0.0
Sparkasse Feldkirchen/Kärnten	Feldkirchen	0.0	0.0
SPARKASSE FRANKENMARKT AKTIENGESELLSCHAFT	Frankenmarkt	0.0	0.0
Sparkasse Hainburg-Bruck-Neusiedl Aktiengesellschaft	Hainburg	75.0	75.0
Sparkasse Haugsdorf AG	Haugsdorf	0.0	0.0
Sparkasse Herzogenburg-Neulengbach Bank Aktiengesellschaft	Herzogenburg	0.0	0.0
Sparkasse Horn-Ravelsbach-Kirchberg Aktiengesellschaft	Horn	0.0	0.0
Sparkasse Imst AG	Imst	0.0	0.0
Sparkasse Korneuburg AG	Korneuburg	0.0	0.0
Sparkasse Kufstein Tiroler Sparkasse von 1877	Kufstein	0.0	0.0
Sparkasse Lambach Bank Aktiengesellschaft	Lambach	0.0	0.0
Sparkasse Langenlois	Langenlois	0.0	0.0
Sparkasse Mittersill Bank AG	Mittersill	0.0	0.0
Sparkasse Mühlviertel-West Bank Aktiengesellschaft	Rohrbach	40.0	40.0
Sparkasse Mürzzuschlag Aktiengesellschaft	Mürzzuschlag	0.0	0.0
Sparkasse Neuhofen Bank Aktiengesellschaft	Neuhofen	0.0	0.0
Sparkasse Neunkirchen	Neunkirchen	0.0	0.0

Company name, registered office		Interest of Erste Group in % Dec 24	Dec 25
SPARKASSE NIEDERÖSTERREICH MITTE WEST AKTIENGESELLSCHAFT	St. Pölten	0.0	0.0
Sparkasse Oberösterreich Bank AG	Linz	10.0	10.0
Sparkasse Pöllau AG	Pöllau	0.0	0.0
Sparkasse Pottenstein N.Ö.	Pottenstein	0.0	0.0
Sparkasse Poysdorf AG	Poysdorf	0.0	0.0
Sparkasse Pregarten - Unterweißenbach AG	Pregarten	0.0	0.0
Sparkasse Rattenberg Bank AG	Rattenberg	0.0	0.0
Sparkasse Reutte AG	Reutte	0.0	0.0
Sparkasse Ried im Innkreis-Haag am Hausruck	Ried	0.0	0.0
Sparkasse Salzkammergut AG	Bad Ischl	0.0	0.0
Sparkasse Scheibbs AG	Scheibbs	0.0	0.0
Sparkasse Schwaz AG	Schwaz	0.0	0.0
Sparkasse Voitsberg-Köflach Bankaktiengesellschaft	Voitsberg	4.2	4.2
Stavebni sporitelna Ceske sporitelny, a.s.	Praha	100.0	100.0
Steiermärkische Bank und Sparkassen Aktiengesellschaft	Graz	25.0	25.0
Tiroler Sparkasse Bankaktiengesellschaft Innsbruck	Innsbruck	75.0	75.0
Waldviertler Sparkasse Bank AG	Zwettl	0.0	0.0
Wiener Neustädter Sparkasse	Wiener	0.0	0.0
Financial institutions			
"Die Kärntner" Trust-Vermögensverwaltungsgesellschaft m.b.H.	Klagenfurt	25.0	25.0
ACP Financial Solutions GmbH	Wien	75.0	75.0
Alea-Grundstückverwaltung Gesellschaft m.b.H.	Wien	100.0	100.0
BCR Leasing IFN SA	Bucharest	99.9	99.9
BCR Payments Services SRL	Sibiu	99.9	99.9
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA	Bucharest	99.9	99.9
CEE Property Development Portfolio 2 a.s.	Praha	100.0	100.0
Ceska sporitelna - penzijni spolecnost, a.s.	Praha	100.0	100.0
DENAR-Immorent Grundverwertungsgesellschaft m.b.H.	Wien	62.5	62.5
DIE ERSTE Leasing Grundstückverwaltungsgesellschaft m.b.H.	Wien	100.0	100.0
Dostupné bydlení Ceské sporitelny, a.s.	Praha	100.0	100.0
Društvo za leasing Sparkase Lizing d.o.o. Skopje	Skopje	24.6	24.6
EB Erste Bank Internationale Beteiligungen GmbH	Wien	100.0	100.0
Erste & Steiermärkische S-Leasing drustvo s ogranicenom odgovornoscu za leasing vozila i strojeva	Zagreb	47.1	47.1
Erste Alapkezelo Zrt. (Erste Asset Management Ltd.)	Budapest	91.1	91.1
Erste Asset Management d.o.o.	Zagreb	91.1	91.1
Erste Asset Management GmbH	Wien	91.1	91.1
Erste Befektetesi Zrt.	Budapest	100.0	100.0
ERSTE CARD CLUB d.o.o.	Zagreb	69.3	69.3
Erste Finance (Delaware) LLC	Wilmington	100.0	100.0
Erste Group Immorent CR s.r.o.	Praha	100.0	100.0
Erste Group Immorent International Holding GmbH	Wien	100.0	100.0
Erste Group Immorent Lizing Zartkörüen Müködö Reszvenytarsasag	Budapest	100.0	100.0
ERSTE GROUP IMMORENT LJUBLJANA, financne storitve, d.o.o.	Ljubljana	100.0	100.0
ERSTE Immobilien Kapitalanlagegesellschaft m.b.H.	Wien	68.7	68.7
Erste Reinsurance S.A.	Luxembourg	100.0	100.0
Erste Securities Polska S.A.	Warsaw	100.0	100.0
Factoring Ceske sporitelny a.s.	Praha	100.0	100.0
GIROLEASING-Mobilienvermietungsgesellschaft m.b.H.	Wien	62.5	62.5
Hotel- und Sportstätten-Beteiligungs-, Errichtungs- und Betriebsgesellschaft m.b.H. Leasing KG	St. Pölten	54.6	54.6
ImmoRent Einkaufszentren Verwaltungsgesellschaft m.b.H.	Wien	100.0	100.0
Immorent-Clio-Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
Immorent-Gamma-Grundstücksverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-GREKO Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
Immorent-Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-NERO Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-Raiffeisen Fachhochschule Errichtungs- und BetriebsgmbH	Wien	55.0	55.0
IMMORENT-RASTA Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-RIO Grundverwertungsgesellschaft m.b.H.	Wien	55.0	55.0
IMMORENT-RIWA Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
Immorent-Theta-Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-TRIAS Grundverwertungsgesellschaft m.b.H.	Wien	62.5	62.5

		Interest of Erste Group in %	
Company name, registered office		Dec 24	Dec 25
IMNA-Immorent Immobilienleasing GmbH	Wien	100.0	100.0
Impact Asset Management GmbH	Wien	91.1	91.1
Intermarket Bank AG	Wien	93.8	93.8
IPS Fonds Gesellschaft bürgerlichen Rechts	Wien	65.2	67.5
IR REAL ESTATE LEASING d.o.o. u likvidaciji	Zagreb	92.5	92.5
Leasing Ceske sporitelny, a.s.	Praha	100.0	100.0
MEKLA Leasing Gesellschaft m.b.H.	Wien	100.0	100.0
NAXOS-Immorent Immobilienleasing GmbH	Wien	100.0	100.0
OREST-Immorent Leasing GmbH	Wien	100.0	100.0
PAROS-Immorent Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
PREDUZECE ZA FINANSIJSKI LIZING ERSTE LEASING DOO, BEOGRAD	Belgrade	66.6	66.6
REICO investicni spolecnost Erste Asset Management, a.s.	Praha	91.1	91.1
RHEA-Immorent Holding GmbH	Wien	100.0	100.0
s ASG Sparkassen Abwicklungs- und Servicegesellschaft mbH	Graz	25.0	25.0
s Autoleasing SK, s.r.o.	Bratislava	100.0	100.0
s Wohnbaubank AG	Wien	100.0	100.0
s Wohnfinanzierung Beratungs GmbH	Wien	100.0	100.0
SAI Erste Asset Management S.A.	Bucharest	91.1	91.1
sBAU Holding GmbH	Wien	100.0	100.0
SCIENTIA Immorent GmbH	Wien	100.0	100.0
Sieben Tiroler Sparkassen Beteiligungsgesellschaft m.b.H.	Kufstein	0.0	0.0
S-Leasing Immobilienvermietungsgesellschaft m.b.H.	Wiener	33.3	33.3
SPARKASSE IMMORENT Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
Sparkasse Leasing društvo sa ogranicenom odgovornošcu za leasing nekretnina, vozila, brodova i mašina, Sarajevo	Sarajevo	25.0	25.0
Sparkasse Leasing S, družba za financiranje d.o.o.	Ljubljana	28.0	28.0
Sparkasse Oberösterreich Kapitalanlagegesellschaft m.b.H.	Linz	14.1	14.1
Sparkasse Pay poslovanje s kreditnimi karticami, d.o.o.	Ljubljana	28.0	28.0
TAURIS-Immorent Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
Theuthras-Immorent Grundverwertungsgesellschaft m.b.H.	Wien	62.5	62.5
WIESTA-Immorent Immobilienleasing GmbH	Wien	100.0	100.0
Other			
"Die Kärntner" Trust- Vermögensverwaltungsgesellschaft m.b.H. & Co KG	Klagenfurt	25.0	25.0
"Nare" Grundstücksverwertungs-Gesellschaft m.b.H.	Wien	100.0	100.0
BP Antal, s.r.o.	Praha	100.0	100.0
BTV-Beteiligungs-, Treuhand-, Vermögens-Verwaltungsgesellschaft m.b.H.	Klagenfurt	25.0	25.0
Budejovicka development, s. r. o.	Praha	100.0	100.0
Cinci-Immorent Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
Collat-real Korlatolt Felelössegü Tarsasag	Budapest	100.0	100.0
Commerzbank Zrt. "v.a."	Budapest	100.0	100.0
CPDP 2003 s.r.o.	Praha	100.0	100.0
CS NHQ, s.r.o.	Praha	100.0	100.0
CS Seed Starter, a.s.	Praha	100.0	100.0
DBCS Cerny Most, s.r.o.	Praha	100.0	100.0
DBCS Opatov, s.r.o.	Praha	100.0	100.0
DBCS Prosek, s.r.o.	Praha	100.0	100.0
DBCS Zdar s.r.o.	Praha	100.0	100.0
DIE ERSTE Leasing Grundbesitzgesellschaft m.b.H.	Wien	100.0	100.0
DIE ERSTE Leasing Immobilienbesitzgesellschaft m.b.H.	Wien	100.0	100.0
DIE ERSTE Leasing Immobilienverwaltungs- und -vermietungsgesellschaft m.b.H.	Wien	100.0	100.0
Dienstleistungszentrum Leoben GmbH	Wien	51.0	51.0
EBB Beteiligungen GmbH	Wien	100.0	100.0
EB-Grundstücksbeteiligungen GmbH	Wien	100.0	100.0
EB-Restaurantsbetriebe Ges.m.b.H.	Wien	100.0	100.0
EKZ-Immorent Vermietung GmbH	Wien	100.0	100.0
Erste Bank und Sparkassen Leasing GmbH	Wien	100.0	100.0
ERSTE CAMPUS Immobilien AG & Co KG	Wien	100.0	100.0
Erste Digital GmbH	Wien	81.8	81.8
Erste Grantika Advisory, a.s.	Brno	100.0	100.0
Erste Group Card Processor d.o.o.	Zagreb	100.0	100.0
Erste Group Immorent GmbH	Wien	100.0	100.0
ERSTE GROUP IMMORENT HRVATSKA drustvo s ogranicenom odgovornoscu za upravljanje	Zagreb	100.0	100.0

		Interest of Erste Group in %	
Company name, registered office		Dec 24	Dec 25
Erste Group Immorent Slovensko s.r.o.	Bratislava	100.0	100.0
Erste Group Services GmbH	Wien	100.0	100.0
ERSTE Immobilien Alpha Eggenberger Gürtel GmbH & Co KG	Wien	0.0	89.9
ERSTE Immobilien Alpha Lemböckgasse 59 GmbH & Co KG	Wien	90.0	90.0
ERSTE Immobilien Alpha Ulmgasse GmbH & Co. KG	Wien	0.0	90.0
ERSTE Immobilien Gamma Lemböckgasse GmbH & Co KG	Wien	90.0	90.0
ERSTE Immobilien Gamma Seepark Campus West GmbH & Co KG	Wien	90.0	90.0
Erste Ingatlan Fejleszto, Hasznosito es Mernoki Kft.	Budapest	100.0	100.0
ERSTE NEKRETNINE d.o.o. za poslovanje nekretninama	Zagreb	69.3	69.3
Erste Operations GmbH	Wien	100.0	100.0
Erste Sparkassen Services GmbH	Wien	100.0	46.2
ERSTE Tower Kft.	Budapest	100.0	100.0
Eva-Immobilienverwaltungsgesellschaft m.b.H.	Wien	100.0	100.0
Eva-Realitätenverwaltungsgesellschaft m.b.H.	Wien	100.0	100.0
F & S Leasing GmbH	Klagenfurt	100.0	100.0
FUKO-Immorent Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
George Labs GmbH	Wien	100.0	100.0
Graben 21 Liegenschaftsverwaltung GmbH	Wien	100.0	100.0
Haftungsverbund GmbH	Wien	63.1	63.1
HATHOR Grundverwertungsgesellschaft m.b.H.	Graz	62.5	25.0
HBM Immobilien Kamp GmbH	Wien	100.0	100.0
Holding Card Service s.r.o.	Praha	100.0	100.0
HP Immobilien Psi GmbH	Wien	100.0	100.0
HT Immobilien Tau GmbH	Wien	100.0	100.0
HT Immobilien Theta GmbH	Wien	100.0	100.0
HV Immobilien Hohenems GmbH	Wien	100.0	100.0
IBF-Anlagenleasing 95 Gesellschaft m.b.H.	Wien	100.0	100.0
IGP Industrie und Gewerbepark Wörgl Gesellschaft m.b.H.	Kufstein	0.0	0.0
ILGES - Immobilien- und Leasing - Gesellschaft m.b.H.	Rohrbach	40.0	40.0
Immo Smaragd GmbH	Schwaz	0.0	0.0
Immobilienverwertungsgesellschaft m.b.H.	Klagenfurt	25.0	25.0
Immorent - Immobilienleasing Gesellschaft m.b.H.	Wien	100.0	100.0
Immorent Oktatasi Ingatlanhasznosito es Szolgaltato Kft.	Budapest	100.0	100.0
IMMORENT Österreich GmbH	Wien	100.0	100.0
IMMORENT RIED GmbH	Wien	100.0	100.0
Immorent Singidunum d.o.o.	Belgrade	100.0	100.0
IMMORENT Terinvest Ingatlanhasznosíto es Szolgaltato Korlatolt Felelössegü Tarsasag	Budapest	100.0	100.0
IMMORENT-ANUBIS Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
Immorent-Kappa Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-KRABA Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-LEANDER Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-PAN Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-RAMON Grundverwertungsgesellschaft m.b.H.	Wien	62.5	62.5
IMMORENT-REMUS Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-RIALTO Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-RONDO Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
IMMORENT-RUBIN Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
Immorent-WBV Grundverwertungsgesellschaft m.b.H.	Wien	50.0	50.0
IR Beteiligungsverwaltungsgesellschaft mbH	Wien	100.0	100.0
IR CEE Project Development Holding GmbH	Wien	100.0	100.0
IZBOR NEKRETNINA D.O.O. ZA USLUGE	Zagreb	69.3	69.3
Jura Grundverwertungsgmbh	Graz	25.0	25.0
Kärntner Sparkasse Vermögensverwaltungsgesellschaft m.b.H.	Klagenfurt	25.0	25.0
KEKS pay d.o.o.	Zagreb	0.0	69.3
KS - Dienstleistungsgesellschaft m.b.H.	Klagenfurt	25.0	25.0
KS-Beteiligungs- und Vermögens-Verwaltungsgesellschaft m.b.H.	Klagenfurt	25.0	25.0
LANED a.s.	Bratislava	100.0	100.0
Lassallestraße 7b Immobilienverwaltung GmbH	Wien	100.0	100.0
LIEGESA Immobilienvermietung GmbH Nfg OG	Graz	25.0	25.0
MCS 14 Projektentwicklung GmbH & Co KG	Wien	100.0	100.0
NÖ-Sparkassen Beteiligungsgesellschaft m.b.H.	St. Pölten	2.5	2.5
Oktatasi Solutions PPP Korlatolt Felelossegu Tarsasag	Budapest	100.0	100.0

		Interest of Erste Group in %	
Company name, registered office		Dec 24	Dec 25
Ölim-Grundverwertungsgesellschaft m.b.H.	Graz	25.0	25.0
OM Objektmanagement GmbH	Wien	100.0	100.0
Österreichische Sparkassenakademie GmbH	Wien	43.8	43.8
Österreichisches Volkswohnungswerk, Gemeinnützige Gesellschaft mit beschränkter Haftung	Wien	100.0	100.0
ÖVW Bauträger GmbH	Wien	100.0	100.0
Pacemaker Lab GmbH	Wien	0.0	100.0
Procurement Services CZ s.r.o.	Praha	99.9	99.9
Procurement Services GmbH	Wien	99.9	99.9
Procurement Services HR d.o.o.	Zagreb	99.9	99.9
Procurement Services HU Kft.	Budapest	99.9	99.9
Procurement Services RO srl	Bucharest	99.9	99.9
Procurement Services SK, s.r.o.	Bratislava	99.9	99.9
QBC Management und Beteiligungen GmbH in Liqu.	Wien	65.0	65.0
Real-Service für oberösterreichische Sparkassen Realitätenvermittlungsgesellschaft m.b.H.	Linz	56.1	54.9
Real-Service für steirische Sparkassen, Realitätenvermittlungsgesellschaft m.b.H.	Graz	61.7	61.7
s IM Immobilien Management GmbH	Graz	25.0	25.0
S IMMORENT OMIKRON drustvo s ogranicenom odgovornoscu za poslovanje nekretninama	Zagreb	100.0	100.0
s REAL Immobilienvermittlung GmbH	Wien	100.0	100.0
s ServiceCenter GmbH	Wien	55.2	55.2
s Wohnbauträger GmbH	Wien	100.0	100.0
S-Invest Beteiligungsgesellschaft m.b.H.	Wien	70.0	70.0
SK - Immobiliengesellschaft m.b.H.	Krems	0.0	0.0
SK Immobilien Epsilon GmbH	Wien	100.0	100.0
SKT Immobilien GmbH	Kufstein	0.0	0.0
SKT Immobilien GmbH & Co KG	Kufstein	0.0	0.0
SLSP Seed Starter, s.r.o.	Bratislava	100.0	100.0
SLSP Social Finance, s.r.o.	Bratislava	79.8	79.8
sMS Marktservice für Sparkassen GmbH	Krems	0.0	0.0
Sparfinanz-, Vermögens-, Verwaltungs- und Beratungs- Gesellschaft m.b.H.	Wiener	0.0	0.0
Sparkasse Mühlviertel-West Holding GmbH	Rohrbach	40.0	40.0
Sparkassen IT Holding AG	Wien	27.5	27.5
Sparkassen Leasing Süd GmbH	Graz	25.0	25.0
Sparkassen Real Vorarlberg Immobilienvermittlung GmbH	Dornbirn	50.0	50.0
Sparkassen-Haftungs GmbH	Wien	63.1	63.1
Sparkassen-Real-Service für Kärnten und Osttirol Realitätenvermittlungs-Gesellschaft m.b.H.	Klagenfurt	57.6	57.6
Sparkassen-Real-Service -Tirol Realitätenvermittlungs-Gesellschaft m.b.H.	Innsbruck	68.7	68.7
SPK OÖ Beteiligungsholding GmbH	Linz	10.0	10.0
SPK OÖ Immobilien GmbH	Linz	10.0	10.0
SPK OÖ R6-8 Immobilien GmbH & Co KG	Linz	10.0	10.0
S-Real, Realitätenvermittlungs- und -verwaltungs Gesellschaft m.b.H.	Wiener	0.0	0.0
S-RENT DOO BEOGRAD	Belgrade	35.5	35.5
Steiermärkische Verwaltungssparkasse Immobilien & Co KG	Graz	25.0	25.0
Subholding Immorent GmbH	Wien	100.0	100.0
Suport Colect SRL	Bucharest	99.9	99.9
UBG-Unternehmensbeteiligungsgesellschaft m.b.H.	Wien	100.0	100.0
Vorarlberger Sparkassen Beteiligungs GmbH	Dornbirn	0.0	0.0
XENIA-Immorent Grundverwertungsgesellschaft m.b.H.	Wien	100.0	100.0
ZWETTLER LEASING Gesellschaft m.b.H.	Zwettl	0.0	0.0
Funds			
ERSTE RESERVE CORPORATE	Wien	0.0	0.0
ERSTE RESPONSIBLE RESERVE	Wien	0.0	0.0
IPS Fonds II	Wien	0.0	0.0
SPARKASSEN 4	Wien	0.0	0.0
SPARKASSEN 5	Wien	0.0	0.0
SPARKASSEN 8	Wien	0.0	0.0
Equity method investments			
Credit institutions			
Prva stavebna sporitelna, a.s.	Bratislava	35.0	35.0
SPAR-FINANZ BANK AG	Salzburg	50.0	50.0
Financial institutions			
BCR Social Finance IFN S.A.	Bucharest	73.9	73.9
ERSTE d.o.o.	Zagreb	45.2	50.6

		Interest of Erste Group in %	
Company name, registered office		**Dec 24**	**Dec 25**
Erste Social Finance Holding GmbH	Wien	49.0	49.0
Esquilin Grundstücksverwaltungs Gesellschaft m.b.H.	St. Pölten	24.5	24.5
FORIS Grundstückvermietungs Gesellschaft m.b.H.	St. Pölten	24.5	24.5
Global Payments s.r.o.	Praha	49.0	49.0
HOSPES-Grundstückverwaltungs Gesellschaft m.b.H.	St. Pölten	33.3	33.3
Immorent-Hypo-Rent Grundverwertungsgesellschaft m.b.H.	Innsbruck	49.0	49.0
LITUS Grundstückvermietungs Gesellschaft m.b.H.	St. Pölten	24.5	24.5
NÖ Bürgschaften und Beteiligungen GmbH	Wien	14.4	14.4
NÖ-KL Kommunalgebäudeleasing Gesellschaft m.b.H.	Wien	33.4	33.4
PSA Payment Services Austria GmbH	Wien	18.5	18.5
Quirinal Grundstücksverwaltungs Gesellschaft m.b.H.	Wien	33.3	33.3
TKL VIII Grundverwertungsgesellschaft m.b.H.	Innsbruck	24.5	24.5
VALET-Grundstückverwaltungs Gesellschaft m.b.H.	St. Pölten	24.5	24.5
VOLUNTAS Grundstückvermietungs Gesellschaft m.b.H.	St. Pölten	35.0	35.0
Other			
APHRODITE Bauträger GmbH	Wien	50.0	50.0
Gemdat Niederösterreichische Gemeinde-Datenservice Gesellschaft m. b. H.	Korneuburg	0.8	0.8
Hochkönig Bergbahnen GmbH	Mühlbach	49.2	49.2
Neue Eisenstädter gemeinnützige Bau-, Wohn- und Siedlungsgesellschaft m.b.H.	Eisenstadt	50.0	50.0
O.Ö. Kommunalgebäude-Leasing Gesellschaft m.b.H.	Linz	40.0	40.0
Steirische Gemeindegebäude Leasing Gesellschaft m.b.H.	Wien	50.0	50.0
Steirische Leasing für öffentliche Bauten Gesellschaft m.b.H. in Liqu.	Wien	50.0	50.0
Steirische Kommunalgebäudeleasing Gesellschaft m.b.H.	Wien	50.0	50.0
Steirische Leasing für Gebietskörperschaften Gesellschaft m.b.H.	Wien	50.0	50.0
STUWO Gemeinnützige Studentenwohnbau Aktiengesellschaft	Wien	50.0	50.0
SWO Kommunalgebäudeleasing Gesellschaft m.b.H.	Wien	50.0	50.0
TRABITUS Grundstückvermietungs Gesellschaft m.b.H. in Liqu.	Wien	25.0	25.0
"Wohnungseigentümer" Gemeinnützige Wohnbaugesellschaft m.b.H.	Mödling	20.3	20.3
Slovak Banking Credit Bureau, s.r.o.	Bratislava	33.3	33.3
VBV - Betriebliche Altersvorsorge AG	Wien	29.3	29.3
Flottenmanagement GmbH	Wien	51.0	51.0
GELUP GmbH	Wien	33.3	33.3
KWC Campus Errichtungsgesellschaft m.b.H.	Klagenfurt	13.6	13.6
Erste ÖSW Wohnbauträger GmbH	Wien	50.1	50.1
CIT ONE SA	Bucharest	33.3	33.3
Dostupny Domov j.s.a.	Nitra	39.9	39.9
Monilogi s.r.o.	Bratislava	28.0	28.0
Dostupny Najom j.s.a.	Nitra	39.8	39.8
Other investments			
Credit institutions			
ALTA BANKA AD BEOGRAD	Belgrade	0.0	0.0
EUROAXIS BANK AD Moskva	Moscow	1.6	1.6
EUROPEAN INVESTMENT FUND	Luxembourg	0.1	0.1
Oesterreichische Kontrollbank Aktiengesellschaft	Wien	12.9	12.9
Public Joint-stock company commercial Bank "Center-Invest"	Rostov	9.1	9.1
Südtiroler Sparkasse AG	Bozen	0.1	0.1
Financial institutions			
"Die Kärntner" - Förderungs- und Beteiligungsgesellschaft für die Stadt Friesach Gesellschaft m.b.H.	Friesach	25.0	25.0
"Die Kärntner" - Förderungsgesellschaft für das Gurktal Gesellschaft m.b.H.	Gurk	25.0	25.0
"Die Kärntner"-Förderungs- und Beteiligungsgesellschaft für den Bezirk Wolfsberg Gesellschaft m.b.H.	Wolfsberg	25.0	25.0
AMC V SCA SICAV-RAIF	Luxembourg	2.9	2.9
Anlegerentschädigung von Wertpapierfirmen GmbH	Wien	0.0	0.5
ASEF S.C.Sp.	Senningerberg	5.3	5.3
BCR Asigurari de Viata Vienna Insurance Group SA	Bucharest	5.5	5.5
BCR SEED STARTER SRL	Bucharest	99.9	99.9
Burza cennych papierov v Bratislave, a.s.	Bratislava	3.9	3.9
capital300 EuVECA GmbH & Co KG	Wien	0.7	0.7
Centar banka d.d. in bankruptcy	Zagreb	0.6	0.6
Central Securities Depository AD Skopje	Skopje	4.6	4.6
Clearing House KIBS AD Skopje	Skopje	4.5	4.5
Crowdberry Investment Platform j.s.a.	Bratislava	20.0	20.0

Company name, registered office		Interest of Erste Group in %	
		Dec 24	Dec 25
CULINA Grundstückvermietungs Gesellschaft m.b.H.	St. Pölten	25.0	25.0
CVI Private Debt Fund II S.C.A. SICAV-RAIF	Luxembourg	0.0	3.3
EBA CLEARING (ABE CLEARING S.A.S.)	Paris	2.1	2.1
Erste Asset Management Deutschland GmbH	Haar	91.1	91.1
ERSTE Immobilien Beta GmbH	Wien	68.7	68.7
Fortenova Group STAK Stichting	Amsterdam	0.3	0.3
Fund of Excellence Förderungs GmbH	Wien	45.0	45.0
Garantiqa Hitelgarancia Zrt.	Budapest	2.3	2.3
Gladiator Leasing Limited	Pieta	100.0	100.0
Innova/7 SCA SICAV-RAIF	Senningerberg	2.9	2.9
KERES-Immorent Immobilienleasing GmbH	Wien	25.0	25.0
KOOPERATIVA poistovna, a.s. Vienna Insurance Group	Bratislava	1.5	1.5
Kooperativa pojistovna, a.s. Vienna Insurance Group	Praha	1.6	1.6
Neo Investment B.V.	Amsterdam	0.0	0.0
Oberösterreichische Kreditgarantiegesellschaft m.b.H.	Linz	2.3	1.5
Omniasig Vienna Insurance Group SA	Bucharest	0.1	0.1
Q-ENERGY V, FCR	Madrid	1.3	1.3
Round2 Capital Partners II SCSp RAIF	Howald	5.2	5.2
S Servis, s.r.o.	Znojmo	100.0	100.0
SOCIETATEA DE TRANSFER DE FONDURI SI DECONTARI TRANSFOND SA	Bucharest	3.2	3.2
Society for Worldwide Interbank Financial Telecommunication scrl	La Hulpe	0.3	0.3
Speedinvest III EuVECA GmbH & Co KG	Wien	1.8	1.8
Speedinvest IV EuVECA GmbH & Co KG	Wien	1.6	1.6
SREDISNJE KLIRINSKO DEPOZITARNO DRUSTVO D.D.(CENTRAL DEPOZITORY & CLEARING COMPANY Inc.)	Zagreb	0.1	0.1
SVB Lambach Versicherungsmakler GmbH	Lambach	0.0	0.0
Taaleri SolarWind III CEE SCSp	Luxembourg	0.0	1.7
Taaleri SolarWind III SCSp.	Luxembourg	0.0	1.7
TKL VI Grundverwertungsgesellschaft m.b.H.	Innsbruck	33.3	33.3
TKL VII Grundverwertungsgesellschaft m.b.H.	Innsbruck	33.3	33.3
UNION Vienna Insurance Group Biztosito Zrt.	Budapest	1.4	1.4
WB & VC Sparkasse Korneuburg GmbH	Korneuburg	0.0	0.0
Web Value GmbH	Wien	6.5	6.5
Wiener Börse AG	Wien	11.6	11.6
Wiener osiguranje Vienna Insurance Group dionicko drustvo za osiguranje	Zagreb	1.1	1.1
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group	Wien	2.2	2.2
WKBG Wiener Kreditbürgschafts- und Beteiligungsbank AG (vorm.Kapital-Beteiligungs Aktiengesellschaft)	Wien	14.4	14.4
WVR Immobilien GmbH	Zwettl	0.0	0.0
Zweite Beteiligungsgesellschaft Reefer-Flottenfonds mbH & Co KG	Hamburg	0.0	0.0
Other			
"Gasthof Löwen" Liegenschaftsverwaltung GmbH & Co., KG	Feldkirch	0.0	0.0
"Photovoltaik-Gemeinschaftsanlage" der Marktgemeinde Wolfurt	Wolfurt	0.0	0.0
"S-PREMIUM" Drustvo sa ogranicenom odgovornoscu za posredovanje i zastupanje u osiguranju d.o.o. Sarajevo	Sarajevo	25.0	25.0
"Stolz auf Wien" Beteiligungs GmbH	Wien	0.0	0.0
"TBG" Thermenzentrum Geinberg Betriebsgesellschaft m.b.H.	Geinberg	0.4	0.4
"THG" Thermenzentrum Geinberg Errichtungs-GmbH	Linz	0.4	0.4
AB Banka, a.s. v likvidaci	Mladá Boleslav	4.5	4.5
Achenseebahn-Aktiengesellschaft in Abwicklung	Jenbach	0.0	0.0
Achtundsechzigste Sachwert Rendite-Fonds Holland GmbH & Co KG	Hamburg	0.0	0.0
AD SPORTSKO POSLOVNI CENTAR MILLENNIUM VRSAC	Vršac	0.2	0.2
Agrargemeinschaft Kirchschlag	Kirchschlag	0.0	0.0
Alpbacher Bergbahn Gesellschaft m.b.H. & Co.KG.	Alpbach	0.0	0.0
Am Garnmarkt Betriebs GmbH	Götzis	0.0	0.0
ARWAG Holding-Aktiengesellschaft	Wien	19.3	19.3
AS LEASING Gesellschaft m.b.H.	Linz	10.0	10.0
AS Support GmbH	Linz	10.0	10.0
Austrian Reporting Services GmbH	Wien	14.3	14.3
aws Gründerfonds Beteiligungs GmbH & Co KG	Wien	5.1	5.1
Bankovni identita, a.s.	Praha	17.0	17.0
Bäuerliches Blockheizkraftwerk Kautzen registrierte Genossenschaft mit beschränkter Haftung	Kautzen	0.0	0.0
beeex GmbH	Pöllau	0.0	0.0

Company name, registered office		Interest of Erste Group in %	
		Dec 24	Dec 25
Berg- und Schilift Schwaz-Pill Gesellschaft m.b.H.	Schwaz	0.0	0.0
Bergbahn Aktiengesellschaft Kitzbühel	Kitzbühel	0.0	0.0
Bergbahn Lofer GmbH	Lofer	7.1	7.1
Bergbahnen Oetz Gesellschaft m.b.H.	Oetz	0.0	0.0
Bergbahnen Westendorf Gesellschaft m.b.H.	Westendorf	0.0	0.0
BGM - EB-Grundstücksbeteiligungen GmbH & Co KG	Wien	0.0	0.0
Biogenrohstoffgenossenschaft Kamptal und Umgebung registrierte Genossenschaft mit beschränkter Haftung	Maiersch	0.0	0.0
Biomasse Heizwerk Zürs GmbH	Zürs	0.0	0.0
Biroul de Credit SA	Bucharest	19.4	19.4
Born Digital s.r.o.	Praha	7.5	7.5
Brauerei Murau eGen	Murau	0.7	0.7
Bregenz Tourismus & Stadtmarketing GmbH	Bregenz	0.0	0.0
Budapesti Értéktozsde Zártköruen Muködo Részvénytársaság	Budapest	2.3	2.3
Camelot Informatik und Consulting Gesellschaft m.b.H.	Wien	4.1	4.1
CAMPUS 02 Fachhochschule der Wirtschaft GmbH	Graz	1.5	1.5
CANCOM Banking Services GmbH	Wien	0.3	0.3
Cargo-Center-Graz Betriebsgesellschaft m.b.H	Werndorf	1.6	1.6
Cargo-Center-Graz Betriebsgesellschaft m.b.H. & Co KG	Werndorf	1.6	1.6
CARUSO Carsharing eGen	Dornbirn	0.0	0.0
Casa Romana de Compensatie Sibiu	Sibiu	0.4	0.4
CBCB-Czech Banking Credit Bureau, a.s.	Praha	20.0	20.0
CONATUS Grundstückvermietungs Gesellschaft m.b.H. in Liqu.	St. Pölten	24.5	24.5
CRNOMEREC CENTAR D.O.O. ZA PROJEKTIRANJE GRADENJE I NADZOR	Zagreb	0.0	0.0
Dachstein Tourismus AG	Gosau	0.0	0.0
Dateio s.r.o.	Praha	31.0	31.0
Digital factory s.r.o.	Praha	15.0	15.0
Dornbirner Seilbahn AG	Dornbirn	0.0	0.0
DRUSTVO ZA KONSALTING I MENADZMENT POSLOVE TRZISTE NOVCA A.D. BEOGRAD (SAVSKI VENAC)	Belgrade	0.8	0.8
EBB-Delta Holding GmbH	Wien	100.0	100.0
EBV-Leasing Gesellschaft m.b.H.	Wien	51.0	51.0
EC Energie Center Lipizzanerheimat GmbH	Bärnbach	0.0	0.0
Egg Investment GmbH	Egg	0.0	0.0
E-H Liegenschaftsverwaltungs-GmbH	Etsdorf	0.0	0.0
EHKS74 Projektentwicklung GmbH & Co KG	Korneuburg	0.0	0.0
Einlagensicherung AUSTRIA Ges.m.b.H.	Wien	1.8	1.8
EKS74 GmbH	Korneuburg	0.0	0.0
ELAG Immobilien AG	Linz	0.4	0.4
encall s.r.o.	Praha	10.0	10.0
Energie AG Oberösterreich	Linz	0.1	0.1
Energiegemeinschaft Kamptal eGen	Langenlois	0.0	0.0
Erste Diversified Private Equity I	Senningerberg	0.0	0.0
ERSTE Immobilien Alpha "WE-Objekte" GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Alpha APS 85 GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Alpha Baufeld Omega GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Alpha Brünner Straße 124 Liegenschaftsverwaltung GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Alpha Favoritenstraße 92 GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Alpha GmbH	Wien	68.7	68.7
ERSTE Immobilien Alpha Hirschstettner Straße 61 GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Alpha Kerensstraße GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Alpha Paragonstraße GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Alpha W175 GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Aspernbrückengasse 2 GmbH & Co KG	Wien	0.1	0.1
ERSTE Immobilien Beta GS 131 GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Gamma Breitenfurter Straße 235 GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Gamma GmbH	Wien	68.7	68.7
ERSTE Immobilien Gamma Hilde-Spiel-Gasse GmbH & Co KG	Wien	0.0	0.0
ERSTE Immobilien Gamma Poststraße 1 GmbH & Co KG	Wien	0.0	0.0
Erste PEWO Immobilienverwaltung GmbH	Wien	96.9	96.9
Erste Private Capital S.a r.l.	Senningerberg	91.1	91.1
Erste Private Capital S.C.A. SICAV-RAIF	Senningerberg	0.0	0.0
FLiP GmbH - gemeinnützige Gesellschaft zur Förderung finanzieller Bildung	Wien	49.0	49.0

		Interest of Erste Group in %	
Company name, registered office		Dec 24	Dec 25
FLiP Linz GmbH - Gemeinnützige Gesellschaft zur Förderung finanzieller Bildung	Linz	10.0	10.0
Flourish d.o.o Podgorica	Podgorica	3.5	3.5
Förstergasse 7 Immobilien GmbH	Zwettl	0.0	0.0
Fortenova STAK Stichting	Amsterdam	0.2	0.2
Freizeitpark Zell GmbH	Zell	0.0	0.0
Freizeitzentrum Zillertal GmbH	Fügen	0.0	0.0
FWG-Fernwärmeversorgung Raabs a.d. Thaya registrierte Genossenschaft mit beschränkter Haftung	Raabs	0.0	0.0
Gasteiner Bergbahnen Aktiengesellschaft	Bad Hofgastein	13.4	13.4
GEBAU-NIOBAU Gemeinnützige Baugesellschaft m.b.H.	Mödling	19.2	19.2
GEMDAT OÖ GmbH	Linz	4.3	2.9
GEMDAT OÖ GmbH & Co KG	Linz	4.7	3.2
Gemeinnützige Bau- und Siedlungsgenossenschaft "Waldviertel" registrierte Genossenschaft mit beschränkter Haftung	Raabs	0.0	0.0
Gemeinnützige Wohn- und Siedlungsgesellschaft Schönere Zukunft, Gesellschaft m.b.H.	Wien	15.0	15.0
Gemeinnützige Wohnungsgesellschaft "Austria" Aktiengesellschaft	Mödling	20.0	20.0
Gerlitzen - Kanzelbahn - Touristik Gesellschaft m.b.H. & Co KG	Sattendorf	0.0	0.0
Gewerbe- und Dienstleistungspark der Stadtgemeinde Bad Radkersburg KG	Bad	12.5	12.5
Gladiator Aircraft Management Limited (in Liqui.)	Pieta	100.0	100.0
GLL A319 AS LIMITED	Pieta	100.0	100.0
GLL MSN 2118 DESIGNATED ACTIVITY COMPANY (in Liqui)	Dublin	100.0	100.0
Golfclub Brand GmbH	Brand	0.0	0.0
Golfclub Pfarrkirchen im Mühlviertel GesmbH	Pfarrkirchen	0.2	0.2
Golfplatz Hohe Salve - Brixental Errichtergesellschaft m.b.H. & Co KG	Westendorf	0.0	0.0
Golfresort Haugschlag GmbH & Co KG	Litschau	0.0	0.0
Green Encoded GmbH	Graz	0.0	0.0
Großarler Bergbahnen Gesellschaft mit beschränkter Haftung & Co. KG.	Großarl	0.1	0.1
GW St. Pölten Integrative Betriebe GmbH	St. Pölten	0.0	0.0
GWS Gemeinnützige Alpenländische Gesellschaft für Wohnungsbau und Siedlungswesen m.b.H.	Graz	7.5	7.5
GXT Vermögensverwaltung GmbH & Co KG	Wien	0.4	0.4
Harkin Limited	Dublin	100.0	100.0
Haus für Senioren 1 Fischamend Errichtungsgesellschaft m.b.H. & Co KG	Wien	0.0	0.0
Hauser Kaibling Seilbahn- und Liftgesellschaft m.b.H. & Co. KG.	Haus	0.4	0.4
HDL Fiecht GmbH	Vomp	0.0	0.0
Heiltherme Bad Waltersdorf GmbH	Bad	4.5	4.5
Heiltherme Bad Waltersdorf GmbH & Co KG	Bad	4.1	4.1
Hinterstoder-Wurzeralm Bergbahnen Aktiengesellschaft	Hinterstoder	0.1	0.1
Hrvatski registar obveza po kreditima d.o.o. (HROK)	Zagreb	7.3	7.3
HV-Veranstaltungsservice GmbH	St. Lorenzen	100.0	100.0
I4A Baumeistergasse 65 Projekt GmbH	Zwettl	0.0	0.0
IMMORENT S-Immobilienmanagement GesmbH	Wien	100.0	100.0
Innovations.Raum Kufstein eGen	Kufstein	0.0	0.0
Investown Technologies s.r.o.	Zlatniky-	24.1	19.0
JAVNO SKLADISTE SLOBODNA CARINSKA ZONA NOVI SAD AD NOVI SAD	Novi Sad	4.1	4.1
Juchgasse 10 Immobilien GmbH	Zwettl	0.0	0.0
JUGOALAT-JAL AD NOVI SAD	Novi Sad	5.0	5.0
Kaiser-Ebersdorfer Straße 8 GmbH & Co KG	Wien	0.0	0.0
Kapruner Freizeitzentrum Betriebs GmbH	Kaprun	0.0	0.0
Kitzbüheler Anzeiger Gesellschaft m.b.H.	Kitzbühel	0.0	0.0
Kleinkraftwerke-Betriebsgesellschaft m.b.H.	Wien	100.0	100.0
Kur- und Fremdenverkehrsbetriebe Bad Radkersburg Gesellschaft m.b.H.	Bad	0.3	0.3
L & M Immobilien Invest GmbH	St. Pölten	0.0	0.0
ländleticket marketing gmbh	Dornbirn	0.0	0.0
Langenloiser Liegenschaftsverwaltungs-Gesellschaft m.b.H.	Langenlois	0.0	0.0
LBH Liegenschafts- und Beteiligungsholding GmbH	Innsbruck	75.0	75.0
Lebens.Resort & Gesundheitszentrum GmbH	Ottenschlag	0.0	0.0
Lienzer-Bergbahnen-Aktiengesellschaft	Gaimberg	0.0	0.0
Liezener Bezirksnachrichten Gesellschaft m.b.H.	Liezen	1.1	1.1
LOCO 597 Investment GmbH	Egg	0.0	0.0
Lorit Kommunalgebäudeleasing Gesellschaft m.b.H.	Wien	26.7	26.7
LV Holding GmbH	Linz	14.2	9.7
Macedonian Stock Exchange AD	Skopje	4.7	4.7
Maissauer Amethyst GmbH	Maissau	0.0	0.0

		Interest of Erste Group in %	
Company name, registered office		Dec 24	Dec 25
MAJEVICA HOLDING AKCIONARSKO DRUSTVO, BACKA PALANKA	Bačka Palanka	5.2	5.2
Mayer Property Alpha d.o.o. u likvidaciji	Zagreb	100.0	100.0
Mayrhofner Bergbahnen Aktiengesellschaft	Mayrhofen	0.0	0.0
MCG Graz e.gen.	Graz	1.4	1.4
MEG Hausgemeinschaft "Bahnhofstraße 1, 4481 Asten"	Asten	0.0	0.0
MIGRA Gemeinnützige Wohnungsges.m.b.H.	Wien	19.8	19.8
Mittersiller Golf- und Freizeitanlagen Gesellschaft m.b.H.	Mittersill	0.0	0.0
Montfort Investment GmbH	Götzis	0.0	0.0
Mühlbachgasse 8 Immobilien GmbH	Langenlois	0.0	0.0
MUNDO FM & S GmbH	Wien	100.0	100.0
Nahwärme Frankenmarkt eGen	Frankenmarkt	0.0	0.0
Neuhofner Bauträger GmbH	Neuhofen	0.0	0.0
O.Ö. Kommunal-Immobilienleasing GmbH	Linz	40.0	40.0
Oberösterreichische Unternehmensbeteiligungsgesellschaft m.b.H.	Linz	2.3	1.5
Oberpinzgauer Fremdenverkehrsförderungs- und Bergbahnen - Aktiengesellschaft	Neukirchen	0.0	0.0
Obertilliacher Bergbahnen-Gesellschaft m.b.H.	Obertilliach	0.0	0.0
ÖKO-Heizkraftwerk Pöllau GmbH	Pöllau	0.0	0.0
ÖKO-Heizkraftwerk Pöllau GmbH & Co KG	Pöllau	0.0	0.0
OÖ HightechFonds GmbH	Linz	3.1	2.1
Ortswärme Fügen GmbH	Fügen	0.0	0.0
Österreichische Wertpapierdaten Service GmbH	Wien	32.6	32.6
Osttiroler Wirtschaftspark GesmbH	Lienz	0.0	0.0
ÖSW Wohnbauvereinigung Gemeinnützige Gesellschaft m.b.H.	Salzburg	15.0	15.0
ÖWGES Gemeinnützige Wohnbaugesellschaft m.b.H.	Graz	2.5	2.5
Planai - Hochwurzen - Bahnen Gesellschaft m.b.H.	Schladming	0.7	0.7
Planung und Errichtung von Kleinkraftwerken GmbH	Wien	100.0	100.0
POSLOVNO UDRUZENJE DAVAOCA LIZINGA "ALCS" BEOGRAD	Belgrade	8.3	8.3
PREDUZECE ZA PRUZANJE CONSULTING USLUGA BANCOR CONSULTING GROUP DOO NOVI SAD	Novi Sad	2.6	2.6
Profluo Mind SRL	Pucioasa	0.0	6.8
Prvni certifikacni autorita, a.s.	Praha	23.3	23.3
Radio Osttirol GesmbH	Lienz	0.0	0.0
Rätikon-Center Errichtungs- und Betriebsgesellschaft m.b.H.	Bludenz	0.0	0.0
RDS43 Immobilien GmbH	Zwettl	0.0	0.0
Realitäten und Wohnungsservice Gesellschaft m.b.H.	Köflach	4.0	4.0
REGIONALNA AGENCIJA ZA RAZVOJ MALIH I SREDNJIH PREDUZECA ALMA MONS D.O.O.	Novi Sad	3.3	3.3
Rekenber s.r.o.	Praha	20.0	20.0
Riesneralm - Bergbahnen Gesellschaft m.b.H. & Co. KG.	Irdning-	0.0	0.0
Rolling Stock Lease s.r.o.	Bratislava	3.0	3.0
RTG Tiefgaragenerrichtungs und -vermietungs GmbH	Graz	25.0	25.0
S - Leasing und Vermögensverwaltung - Gesellschaft m.b.H.	Peuerbach	0.0	0.0
S IMMOKO Leasing GesmbH	Korneuburg	0.0	0.0
SALIX-Grundstückserwerbs Ges.m.b.H.	Eisenstadt	50.0	50.0
SALZBURG INNENSTADT, Vereinigung zur Förderung selbständiger Unternehmer der Salzburger Innenstadt, registrierte Genossenschaft mit beschränkter Haftung in Liquidation	Salzburg	2.0	2.0
S-AMC1 DOOEL Skopje	Skopje	24.1	24.1
Schweighofer Gesellschaft m.b.H. & Co KG	Friedersbach	0.0	0.0
S-City Center Wirtschaftsgütervermietungsgesellschaft m.b.H.	Wiener	0.0	0.0
S-COMMERZ Immobilienvermittlung GmbH	Neunkirchen	0.0	0.0
SEG Sport Event GmbH	Hohenems	0.0	0.0
Seniorenresidenz "Am Steinberg" GmbH	Graz	25.0	25.0
S-Finanzservice Gesellschaft m.b.H.	Baden	0.0	0.0
SHAPE Capital Partners GmbH	Wien	0.0	22.7
SILO II Komplementärgesellschaft m.b.H. in Liqu.	Wien	49.0	49.0
Silvrettaseilbahn Aktiengesellschaft	Ischgl	0.0	0.0
Skilifte Unken - Heutal Gesellschaft m.b.H. & Co, KG	Unken	0.0	0.0
Skilifte Unken Heutal Gesellschaft m.b.H.	Unken	2.2	2.2
SmartHead Co. s.r.o.	Bratislava	13.8	17.0
Smarthuts SRL	Bucharest	0.0	10.0
Sparkasse Amstetten Service- und Verwaltungsgesellschaft m. b. H.	Amstetten	0.0	0.0
Sparkasse Bludenz Beteiligungsgesellschaft mbH	Bludenz	0.0	0.0
Sparkasse Bludenz Immobilienverwaltungsgesellschaft mbH	Bludenz	0.0	0.0
Sparkasse Imst Immobilienverwaltung GmbH	Imst	0.0	0.0

		Interest of Erste Group in %	
Company name, registered office		Dec 24	Dec 25
Sparkasse Imst Immobilienverwaltung GmbH & Co KG	Imst	0.0	0.0
Sparkassen Bankbeteiligungs GmbH	Dornbirn	0.0	0.0
Sparkassen Beteiligungs GmbH & Co KG	Wien	3.0	3.0
Sparkassen Facility Management GmbH	Innsbruck	75.0	75.0
Sparkassen Leasing Süd GmbH	Kaprun	6.5	6.5
Sparkassen Leasing Süd GmbH	Hermagor	25.0	25.0
SPES GmbH & Co. KG	Schlierbach	0.0	0.0
SPK OÖ City Immobilien GmbH	Linz	10.0	10.0
SPK OÖ Investment GmbH	Linz	10.0	10.0
SPK OÖ M2 Immobilien GmbH	Linz	10.0	10.0
SPKR Liegenschaftsverwertungs GmbH	Reutte	0.0	0.0
SPKU Immo GmbH	Kufstein	0.0	0.0
Sport- und Freizeitanlagen Gesellschaft m.b.H.	Schwanenstadt	3.3	3.3
SPRON ehf.	Reykjavik	4.9	4.9
Stadtgemeinde Weiz - Wirtschaftsentwicklungs KG	Weiz	0.0	0.0
Stadtmarketing-Ternitz GmbH	Ternitz	0.0	0.0
Sternstein Sessellift Gesellschaft m.b.H.	Bad Leonfelden	7.2	7.2
Stoderzinken - Liftgesellschaft m.b.H. & Co. KG.	Gröbming	0.4	0.4
SZG-Dienstleistungsgesellschaft m.b.H.	Salzburg	100.0	100.0
Tannheimer Bergbahnen GmbH	Tannheim	0.0	0.0
Tauern SPA World Betriebs- Gmbh & Co KG	Kaprun	11.1	11.1
Tauern SPA World Betriebs-GmbH	Kaprun	12.2	12.2
Tauern SPA World Errichtungs- GmbH & Co KG	Kaprun	11.1	11.1
Tauern SPA World Errichtungs-GmbH	Kaprun	12.2	12.2
TAUROS Capital Investment GmbH & Co KG	Wien	40.4	40.4
TAUROS Capital Investment Zwei GmbH & Co KG	Wien	48.1	48.1
TAUROS Capital Management GmbH	Wien	44.6	44.6
TDG Techn. Dienstleistungs- und Objektservicegesellschaft m.b.H.	Wien	100.0	100.0
TECH21 Bürohaus und Gewerbehof Errichtungs- und Betriebsgesellschaft mbH & Co KG	Wien	0.1	0.1
Technologie- und Dienstleistungszentrum Ennstal GmbH	Reichraming	0.0	0.0
TECHNOLOGIE- und GRÜNDERPARK ROSENTAL GmbH	Rosental	0.3	0.3
Technologie- und Innovationszentrum Kirchdorf GmbH	Schlierbach	0.0	0.0
Technologiezentrum Inneres Salzkammergut GmbH	Bad Ischl	0.0	0.0
Technologiezentrum Salzkammergut GmbH	Gmunden	0.2	0.2
Technologiezentrum Salzkammergut-Bezirk Vöcklabruck GmbH	Attnang-	0.0	0.0
Techno-Z Ried Technologiezentrum GmbH	Ried	0.0	0.0
Therme Wien Ges.m.b.H.	Wien	15.3	15.3
Therme Wien GmbH & Co KG	Wien	15.3	15.3
Tiefgarage Anger, Gesellschaft m.b.H. & Co. KG.	Lech	0.0	0.0
Tiroler Siedlungswerk Gemeinnützige Wohnungsaktiengesellschaft	Innsbruck	25.8	25.8
TIZ Landl - Grieskirchen GmbH	Grieskirchen	0.0	0.0
TKL II. Grundverwertungsgesellschaft m.b.H.	Wien	26.7	26.7
Tourismus- u. Freizeitanlagen GmbH	Hinterstoder	0.0	0.0
Tourismusgenossenschaft Ramsau am Dachstein eGen	Ramsau am	0.4	0.4
TravelPerk Inc.	Wilmington	0.0	0.2
TSG EDV-Terminal-Service Ges.m.b.H.	Wien	0.1	0.1
VERMREAL Liegenschaftserwerbs- und -betriebs GmbH	Wien	25.6	25.6
Vestberry Holding, j.s.a.	Bratislava	4.4	10.1
VISA INC.	San Francisco	0.0	0.0
VIVEA Bad Schönau GmbH	Bad Schönau	0.0	0.0
VIVIThv GmbH	St. Pölten	19.9	19.9
VIVITimmo GmbH	St. Pölten	14.9	14.9
Waldviertler Leasing s.r.o.	Praha	0.0	0.0
Wassergenossenschaft Mayrhofen	Mayrhofen	0.0	0.0
WBV Beteiligungs- und Vermögensverwaltungsgesellschaft m.b.H.	Feldkirch	0.0	0.0
we - Gemeinnützige Tiroler Wohnbau GmbH	Innsbruck	19.1	19.1
WEB Windenergie AG	Pfaffenschlag	0.0	0.0
Weißsee-Gletscherwelt GmbH	#NV	0.0	0.0
WET Wohnbaugruppe Service GmbH	Mödling	19.9	19.9
wflow.com Czech Republic s.r.o.	Praha	17.0	17.0
Wien 3420 Aspern Development AG	Wien	24.5	24.5
WIEPA-Vermögensverwaltungsgesellschaft m.b.H.	Dornbirn	0.0	0.0

Company name, registered office		Interest of Erste Group in %	
		Dec 24	Dec 25
Wirtschaftspark Kleinregion Fehring Errichtungs- und Betriebsgesellschaft m.b.H.	Fehring	1.3	1.3
WNI Wiener Neustädter Immobilienleasing Ges.m.b.H.	Wiener	0.0	0.0
WW Wohnpark Wehlistraße GmbH	Wien	100.0	100.0
Zagreb Stock Exchange, Inc.	Zagreb	2.3	2.3
Zwettler Immobilien und Projekt GmbH	Zwettl	0.0	0.0

Additional information

GLOSSARY

Book value per share
Equity (attributable to owners of the parent) divided by the number of outstanding shares at the end of the period.

Cash return on equity (cash RoE)
Net profit for the period attributable to the owners of the parent less dividends for Additional Tier 1 capital (AT1), adjusted for non-cash items such as goodwill amortisation and amortisation of customer relationship as a percentage of the average equity attributable to the owners of the parent. The average is calculated on the basis of final quarterly values.

Cash earnings per share
Net profit for the period attributable to owners of the parent, less dividends for Additional Tier 1 capital (AT1), adjusted for non-cash items such as goodwill impairment and amortisation of customer relationship divided by the weighted average number of outstanding shares.

CEE (Central and Eastern Europe)
Abbreviation for the economic area Central and Eastern Europe. Includes the new EU member states of the enlargement rounds 2004 and 2007 as well as the successor states of Yugoslavia and the Soviet Union as well as Albania.

CET1
Common equity Tier 1.

CET1 ratio
Common equity Tier 1 as a percentage of the total risk (according to CRR).

CRR
Capital Requirements Regulation: one of the two legal acts containing the new Capital Requirements.

Cost/income ratio
General administrative expenses or operating expenses as a percentage of operating income.

Dividend yield
Dividend distribution of the financial year as a percentage of the year-end closing price or the most recent price of the share.

Earnings per share
Net profit for the period attributable to owners of the parent, less dividends for Additional Tier 1 capital (AT1), divided by the weighted average number of outstanding shares.

Interest-bearing assets
Total assets less cash and cash balances, derivatives – held for trading, hedge accounting derivatives, property and equipment, investment properties, intangible assets, current and deferred tax assets, assets held for sale and other assets.

Loan to deposit ratio
Loans and receivables to customers (net) in relation to deposits from customers

Miscellaneous assets
The total of hedge accounting derivatives, property and equipment, investment properties, investments in associates and joint ventures associates, current and deferred tax assets, assets held for sale and other assets.

Miscellaneous liabilities
The total of other financial liabilities at fair value through profit or loss, other financial liabilities at amortised cost, hedge accounting derivatives, changes in fair value of portfolio hedged items, provisions, current and deferred tax liabilities, liabilities associated with assets held for sale and other liabilities.

Net interest margin
Net interest income as a percentage of average interest-bearing assets. The average is calculated on the basis of quarterly values.

Operating expenses (general administrative expenses)
The total of personnel expenses, other administrative expenses and depreciation and amortisation.

Operating income
Total of net interest income, net fee and commission income, dividend income, net trading result, gains/losses from financial instruments measured at fair value through profit or loss, net result from equity method investments and rental income from investment properties & other operating leases.

Operating result
Operating income less operating expenses.

Own funds
Own funds according to CRR consist of Common equity Tier 1 (CET1), Additional Tier 1 capital (AT1) and the supplementary capital (T2).

Price/earnings ratio
Ratio between closing price of the financial year and earnings per share of the financial year.

Non-performing exposure (NPE) collateralisation ratio
Collateral for non-performing credit risk exposure as a percentage of non-performing credit risk exposure.

Non-performing exposure (NPE) coverage ratio
Credit risk allowances for credit risk exposure (all allowances in scope of IFRS 9 and provisions for other commitments) as a percentage of non-performing credit risk exposure.

Non-performing exposure (NPE) ratio
Non-performing credit risk exposure as a percentage of total credit risk exposure.

Non-performing loans (NPL) collateralisation ratio
Collateral for non-performing loans and advances to customers as a percentage of non-performing loans and advances to customers.

Non-performing loans (NPL) coverage ratio
Credit risk allowances for loans and advances to customers as a percentage of non-performing loans and advances to customers.

Non-performing loans (NPL) ratio
Non-performing loans and advances to customers as a percentage of total loans and advances to customers.

Return on equity (RoE)
Net profit for the period attributable to owners of the parent, less dividends for Additional Tier 1 capital (AT1) as a percentage of the average equity attributable to the owners of the parent. The average is calculated on the basis of final quarterly figures.

Return on equity excluding intangible assets (ROTE)
Net profit for the period attributable to owners of the parent, less dividends for Additional Tier 1 capital (AT1) as a percentage of average equity attributable to owners of the parent and adjusted for intangible assets and AT1. The average is calculated on the basis of quarterly final values.

Risk Appetite Statement (RAS)
The RAS is a strategic document, which concludes the maximum risk an organization is willing to take in order to reach any given target.

Risk categories
Risk categories classify the risk exposures of Erste Group based on the internal ratings of Erste Group. There exist three risk categories for performing risk exposures and one risk category for non-performing risk exposures.

Risk category – low risk
Typically regional customers with well-established and rather long-standing relationships with Erste Group or large, internationally recognised customers. Very good to satisfactory financial position and low likelihood of financial difficulties relative to the respective market in which the customers operate. Retail clients having long relationships with the bank, or clients with a

wide product pool use. No relevant late payments currently or in the most recent 12 months. New business is generally done with clients in this risk category.

Risk category – management attention
Vulnerable non-retail clients, which may have overdue payments or defaults in their credit history or may encounter debt repayment difficulties in the medium term. Retail clients with possible payment problems in the past triggering early collection reminders. These clients typically have a good recent payment history.

Risk category – substandard
The borrower is vulnerable to short term negative financial and economic developments and shows an elevated probability of failure. In some cases, restructuring measures are possible or already in place. As a rule, such loans are managed in specialised risk management departments.

Risk category – non-performing
One or more of the default criteria under Article 178 of the CRR are met: among others, full repayment unlikely, interest or principal payments on a material exposure more than 90 days past due, restructuring resulting in a loss to the lender, realisation of a loan loss, or initiation of bankruptcy proceedings. Erste Group applies the customer view for all customer segments, including retail clients; if an obligor defaults on one deal then the customer's performing transactions are classified as non-performing as well. Furthermore, non-performing exposures also comprise non-performing forborne transactions even in cases where the client has not defaulted.

Share capital
Total equity attributable to owners of the parent subscribed by the shareholders.

Tax ratio
Taxes on income as a percentage of pre-tax profit from continuing operations.

Texas ratio
Total capital according to IFRS dividends for Additional Tier 1 capital (AT1) and intangible assets plus allowances for loans and advances to customers as a percentage of non-performing loans.

T 1 ratio
Tier 1 as a percentage of the total risk (according to CRR).

Total capital ratio
Total of own funds as a percentage of the total risk (according to CRR).

Total risk (risk-weighted assets, RWA)
Includes credit, market and operational risk (according to CRR).

Total shareholder return
Performance of an investment in Erste Group Bank AG shares within one year including all distributions, such as dividends, as a percentage of the share price at the end of the previous year.

ABBREVIATIONS

ABA	Austrian Banking Act
ABC	Anti-bribery and Corruption
AC	Amortised cost
AI	Artificial Intelligence
ALCO	Asset Liability Committee
ALM	Asset Liability Management
AMA	Advanced Measurement Approach
AT1	Additional Tier 1
AuM	Assets under Management
B2BS	Beyond 2°C Scenario
BCR	Banca Comercială Românlă S.A.
CapEx	Capital Expenditures
CCMO	Chief Corporates and Markets Officer
CEE	Central and Eastern Europe
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CET1	Common Equity Tier 1
CGU	Cash-Generating Unit
CLA	Credit Loss Allowance
CMO	Collateralised Mortgage Obligation
CO_2	Carbon Dioxide
CO_2e	Carbon Dioxide Equivalent
CoI	Conflict of Interest
COO	Chief Operating Officer
CPO	Chief Platform Officer
CRD	Capital Requirements Directive
CRE	Commercial Real Estate
CRetO	Chief Retail Officer
CRO	Chief Risk Officer
CRP	Credit Portfolio Steering
CRR	Capital Requirements Regulation
CSAS	Česká spořitelna, a.s.
CSDDD	Corporate Sustainability Due Diligence Directive
CSRD	Corporate Sustainability Reporting Directive
CVA	Credit Value Adjustments
DBEIS	Department for Business, Energy & Industrial Strategy
Defra	Department for Environment, Food & Rural Affairs
DFR	Deposit Facility Rate
DMA	Double Materiality Assessment
DNSH	Do no significant harm
DQ	Data Quality
DTA	Deferred Tax Asset
DVA	Debit Value Adjustment
EAD	Exposure At Default
EBA	European Banking Authority
EBC	Erste Bank Croatia
EBH	Erste Bank Hungary Zrt.
EBOe	Erste Bank Oesterreich
ECB	European Central Bank
ECL	Expected Credit Loss
EIB	European Investment Bank
EIF	European Investment Fund
EIR	Effective interest rate
eop	end of period
EPC	Energy Performance Certificate
ERG	Employee Resource Group
ERM	Enterprise wide & Operational Risk Management
ESG	Environmental, Social and Governance

ESMA	European Security and Markets Authority
ESRS	European Sustainability Reporting Standards
EVIC	Enterprise Value including Cash
FinGuar	Financial Guarantees
FINREP	Financial Reporting
FKi	Frauen-Karriere-Index; Women's Career Index
FLI	Forward Looking Information
FLiP	Erste Financial Life Park
FMA	Financial Market Authority
FTE	Full-time Equivalent
FVOCI	Fair value through other comprehensive income
FVPL	Fair value through profit or loss
FX	Foreign exchange
GAR	Green Asset Ratio
GCA	Gross Carrying Amount
GCC	Group Corporate Centre
GDM	Group Diversity Management
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GWP	Global Warming Potentials
HC	Headcount
HFT	Held for trading
IAS	International Accounting Standards
IC	Intercompany
ICAAP	Internal Capital Adequacy Assessment Process
ICS	Internal Control System
ICT	Information and Communication Technology
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
IRO	Impacts, Risks and Opportunities
KPI	Key Performance Indicator
LC	Large Corporates
LCC	Local Corporate Centre
LCR	Liquidity Coverage Ratio
LDM	Local Diversity Management
LGD	Loss Given Default
LT PD	Lifetime Probability of Default
LULUCF	Land Use, Land-Use Change and Forestry
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
MS	Minimum Safeguards
MWh	Megawatt-hour
N&G	Nuclear and Gas
NACE	Nomenclature statistique des activités économiques dans la Communauté éeuropéenne
NCI	Non-controlling Interest
NECPs	National Energy and Climate Plans
NFR	Non-financial Risk
NGFS	Network for Greening the Financial System
NGO	Non-Governmental Organisation
NPE	Non-performing Exposure
NPL	Non-performing Loans
NZE	Net Zero Emissions
NZEB	Nearly Zero Energy Building
OCI	Other comprehensive income
O-SII	Other Systemic Important Institution
OTC	Over the Counter
P&L	Profit and loss
P2G	Pillar 2 Guidance
P2R	Pillar 2 Requirement
PACTA	Paris Agreement Capital Transition Assessment

PCAF	Partnership for Carbon Accounting Financials
PD	Probability of Default
PED	Primary Energy Demand
POCI	Purchased or originated credit impaired
PSU	Performance Share Unit
RAS	Risk Appetite Statement
RCP	Representative Concentration Pathway
REF	Real Estate Financing
RMA	Risk Materiality Assessment
RRE	Residential Real Estate
RWA	Risk Weighted Assets
SBTi	Science Based Targets initiative
SC	Substantial Contribution
SDA	Sectoral Decarbonisation Approach
SFM	Sustainable Finance Methodology
SICR	Significant increase in credit risk
SLSP	Slovenská sporiteľňa
SME	Small and medium-sized Enterprises
Sparkasse Kärnten	Kärntner Sparkasse Aktiengesellschaft
Sparkasse Oberösterreich	Sparkasse Oberösterreich Bank AG
Sparkasse Steiermark	Steiermärkische Bank und Sparkassen Aktiengesellschaft
SPPI	Solely payments of principal and interest
SREP	Supervisory Review and Evaluation Process
T&D	Transmission and Distribution
T1	Tier 1
T2	Tier 2
TLTRO	Target Longer-Term Refinancing Operations
TMT	Technology, Media and Telecommunications
UBA	Umweltbundesamt
UGB	Unternehmensgesetzbuch; Austrian Company Code
UN	United Nations
UoP	Use of Proceeds
VAR	Value at Risk
WACI	Weighted Average Carbon Intensity
WBT	Web-based Training
WEO	World Energy Outlook
WTT	Well-to-tank

Management Board	
Peter Bosek mp, Chairman	
Ingo Bleier mp, Member	Stefan Dörfler mp, Member
Alexandra Habeler-Drabek mp, Member	Maurizio Poletto mp, Member

Vienna, 25 February 2026

AUDITOR'S REPORT

AUDIT OPINION

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

AUDIT OPINION

Sparkassen-Prüfungsverband (Prüfungsstelle) and PwC Wirtschaftsprüfung GmbH, Vienna, – hereinafter referred to as "we" – have audited the group consolidated financial statements of Erste Group Bank AG, Vienna, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2025 , the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended, and the notes to the group financial statements of Erste Group Bank AG.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as at December 31, 2025 , and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards (IFRSs) as adopted by the EU and the additional requirements under Section 59a Austrian Banking Act (BWG) in conjunction with Section 64 BWG and Section 245a Austrian Company Code (UGB).

BASIS FOR OPINION

We conducted our audit in accordance with Regulation (EU) No. 537/2014 (hereinafter "EU Regulation") and Austrian generally accepted auditing standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

We are independent of the Group in accordance with Austrian Generally Accepted Accounting Principles, the provisions of the Austrian Banking Act and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have structured key audit matters as follows:
_ Description
_ Audit approach
_ Reference to related disclosures

IMPAIRMENTS OF LOANS AND ADVANCES TO CUSTOMERS (EXPECTED CREDIT LOSSES)

DESCRIPTION

Impairments of Loans and Advances represent management's best estimate of the credit losses expected with respect to the loan portfolio at balance sheet date.

For loans and advances to customers in the amount of EUR 226.1 billion, measured at amortized cost, Erste Group Bank AG has recognized credit loss allowances in the amount of EUR 3.9 billion as of December 31, 2025.

For the estimation of expected credit losses Erste Group Bank AG has implemented internal guidelines and specific processes. As part of these processes to estimate expected credit losses the management relies significantly on complex criteria and judgements subject to considerable discretion.

The models used for determining loss allowances are specific to the types of loan portfolios. These models are complex and not only take product specific information into consideration, but also economical features as well as specific scenarios for country specific

future information and alternative scenarios. The uncertainty inherent in the estimation of impairments of loans and advances, in particular the consideration of future economic conditions, are in 2025 significant due to the geopolitical and economic developments.

Erste Group Bank AG has taken this into account by collective staging (overlays).

Details on the methodology are presented in Note 40.

Due to
_ the volume of risk provisions,
_ the complexity of models and interdependent assumptions and the resulting audit effort,
_ a high degree of uncertainty of future economic developments, which led to a high degree of auditor judgement and
_ the substantial judgement to be applied by the management in designing overlays.
we identified this area to be a key audit matter.

AUDIT APPROACH

To assess the appropriateness of impairments of loans and advances to customers, we:
_ updated our understanding of the Expected Credit Loss calculation methodology applied by Erste Group Bank AG based on policies, documentation and interviews and assessed its compliance with the requirements of IFRS 9. We focused specifically on adjustments to methods and processes made in order to capture the increased uncertainties of the present and future environment in expected credit losses.
_ evaluated the control activities in credit risk management and lending business processes and tested key controls, in particular with respect to the approval of loans, ongoing monitoring and the early warning system as well as the processes around the early identification of default, as well as understood and evaluated the UTP assessment (unlikeness to pay assessment).
_ evaluated control activities and tested key controls in the area of rating models and collateral valuation and critically assessed the valuation of collaterals based on risk adjusted sampling.
_ assessed model governance and validation processes and critically reviewed the information brought to the attention of the management. We evaluated, with the support from our internal credit risk modelling experts, the results of back-testing and model validations.
_ examined and critically assessed the appropriateness of credit risk parameters and models, taking into account possible structural breaks in the observable data, and assessed the plausibility of expectations and estimates made on the basis of such biases, to identify significant increases in the credit risk of individual customers or groups of customers.
_ assessed the correctness of the stage allocation for selected portfolios based on applicable policies.
_ analyzed sensitivities and impacts of IFRS 9 specific model aspects.
_ evaluated whether key components of the calculation of expected credit losses are correctly incorporated in the models by performing walkthroughs and reviewing steering tables.
_ assessed the correctness of the expected credit loss calculation (ECL calculation) for selected portfolios.
_ evaluated the adequacy and plausibility of forward-looking information integrated into the estimates. In particular, we have compared the underlying macro-economic forecasts with external sources of information and critically assessed the individual weights attributed to scenarios.
_ tested, on a sample basis, whether default events have been identified in accordance with applicable policies, and evaluated whether events occurred that significantly affect the borrower's ability to repay loans and advances. Furthermore, we tested, on a sample basis, the adequacy of individual loan loss allowances assessing the scenarios adopted and the estimation of expected cash flows made.

REFERENCE TO RELATED DISCLOSURES

For further details regarding the process of determining loss allowances as well as regarding the design of the models involved, we refer to the management's disclosures in section significant accounting policies point c) Significant judgements, assumptions and estimates and Note 37. Measurement of expected credit loss.

OTHER INFORMATION

Management is responsible for other information. Other information comprises any information included in the annual report, but does not include the consolidated financial statements, the management report for the Group and the auditor's report.

We obtained the consolidated corporate governance report in accordance with Section 267b UGB as well as the consolidated non-financial declaration in accordance with Section 267a UGB prior to the date of this auditor`s report, all other parts of the annual report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover other information and we will not express any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements under Section 59a BWG in conjunction with Section 64 BWG and Section 245a UGB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Austrian generally accepted auditing standards, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian generally accepted auditing standards, which require the application of ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an audit opinion

on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the audit of the consolidated financial statements. We bear sole responsibility for our audit opinion.

- We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide the Audit Committee with a statement that we have complied with all relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated to the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE MANAGEMENT REPORT

Pursuant to the Austrian Company Code, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal requirements.

Regarding the consolidated non-financial statement included in the group management report, our responsibility is to check whether it has been prepared, to read it and to assess whether this other information shows material discrepancies with the consolidated financial statements or with our knowledge obtained during the audit, or otherwise appears to be misrepresented. Management is responsible for the preparation of the management report for the Group in accordance with the Austrian Company Code and the special legal requirements.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

OPINION

In our opinion, the management report for the Group was prepared in accordance with the applicable legal requirements, includes accurate statement pursuant to Section 243a UGB and is consistent with the consolidated financial statements.

STATEMENT

Based on the findings during the audit of the consolidated financial statements and the obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

ADDITIONAL INFORMATION IN ACCORDANCE WITH ARTICLE 10 OF THE EU REGULATION

Pursuant to Sections 23 and 24 Austrian Savings Bank Act (SpG), Sparkassen-Prüfungsverband (Prüfungsstelle) is the statutory auditor of Erste Group Bank AG, Vienna. In accordance with Section 23 (3) SpG in conjunction with Sections 60 and 61 BWG, this comprises the audit of the consolidated financial statements.

At the general meeting dated May 22, 2024 and pursuant to Section 1 (1) of the Auditing Rules for Savings Banks, Annex to Section 24 SpG, PwC Wirtschaftsprüfung GmbH, Vienna, was appointed as additional auditor for the financial year 2025 and, subsequently, was engaged by the supervisory board. At the general meeting dated May 21, 2025 PwC Wirtschaftsprüfung GmbH, Vienna, was appointed as additional auditor for the financial year 2026 and, subsequently, was engaged by the Supervisory Board. Since 2017 PwC Wirtschaftsprüfung GmbH, Vienna, has constantly been appointed as additional auditor.

We confirm that the audit opinion in the "Report on the Consolidated Financial Statements" section is consistent with the additional report to the Audit Committee referred to in Article 11 of the EU Regulation.

We declare that we did not provide any prohibited non-audit services (Article 5 (1) of the EU Regulation) and that we remained independent of the audited company in conducting the audit.

RESPONSIBLE ENGAGEMENT PARTNER

Responsible for the proper performance of the engagement are Mr. Herwig Hierzer, Austrian Certified Public Accountant (Prüfungsstelle des Sparkassen-Prüfungsverbandes), Mr. Martin Ziegler, Austrian Certified Public Accountant (appointed auditor within the meaning of Section 3 (1) of the Auditing Rules for Savings Banks), and Mr. Marius Richter, Austrian Certified Public Accountant (PwC Wirtschaftsprüfung GmbH, Vienna).

Vienna, February 25, 2026

Sparkassen-Prüfungsverband

(Prüfungsstelle)
(Bank Auditor)

Herwig Hierzer
Austrian Certified Public Accountant

Martin Ziegler
Austrian Certified Public Accountant

PwC Wirtschaftsprüfung GmbH

Marius Richter
Austrian Certified Public Accountant

This report is a translation of the original report in German, which is solely valid. Publication and sharing with third parties of the consolidated financial statements together with our auditor's opinion is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the management report for the Group. For deviating versions, the provisions of Section 281 (2) UGB apply.

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON ERSTE GROUP BANK AG'S CONSOLIDATED SUSTAINABILITY REPORTING

We have performed an engagement to obtain limited assurance on the consolidated sustainability reporting of Erste Group Bank AG, Vienna, for the financial year ending on 31 December 2025, contained in the Group Management Report in the section "Sustainability Statement".

CONCLUSION BASED ON AN AUDIT WITH LIMITED ASSURANCE

Based on our audit procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability reporting included in the Group Management Report in the section "Sustainability Statement" is not in accordance, in all material respects, with the requirements of Art. 29a (1) to (5), of the Directive 2013/34/EU, including

- compliance with the European Sustainability Reporting Standards (ESRS),
- the performance of the process to determine information to report on in accordance with the ESRS (hereafter 'materiality analysis process') and its presentation in the information in chapter 'IRO-1 - Description of the processes for determining and evaluating material climate-related impacts, risks and opportunities', and
- compliance with the reporting requirements pursuant to Art. 8 of the Taxonomy Regulation (EU) 2020/852 (hereinafter 'EU Taxonomy Regulation').

BASIS FOR CONCLUSION

We conducted our limited assurance engagement in accordance with the legal requirements and Austrian generally accepted standards for other assurance engagements and additional statements. In a limited assurance engagement, the assurance procedures are less extensive than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement.

Our responsibilities under those provisions and standards are further described in the 'Responsibilities of the group auditors' section of our report.

We are independent of the group in accordance with Austrian professional requirements and Art. 22ff AP-RL, insofar as these are applicable, and we have fulfilled our other professional responsibilities in accordance with these requirements.

Our audit firms are subject to the provisions of KSW-PRL 2022, which essentially corresponds to the requirements of ISQM 1, and apply a comprehensive quality management system, including documented guidelines and procedures to comply with ethical requirements, professional standards and applicable legal and regulatory requirements, where applicable.

We believe that the audit evidence we have obtained as of the date of this assurance report is sufficient and appropriate to provide a basis for our summary assessment as of this date.

OTHER INFORMATION

Management is responsible for other information. Other information comprises any information included in the consolidated financial statements, the Management Report for the Group, the annual report, except the sustainability statements and our assurance report.

Our limited assurance conclusion on the consolidated sustainability statement included in in the section "Sustainability Statement" does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our limited assurance engagement on the consolidated sustainability statement included in the section "Sustainability Statement" it is our responsibility to read the other information and, in doing so, to consider whether it is materially inconsistent with the sustainability reporting included in the section "Sustainability Statement" or our knowledge obtained in the limited assurance engagement or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT

Management is responsible for preparing the "Sustainability Statement", including developing and implementing the materiality analysis process in accordance with the applicable requirements and standards. This responsibility includes

- identifying the actual and potential impacts, risks and opportunities related to sustainability aspects and assessing the materiality of these impacts, risks and opportunities,

_ preparing the sustainability reporting included in the “Sustainability Statement” section of the Group Management Report in accordance with the requirements of Article 29a (1) to (5) of Directive 2013/34/EC, including compliance with the ESRS,
_ including information in the “Sustainability Statement” in accordance with the EU Taxonomy Regulation, and
_ designing, implementing and maintaining internal controls the management considers relevant to enable the preparation of a sustainability reporting included in the section “Sustainability Statement” of the Group Management Report; to ensure that is free from material misstatement due to fraud or error and to enable the implementation of the materiality analysis process in accordance with the requirements of the ESRS.

This responsibility also includes selecting and applying appropriate methods for sustainability reporting and making assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances.

INHERENT LIMITATIONS IN THE PREPARATION OF THE “SUSTAINABILITY STATEMENT”

Reporting on sustainability aspects in accordance with the ESRS requires the use of information from the group's value chain, which is only accessible to a limited extent. As described in the “Sustainability Statement” in the chapter “BP-2 – Disclosures in relation to specific circumstances, time horizons and data methodology for reporting”, section “General information – Basis for preparation”, the management must therefore use data and information from third parties and make assumptions and estimates as part of the materiality analysis and to determine parameters that are disclosed in the “Sustainability Statement”. Such parameters are therefore subject to considerable uncertainty.

Setting climate-related targets and defining the corresponding measures and strategies requires forward-looking parameters with a long-term horizon. The underlying expectations, projections and estimates are subject to uncertainties, and actual developments are likely to differ from current expectations.

When determining the methodology for implementing Delegated Regulation (EU) 2021/2178, as amended by Delegated Regulation (EU) 2026/73, it is necessary to interpret undefined legal terms. Undefined legal terms can be interpreted in different ways, and the legal conformity of their interpretation is therefore subject to uncertainty.

AUDITOR’S RESPONSIBILITIES FOR THE LIMITED ASSURANCE ENGAGEMENT OF THE CONSOLIDATED SUSTAINABILITY REPORTING

Our responsibility is to plan and perform a limited assurance engagement on whether the consolidated sustainability reporting in the “Sustainability Statement” section of the Group Management Report, including the materiality analysis process and the reporting on the EU Taxonomy Regulation, is free from material misstatement, whether due to fraud or error, and to issue a report containing our summary assessment. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the sustainability declaration.

We exercise professional judgement and maintain professional scepticism throughout the limited assurance engagement.

Our responsibilities include:
_ Performing risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement to identify representations where material misstatements are likely to occur, whether due to fraud or error, but not for the purpose of expressing a conclusion on the effectiveness of the group's internal controls, and
_ developing and performing audit procedures on the disclosures in the “Sustainability Statement” where material misstatements are likely.

The risk of material misstatements resulting from fraud not being detected is higher than that of material misstatements resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

SUMMARY OF WORK PERFORMED

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability reporting contained in the “Sustainability Statement” section. The nature, timing and extent of the procedures selected depend on professional judgement, including the identification of information in the “Sustainability Statement” that is likely to be materially misstated, whether due to fraud or error.

In conducting our limited assurance engagement on the sustainability reporting included in the “Sustainability Statement” of the Group Management Report, we proceed as follows:
_ We gain an understanding of the materiality analysis process, in particular by:

  - interviews to understand the sources of the information used by the management; and
  - reviewing internal documentation of the process; and
- we assess, based on the evidence obtained from our audit procedures, whether the materiality analysis procedure complies with the requirements of the ESRS and with the presentation of the process in the chapter “IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities”.
- We assess whether all relevant information obtained through the materiality analysis process has been included in the “Sustainability Statement”.
- We gain an understanding of the company's procedures that are relevant to the preparation of the “Sustainability Statement”.
- We assess whether the structure and presentation of the consolidated sustainability reporting contained in the “Sustainability Statement” are in accordance with the ESRS.
- We conduct interviews with relevant personnel and analytical procedures on selected information in the “Sustainability Statement”.
- We perform substantive procedures on samples of selected information in the “Sustainability Statement”.
- We obtain evidence regarding the methods for developing estimates and forward-looking information described in the “Sustainability Statement”.
- We obtain an understanding of the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and for preparing the corresponding disclosures in the “Sustainability Statement”,
- evaluate whether these processes, based on our understanding, are in accordance with the EU Taxonomy Regulation and the related Delegated Regulations,
- and test the input data and calculation logic used on a sample basis.
- We compare selected information in the “Sustainability Statement” with information in the consolidated financial statements and the other sections of the Group Management Report.

LIMITATION OF LIABILITY

The limited assurance engagement on the “Sustainability Statement” is a voluntary engagement. As agreed, in the event of liability, any contributory negligence on the part of the audited Company, its legal representatives and vicarious agents must be taken into account. As our report is prepared exclusively on behalf of and in the interests of the company, it does not form a basis for any reliance by third parties on its content. Claims by third parties cannot therefore be derived from it.

We issue this limited assurance report on the basis of the engagement letters concluded with the Company, which are governed by the General Terms and Conditions for the Public Accounting Professions (AAB 2018) enclosed to this report, which are also effective with respect to third parties. Our liability for slight negligence is excluded in accordance with the AAB 2018. Notwithstanding section 7 (2) of the AAB 2018, a maximum liability limit of EUR 12 million is agreed for our liability to the company in the event of gross negligence.

RESPONSIBLE ENGAGEMENT PARTNERS

Responsible for the proper performance of the engagement are Mr. Herwig Hierzer, Austrian Certified Public Accountant (Prüfungsstelle des Sparkassen-Prüfungsverbandes), Mr. Martin Ziegler, Austrian Certified Public Accountant (appointed auditor within the meaning of Section 3 (1) of the Auditing Rules for Savings Banks), and Mrs. Dorotea-E. Rebmann, Austrian Certified Public Accountant (PwC Wirtschaftsprüfung GmbH, Vienna).

Vienna, February 25, 2026

Sparkassen-Prüfungsverband

(Prüfungsstelle)
(Bank Auditor)

Herwig Hierzer
Austrian Certified Public Accountant

Martin Ziegler
Austrian Certified Public Accountant

PwC Wirtschaftsprüfung GmbH

Dorotea-E. Rebmann
Austrian Certified Public Accountant

This report is a translation of the original report in German language, which is solely valid. Publication and sharing with third parties of the consolidated sustainability reporting included ed in the section ‘Sustainability Statement’ of the group Management report together with our limited assurance report is only allowed if the “Sustainability Statement” is identical with the German version which was subject to our engagement. This limited assurance report only refers toto complete German language “Sustainability Statement”. For deviating versions, the provisions of Section 281 (2) UGB shall apply accordingly.

STATEMENT OF ALL MEMBERS OF THE MANAGEMENT BOARD

We confirm that to the best of our knowledge the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties to which the Group is exposed.

Management Board	
Peter Bosek mp, Chairman	
Ingo Bleier mp, Member	Stefan Dörfler mp, Member
Alexandra Habeler-Drabek mp, Member	Maurizio Poletto mp, Member

Vienna, 25 February 2026