Slovenská sporiteľňa, a.s.,

Member of Erste Group

Annual report 2024

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THE COMPANY AT A GLANCE

Basic information

Registered office: Tomášikova 48, 832 37 Bratislava, Slovak Republic
Registered: Commercial Register administrated by City Court of Bratislava III, Section: Sa, Entry No. 601/B
Corp. ID (IČO): 00 151 653
Legal form: joint-stock company
Scope of business: universal bank

Bank profile

Slovenská sporiteľňa was established in 1825 as the first savings bank in Slovakia. Today, the company is the largest commercial bank in Slovakia, serving approximately 2 million clients. It has long held a leading position in total assets, household loans, client deposits, numbers of branches and ATMs. The Bank offers its comprehensive services at 160 branches for retail clients and in 42 corporate centres in Slovakia.

In 2001, Slovenská sporiteľňa became a member of Erste Group, which was Austria´s first savings bank, founded in 1819. Since 1997 the group has developed into one of the largest banking groups focussing on retail and corporate clients in Central and Eastern Europe. It consists of Erste Group AG consolidates through direct or indirect shareholdings. At present, the Erste Group has around 46 000 employees serving almost 17 million clients and around 1 900 branches in seven countries (Austria, Czech Republic, Slovak Republic, Romania, Hungary, Croatia and Serbia).

Shareholder structure of Slovenská sporiteľňa as at 31/12/2024

Erste Group Bank AG
Registered office: Am Belvedere 1, Vienna 1100, Austria
Share in the registered capital and voting rights: 100.00 %

Significant direct holdings of the Bank

LANED, a.s.	100.00 %
SLSP Seed Starter, s.r.o.	100.00 %
SLSP Social Finance, s.r.o.	60.40 %
Procurement Services SK, s.r.o.	51.00 %
Slovak Banking Credit Bureau, s.r.o.	33.33 %
Monilogi, s.r.o.	26.00 %
Holding Card Service, s.r.o., Česká republika	21.78 %
Prvá stavebná sporiteľňa, a. s.	9.98 %[1]

Ratings as at 31/12/2024

Moody's

Long-term rating/ Outlook	A2/stable
Short-term rating	P-1
Basic credit rating	baa2
Adjusted credit rating	baa1
Counterparty risk (long-term/short-term)	A1/P-1
Covered bonds rating	Aaa

This annual report has been prepared in accordance with Act no. 431/2002 Coll. on accounting as amended (the "Accounting Act"), Act no. 423/2015 Coll. on statutory audit as amended, and Act no. 566/2001 Coll. on securities and investment services and on the amendment of certain laws as amended (the "Securities Act") as Slovenská sporiteľňa is a securities dealer. This Annual Report substitutes the annual financial report as defined in Act no. 429/2002 Coll. on the stock exchange as amended (the "Stock Exchange Act") as Slovenská sporiteľňa is an issuer of debt securities admitted to trading on a regulated market. This Annual report includes:

- Statement in accordance with § 34(2)(c) of the Stock Exchange Act and the internet address at which the Bank's parent company Erste Group Bank AG has published its annual report for 2023 as required by § 34(3) of the Stock Exchange Act.
- This annual report also includes, under note 37 on the consolidated financial statements in the section "Annexes", a proposal for the distribution of profit in accordance with § 20(1)(f) of the Act on Accounting and § 77(2)(c) of the Securities Act.
- Information included in the section "Annexes" contains all information required under § 77(2)(b) of the Securities Act.
- In the chapter Declaration on Corporate Governance, a list of business entities included in the consolidated financial statements pursuant to § 77(2)(b)(1).
- Information pursuant to § 77(2)(b)(3) of the Securities Act (provided in note 16 of the consolidated financial statements).
- In the Consolidated Statement of Income, in the section "Annexes," the financial statements and information for the purposes of § 77(2)(i) and (j) of the Securities Act are provided.
- Consolidated disclosure of sustainability information pursuant to Section § 20g of the Accounting Act (the "Sustainability Statement").

Method of publication of the annual report

Slovenská sporiteľňa files its annual report, including its individual and consolidated financial statements and the auditor's reports, in the register of financial statements in accordance with the provisions of Act no. 431/2002 Coll. on accounting, as amended. It publishes the document on its website and a notice of publication is placed in the Hospodárske noviny newspaper.

Contact persons for the compilation of the Annual Report

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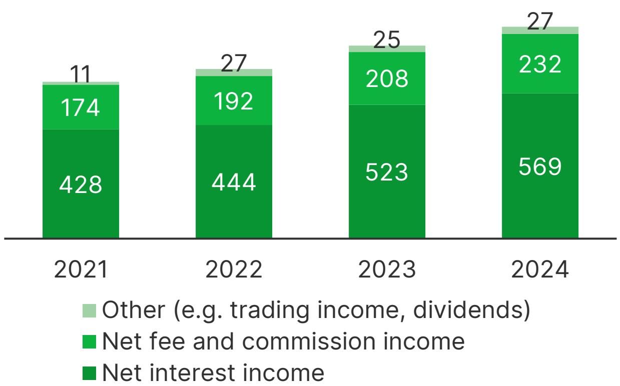
www.erstegroup.com/en/investors/reports/financial-reports

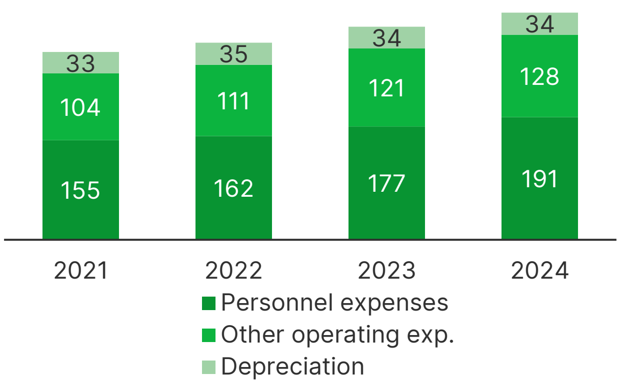
[1] Under a shareholder agreement with Erste Group AG, Slovenská sporiteľňa exercises a 35.00% share of voting rights in Prvá stavebná sporiteľňa, a.s. (Erste Group Bank AG has a 25.02% shareholding in Prvá stavebná sporiteľňa, a. s.) Ownership interests in registered capital and voting rights are equal in other companies.

Consolidated results	**31.12.2020**	**31.12.2021**	**31.12.2022**	**31.12.2023**	**31.12.2024**
Prepared in accordance with the International Financial Reporting Standards (IFRS)	**(in EUR million)**	**(in EUR million)**	**(in EUR million)**	**(in EUR million)**	**(in EUR million)**
Total assets	20,706	23,154	23,746	26,460	26,379
Loans and advances to banks	0	50	0	10	10
Loans and advances to customers (net)	14,902	15,898	17,929	18,877	19,454
Investments	3,817	4,028	4,300	4,276	4,644
Customer deposits	14,869	15,973	16,913	17,580	18,735
Equity	1,792	2,051	2,180	2,465	2,505
Net profit	108	228	243	309	285
Selected ratios	**(in %)**	**(in %)**	**(in %)**	**(in %)**	**(in %)**
Return on equity*	6.2	12.2	11.7	13.5	11.8
Return on assets*	0.6	1.0	1.0	1.2	1.1
Cost income ratio	48.5	47.6	46.3	44.0	42.7
Net interest margin*	2.4	2.2	2.1	2.3	2.4
Net loans to deposits ratio	100.2	99.5	106.0	107.4	103.8
Total capital adequacy	18.7	20.5	19.3	20.0	19.8
Tier 1 capital ratio	18.0	19.8	18.7	19.4	19.4
Other figures					
Number of employees	3,770	3,644	3,585	3,520	3,491
Number of branches	203	200	190	178	160
Number of ATMs	747	750	748	745	761

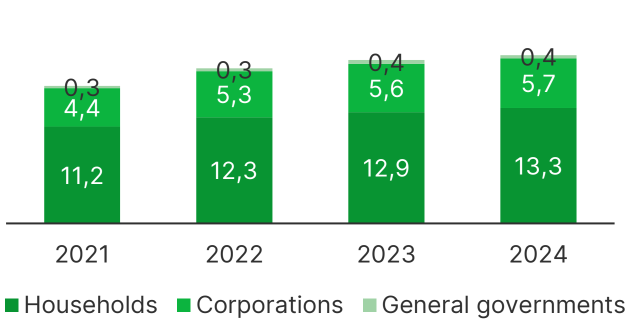
Operating income (in EUR million)



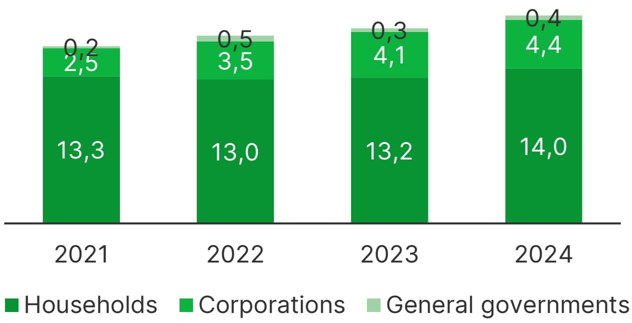
Operating expenses (in EUR million)



Loans and advances to customers (net, in EUR billion)



Customer deposits (in EUR billion)



** In the calculation of average values for balance sheet items, monthly figures were utilized instead of year-end figures.*

STATEMENT BY THE CHAIRMAN OF THE BOARD OF DIRECTORS AND CEO

Peter Krutil
Chairman of the Board of Directors and CEO

Last year was extremely successful for Slovenská sporiteľňa. We managed to keep profitability at an excellent level, even though the new special levy for regulated industries took a big bite out of our profits. Nevertheless, we stood firmly by our customers. Our health, strength and profitability were again recognised last year by one of the most respected magazines in global banking, the Banker, which named us **Bank of the Year** in Slovakia.

In 2024, we achieved loan growth while maintaining a low-risk portfolio. We also thrived in operating profit growth, driven by both net interest income and fee and commission income. We confirmed our strong growth ambition in the corporate segment, where we are already the number two bank in lending to Slovak companies. We remain **the market leader in Slovakia in terms of retail banking and total assets**.

We are witnessing a considerable surge in the adoption of digital solutions, with over 1.2 million clients already using our George. We already sell almost as much in digital as we do in the physical world. **George was awarded the Smart Bank award** by the online portal mojandroid.sk, achieving first place not only in the overall ratingt, but also in the Investing category. George was also ranked third in the Security category. We are increasingly using state-of-the-art artificial intelligence solutions at the bank..

We have significantly increased the number of clients with an account, especially among younger customers. The new app for children, the flashing card, which is one of the first in the world, or the campaign for children to teach them about saving and financial health have been very well received in the market. **Financial health** is something we are trying to bring not only to young people, but to all customers, whether in retail or corporate banking. Our financial health solutions for clients in branches and digitally help them to invest better, hedge against risk, save for their dreams, for their children or for retirement. We help businesses see their financial health through the eyes of the bank.

I would like to express my sincere thanks to our employees for the creativity, talent and dedication they bring to their work every day for the benefit of our clients. The fact that our employees feel good, enjoy their work and are fairly rewarded is also reflected in the **Best Employer** in the Banking, Finance and Insurance category, which Slovenská sporitelna has won for the eighth time.

Erste Private Banking, the private banking arm of Slovenská sporiteľňa, has been awarded the **Best Private Banking** prize by the renowned Global Finance magazine, confirming its excellence in the private banking sector.

Beyond the banking world, we also try to support the **ecosystem for start-ups and early-stage companies**. One example is our Seed Starter programme, where we support start-ups and invest in the best. At the end of the year, we became a shareholder in the Crowdberry investment platform. The platform offers companies alternative sources of funding through crowd investing. The ecosystem complements our startup programme.

At the prestigious Euromoney Awards for Excellence 2024, Slovenská sporiteľňa was awarded as the **best ESG bank in Slovakia**, once again confirming its leading role in the environmental and social area as well as in the area of governance.

The Bank also received the Via Bona Slovakia award in the Good Community Partner category for its comprehensive approach to supporting **affordable housing**. The Pontis Foundation recognised the Bank's projects such as Affordable Home, Project DOM.ov and Help for the Homeless. These awards are a testament to Slovenská sporitelna's success and commitment to continue providing quality services and supporting the community.

Peter Krutil
Chairman of the Board of Directors and CEO

MEMBERS OF THE BOARDS OF DIRECTORS AND SUPERVISORY BOARD OF SLOVENSKÁ SPORITEĽŇA

BOARD OF DIRECTORS

PETER KRUTIL

Chairman of the Board of Directors and CEO

Peter Krutil is a graduate of the Management Faculty at the University of Economics in Bratislava. He served internships at Creditanstalt Vienna and Creditanstalt London. From 1991 to 1993, he was a securities dealer for VÚB Bank, where he worked on the listing of new companies on the stock exchange. In 1993, he joined Tatra banka as a dealer in money and capital markets. From 1993 to 1998 he was a managing director and later a member of the Board of Directors at Creditanstalt Securities, o.c.p., a.s., Bratislava. In 1998 he worked for the Ministry of Economy of the Slovak Republic. In December 1998 he was elected a member of the Board of Directors of Slovenská sporiteľňa. On 1 April 2015 he took up the position of Vice-Chairman of the Board of Directors and first Deputy CEO of Slovenská sporiteľňa.

He was elected Chairman of the Board of Directors and CEO of Slovenská sporiteľňa on 1 January 2018. He is responsible for management of the Staff Units line, Balance Sheet Management and from 1 January 2024 for the management of the Finance line.

PAVEL CETKOVSKÝ

Member of the Board of Directors and Deputy CEO

Pavel Cetkovský Pavel Cetkovský has a master's degree from the Brno University of Technology and a bachelor's degree from the Institute for Economics and Management in Kyiv, Ukraine. In 1994, he began his professional career at Česká spořitelna, where he held several managerial positions in risk management and assets and liabilities management. He worked in Erste Bank Kyiv in Ukraine as a member of the Board of Directors and later its Chairman from 2007 to 2013. His areas of competence and responsibility included risk management, information technology and operations and staff units. He joined Erste Group Bank AG in Vienna in 2013 with responsibility for liquidity management throughout the Erste Group, managing banking book interest rate risk and managing the banking group's investment portfolio.

He was elected a member of the Board of Directors and Deputy CEO of Slovenská sporiteľňa with effect from 26 January 2018. He is responsible for managing the Risk Management line as the Chief Risk Officer in Slovenská sporiteľňa. Until 31 December 2023 he was also responsible for the management of the Finance line.

JURAJ BARTA

Member of the Board of Directors and Deputy CEO

Juraj Barta is a graduate of Comenius University in Bratislava, majoring in physics - management. He holds a professional certificate and title as a CFA® (Chartered Financial Analyst®).

His professional career has been associated with Slovenská sporiteľňa almost from the beginning, having started in 2004 as a macroeconomic analyst. From 2007, he worked at the Bank as chief economist and since 2011 as Director of Marketing and Market Analysis. In 2018, digital banking and customer relationship management (CRM) were added to his field of responsibility.

He was elected a member of the Board of Directors and Deputy CEO of Slovenská sporiteľňa with effect from 8 June 2022. He is responsible for the Retail Banking line.

NORBERT HOVANČÁK

Member of the Board of Directors and Deputy CEO

Norbert Hovančák graduated from the Faculty of Business Administration of the University of Economics in Bratislava, the Faculty of Arts of the University of Prešov and interdisciplinary studies at the Faculty of Law of the Pavol Jozef Šafárik University in Košice. His professional career has been closely linked with Slovenská sporiteľňa, where he began working in 1998. He worked his way up through several positions in branches, taking care of corporate clients. Since 2001 he has held management positions related to corporate client risk management. In 2013 he became the director for corporate clients and then in 2018 he took over corporate banking as a whole.

He was elected a member of the Board of Directors and Deputy CEO of Slovenská sporiteľňa with effect from 1 October 2019. He is responsible for the Corporate banking and Markets line.

MILAN HAIN

Member of the Board of Directors and Deputy CEO

Milan Hain completed doctoral research on computer modelling, measurement and systems management at the Faculty of Mathematics and Physics of Comenius University in Bratislava and the Eindhoven University of Technology. From 1993 to 1999 he worked at VÚB Bank in various positions and management functions related to IT development. He then worked as Chief Information Officer for Slovak Telekom until 2012 and until June 2018 he was a member of the Board of Directors and Chief Information Officer in Raiffeisenbank in Prague, where he was responsible for technology, the transformation programme and the implementation of an omnichannel platform. In his career, he has participated in many management programmes and training courses on marketing, finance, human resources and communication and he has professional experience in the development, security, management and architecture of information systems and technology.

He was elected a member of the Board of Directors and Deputy CEO of Slovenská sporiteľňa with effect from 1 July 2018. He is responsible for the IT and Operations line.

SUPERVISORY BOARD

DAVID O'MAHONY

Chairman

David O'Mahony graduated from the National University of Ireland in Cork with a degree in Computer Science and Mathematics. He started his professional career in 1985 at Bank of Ireland in Dublin as an analyst – programmer in the international banking department. He later worked as a programmer, project manager and consultant at several companies in the field of information technology development for financial institutions in London, Vienna and Prague. In 2015, he joined Erste Group, first as the manager responsible for overseeing the group's operational directors, then as the head of the IT sector within Holding. In January 2020, he became Chief Operating Officer (COO) of the entire Erste Group and a member of the Board of Directors of Erste Group Bank AG. He sits on the supervisory boards of companies focused on the development and implementation of IT solutions within the Erste Group.

He has been a member of the Supervisory Board of Slovenska sporiteľna since 2 February 2022, since 23 February 2022 as Chairman. As of 30 June 2024, he ceased to act as a member and Chairman of the Supervisory Board of Slovenska sporiteľna at his own request.

As of 5 March 2025, **Alexandra Habeler-Drabek** was appointed Chairwoman of the Supervisory Board of Slovenská sporiteľňa. From 30 June 2024 until 5 March 2025, the Supervisory Board had only 5 voting members.

JAN HOMAN

Vice-Chairman

Jan Homan graduated in economics at the Vienna University of Economics and Business. He gained banking experience in Frankfurt, New York and Düsseldorf for Chase Manhattan Bank, which he joined in 1972, and later in Bank Société Générale Alsacienne in Vienna. Since 1978 he has held management positions in the international engineering and chemical corporations Sandvik Austria and Sun Chemical in Vienna. Since 1991 he has been the CEO of Constantia Teich Group and since 2004 the Chairman of the Board of Directors of Constantia Flexibles Group. In 2011 he was elected a member of the Supervisory Board of Constantia Flexibles. From 2004 to 2022, he served as a member and later as the first deputy chairman of the Supervisory Board of Erste Group Bank AG. Currently, he serves within the Erste Group on the Supervisory Board of Bausparkasse der oesterreichischen Sparkassen AG.

He has been a member of the Supervisory Board of Slovenská sporiteľňa since 2012.

VAZIL HUDÁK

Independent member

He studied international relations and diplomacy at the Moscow State Institute of International Relations. He was educated in law at Charles University in Prague. He completed a training programme for executives in international business management at Harvard Business School in Boston. He began his professional career at the Ministry of Foreign Affairs of the Czech and Slovak Federative Republic and later worked in executive positions in advisory and investment groups focusing on Central and Eastern European countries (Eastwest Institute, CITIGROUP, J.P. MORGAN CHASE) before becoming a member of the Economic and Financial Committee of the Council of the European Union and a board member at the European Bank for Reconstruction and Development and the European Investment Bank. From 2012 to 2016, he worked at the Ministry of Finance of the Slovak Republic as state secretary and later as minister. From 2016 to 2019 he was Vice-President of the European Investment Bank. He currently works in the GLOBSEC non-governmental organisation, where he is responsible for the political and strategic management of its key programmes.

On 11 November 2020, he was elected to the Supervisory Board of Slovenská sporiteľňa as an independent member.

PAUL FORMANKO

Independent member

Paul Formanko is a graduate of the University of Illinois at Chicago, the Faculty of Economics of Katholieke Universiteit Leuven, Belgium, and the University of Chicago, from which he holds an MBA in Finance and International Business. In 1994 he joined J.P. Morgan Investment Management in New York and London as an analyst and investment advisor for emerging markets in Central Europe, Russia and Turkey. From 1998 he held senior analytical and advisory positions at Goldman Sachs International and CLSA Global Emerging Markets in London. In 2003 he joined J.P. Morgan Equity Research in London, where he worked in senior research positions until 2018. During this period, he became the Director of CEEMEA Banks Equity Research and managing director of J.P. Morgan London.

He serves on the Supervisory Board of Slovenská sporiteľňa as an independent member. He was elected with effect from 4 February 2019.

ALENA ADAMCOVÁ

Supervisory Board member elected by employees

Alena Adamcová holds a master's degree from the Faculty of Arts of Constantine the Philosopher University in Nitra. She has worked at Slovenská sporiteľňa since 1985 in various positions in the branch network, and since 1996 in managerial positions. She currently works as a specialist for entrepreneurs. She is a member of the trade union's company-level committee in Slovenská sporiteľňa and a member of the select committee of the Trade Union of Finance and Insurance Workers.

She was first elected to the Supervisory Board of Slovenská sporiteľňa in 2016 and is now in her second term of office.

JURAJ FUTÁK

Supervisory Board member elected by employees

Juraj Futák is a graduate of the Vrútky Grammar School. In 1996, he became a regional manager in the non-profit organisation Karta mládeže Slovenska (Slovakia Youth Card), and later an executive in Priemyselná banka, a.s. In 2000, he joined Slovenská sporiteľňa as a personal banker responsible for the affluent clients segment. In 2008 he became the chairman of the trade union branch of Slovenská sporiteľňa in Žilina; since 2012 he has been a member of the trade union's leadership in Slovenská sporiteľňa and became its chairman in May 2022. He is a member of the European Works Council of ERSTE Bank Holding, since December 2022 as a member of its presidium. Since 2017, he has been a member of the committee of the Trade Union of Banks and Insurance Companies, currently serving as the vice-chairman for banks.

He was elected to the Supervisory Board of Slovenská sporiteľňa by the employees of Slovenská sporiteľňa with effect from 2 February 2022.

BUSINESS RESULTS

THE MOST ACCESSIBLE RETAIL BANKING

Higher interest rates slowed housing loan growth

Higher interest rates significantly slowed the uptake of housing loans in 2024. The year can be divided into two halves with regard to interest rate policy. In the first half of the year, interest rates were rising and reached their peak, which had a negative effect on demand for housing loans. On the other hand, consumer loans thrived in the environment of higher interest rates. Strong client interest in financing needs with consumer loans persisted until autumn 2024.

24.6%

Slovenská sporiteľňa's market share in housing loans

Slovenská sporiteľňa did well in housing loans despite the higher interest rates. The Bank has managed to keep its leading position in the housing loan market and even slightly increase its market share. In some months of 2024, as many as 30% of new housing loans were provided by Slovenská sporiteľňa.

DIGITAL AND OMNICHANNELS JOURNEY

Digital sales on the rise

Slovenská sporiteľňa observed an increase in client demand for consumer loans in 2024. Through continuous improvement in processes and the introduction of new options for clients, the Bank increased the volume of consumer loans sold through digital channels by over 40% year on year. Of the total number of consumer loans sold, more than half were taken out by clients using a self-service digital process in the George app.

> 50%

of new consumer loans were taken out using a self-service digital process in George

In the housing loan segment, the Bank enhanced the George mobile app with an overview of clients' housing expenses and other very useful tools such as a personalised mortgage calculator showing the terms that the Bank can offer the client and information on the estimated value of real estate owned by the client. Clients could now complete most of the steps necessary to obtain a mortgage in the web version of George. The market is still not ready for full self-service sale of mortgages though some parts of the process are already available (for example adding a co-debtor to a mortgage application).

New client acquisition

2024 was Slovenská sporiteľňa's most successful year ever in terms of new accounts opened. For comparison, the number of opened accounts increased by more than a fifth year-on-year compared to 2023. The Bank also succeeded in its efforts to attract young clients, as can be seen from the more than twofold increase in new accounts opened for children under the age of 15. Furthermore, the Bank managed to increase its number of active clients.

Number of new accounts opened for children under 15 more than doubled.

George helps children understand money

Slovenská sporiteľňa believes that children learn best when they can try things out. Therefore in the first half of 2024, the Bank launched a children's version of its mobile app aimed at children aged 6 to 14. The app enables children to see their account, to pay by card in shops and online, to temporarily block and unblock it, to display its limits, data and PIN, and to monitor their spending. The app also promotes financial education through the "lotties" which share facts about the world of finance for children. The Bank also launched a new type of saving aimed at children that offers them an advantageous interest rate.

Growth in digital services for clients

Slovenská sporiteľňa continued to broaden its offering of digital products and services in 2024 to support the financial health of as many clients as possible. Clients increasingly prefer digital content and digital banking is gradually replacing traditional branches. The increased demand for more flexible solutions is demonstrated by the fact that most new clients become customers through digital onboarding.

The number of clients opening an account through digital channels increased year on year by nearly 120%.

A new service for 2024 was a procedure for digitally rescheduling loan instalments. A digital channel can give clients a greater feeling of privacy when dealing with a difficult life situation.

Branch network digitalisation

In developing its digital services, the Bank has not overlooked the branch network, where the focus of digital processes and services is the tablet. The process for obtaining a consumer loan at a branch can now be managed through a tablet and there is increasing use of this simple and intuitive approach. Signing processes are now fully digitised using tablets, which offer additional functions such as the signatures of authorised persons, two-factor signing for high-risk transactions and sample signatures.

Slovakia's most accessible branch network

Slovenská sporiteľňa has long been working to enhance and improve customer service in its branch network. The main aim is to provide fast, high-quality, personalised financial advice that improves clients' financial health. In this it is helped by Slovakia's most accessible branch network, which consisted of 202 points of sale at the end of 2024. The branch network includes 160 retail branches and 42 retail-corporate centres. Thanks to a wide network of ATMs, 270 of which include deposit functions, the Bank can process basic service operations for clients quickly while freeing up time for branch employees to focus on financial advice. The quality of services for clients was improved by having more meetings booked in advance, with year-on-year growth amounting to over 30%.

270

ATMs with deposit functions

Another factor in the Bank's outstanding accessibility is our digital colleague George, the highly popular banking app, which was used by more than 1.2 million clients in 2024. In the reporting year, the George app received an upgrade allowing direct communication between a client and their consultant or personal banker, including the option to make an appointment for an in-person meeting.

> 1.2 million

clients use the George banking app

Cybersecurity

Cybersecurity is an area that Slovenská sporiteľňa takes extremely seriously, to protect both its clients' sensitive financial data and the public's confidence in our banking systems. The Bank makes great efforts to protect its clients against the rising numbers of increasingly sophisticated frauds that are attempted against them in the digital environment. The aim is to keep the impact of fraud on clients to a minimum by nipping it in the bud.

In 2024 the Bank blocked frauds against its clients worth EUR 10 million.

To illustrate trends, over 80% of attempted frauds against the Bank's clients involve manipulation of the client and social engineering (in 2022, it was only 20%). This change makes it more difficult for the Bank to prevent fraud because clients themselves execute transactions according to fraudsters' instructions using their usual devices.

SAVINGS, INVESTMENTS AND BANKASSURANCE

Slovenská sporiteľňa provides a wide range of options for clients to save and earn a return on their money, from conservative approaches to the latest investment formats such as mutual funds, ETFs and shares.

Growth in the volume of bank deposits

Improvement in the macroeconomic situation in the market had a positive effect on the growth of household deposits in Slovenská sporiteľňa. In 2024, a slowdown in inflation to 2.8% combined with rising real wages improved the financial situation and savings rate of households in Slovakia. For comparison, household deposits in Slovenská sporiteľňa grew by 7% compared to the previous year. As regards the structure of household deposits, the interest rates on banking products changed only slightly in response to the multiple cuts in key ECB interest rates during 2024. Slovenská sporiteľňa continued to offer its clients attractive interest rates and maturities on both term deposits and general savings. As a result, demand for such products grew not just amongst conservative investors. An uncertain geopolitical situation also contributed to investor demand for fixed returns.

Financial markets and investment in funds, bonds and investment certificates

From a global perspective, the performance of stock markets was outstanding in 2024. Demand for investments in shares increased together with the growth in household savings. The Bank has registered an increase in clients' demand for regular investments, including the relatively new product of regular investments in ETF funds.

> 100,000

newly created regular investment programmes in 2024

Higher interest rates also supported growth in investors' demand for fixed returns, which had a positive impact on clients' interest in bonds and investment certificates. During 2024, the Bank offered 19 issues of bonds and investment certificates with a total volume of more than EUR 190 million. The top-selling bond issues of 2024 included SLSP FIX3 2028 with a volume of EUR 40 million and SLSP FIX2 2028 with a volume of EUR 25 million. Slovenská sporiteľňa managed to achieve its 2024 revenue targets thanks to a diverse range of investment offerings.

Opportunities for young savers

Slovenská sporiteľňa believes that it is important to start learning financial literacy at an early age. The Bank has therefore prepared a special digital savings product for children aged 6 to 15 called Piggy Bank, which parents can easily set up on their mobile device. This product helps children understand the basics of savings and responsible money management. Once these young savers turn 15, they can manage their own savings in the George app. In this way, the Bank helps young people to develop their financial skills and responsibility, which is crucial for their future financial success.

Bankassurance

The subdued demand for housing loans led to lower bancassurance sales, especially in the first half of the year. In the second half of the year with renewed demand for housing loans, sales of related insurance also revived. The growth of bancassurance was also affected by the rise in living costs in 2024, which changed clients' priorities in insurance. Slovenská sporiteľňa improved its business despite the unfavourable market situation, with commission income rising by 11% year on year and growth in nearly all product lines.

ERSTE PRIVATE BANKING

Slovenská sporiteľňa's private banking services have long ranked among the best in the Slovak market. Their quality can be seen not just in the repeated private banking awards they have received from prestigious magazines like The Banker, Global Finance and Euromoney, but also in the satisfaction of its clients.

91 %

of clients would recommend EPB's services to their friends and acquaintances

The Bank's regular internal survey of its private clients' opinions found that more than 91% of clients would recommend EPB's services to their friends and acquaintances. For comparison, last year's result was 80%, so satisfaction has risen by over 10 percentage points in a year. Further proof of the increase in quality of EPB's services is the growth in the volume of client funds under management and in client numbers, where the year-on-year increase is almost 10%.

Innovative asset management solutions for EPB private clients

Alongside a wide range of bond issues and investment certificates, EPB clients could set up a VIP digital term deposit in the George app with an attractive interest rate and maturity. The Bank also expanded its offering for less risk-averse clients with a Black Rock private equity fund that enables EPB clients to invest directly in private companies.

CORPORATE BANKING IN 2024

In 2024, Slovenská sporiteľňa continued to work intensively on supporting and improving the financial health of entrepreneurs and companies. Through the Financial Health Index app and individual consultations, it provided companies with free analyses of their business. The uniqueness of this solution is evidenced by the fact that more than 20% of the companies that used the Financial Health Index app and attended a meeting regarding their financial health were not clients of the bank. The bank also recognized the importance of optimal and quick solutions for its corporate clients and therefore continued to work diligently on improving the web and mobile application Biznis 24.

Market share continued to grow

There was a significant slowdown in the growth of corporate loans in the market in 2024, largely due to higher interest rates. Despite the higher-interest environment, the Bank increased its market share in the segment of loans to non-financial corporations to its highest ever level. Growing market share in economically challenging times is further evidence of the Bank's ability to offer compelling, competitive products for business clients at a high level of quality.

> 22%

market share in the segment of loans to non-financial corporations in 2024

Growth in sustainable loans[2]

Corporate responsibility is one of the key priorities of Slovenská sporiteľňa. The wide range of sustainable products that the Bank provides for its clients is clear evidence of our commitment in this area. The Bank registered increased interest from companies in sustainable forms of financing in 2024. The Bank achieved a year-on-year increase in sustainable loans by 20% compared to 2023.

Cooperation with third parties

In 2024 the Bank intensified its cooperation with third parties, especially in bancassurance, where it offers its clients services in partnership with the KOOPERATIVA insurance company. In 2023, the Bank launched the sale of a new insurance product called "Founder", which is available exclusively to Slovenská sporiteľňa clients. In 2024, the Bank added payment protection insurance to its insurance offering for corporate clients. The result is the insurance of every second corporate loan.

Alternative sources of financing

At the end of 2024, Slovenská sporiteľňa acquired a stake in Crowdberry, an investment platform that offers companies an alternative way to raise funds from private capital through collective investment. The Bank believes that this partnership will improve Slovak firms' access to capital while bringing even more professional banking-grade services to Crowdberry investors.

Challenges facing corporate banking in 2025

One of the biggest challenges facing corporate banking in 2025 is the introduction of the financial transaction tax. The Bank expects to suffer a negative impact from this tax through the Bank's own tax burden and the effects on other taxpayers. Slovenská sporiteľňa has accordingly been actively working on the implementation and upgrade of internal systems, reporting and communication with clients since late 2024. For example, the Bank has prepared an offer of business and personal accounts for clients that will be free of charge for two years.

[2] Sustainable finance is defined in the chapter Consolidated reporting of sustainability information

MANAGEMENT REPORT ON BANK'S ACTIVITIES IN 2024

(based on the consolidated financial results)

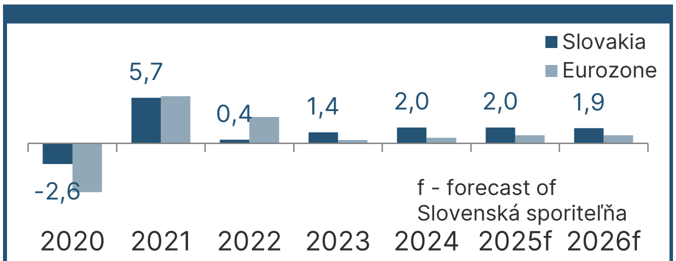
ECONOMIC DEVELOPMENT

Rising real incomes improved the financial situation of households and this was positively reflected in a year-on-year increase in household consumption.

Domestic consumption became the engine of economic growth

The year 2024 began with strong economic growth, which slowed as the year progressed. Overall GDP growth of 2.0% placed Slovakia well above the average for the Euro Area and the whole EU-27. The main drivers of growth were household and government consumption. The revival in household consumption was supported by a tight labour market, continued wage growth and declining inflation. The share of disposable income that households could save began to recover from its historic slump in 2023 but it remained below the long-term average.

In contrast to the previous year, there are now visible signs of investment having less impact in the economy. The main drawdown of funds from the Recovery Plan and other EU funds has been delayed to later years. Despite a challenging situation in foreign demand, Slovakia maintained its trade surplus. Industrial output was volatile, especially in the first half of the year. While the last quarter showed solid year-on-year growth in the vital automotive sector (+4.3% for the entire year), overall industrial output was slightly lower compared to the previous year (-0.7%).



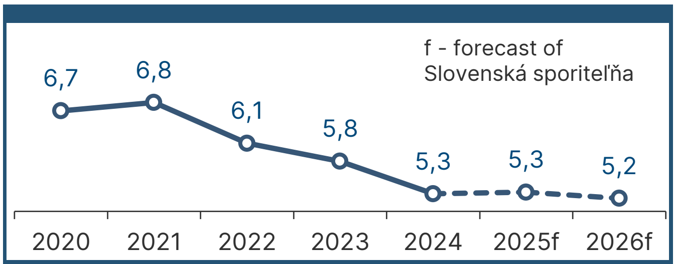
Economic growth in Slovakia and the Euro Area (%)

The labour market favoured workers

The labour market remained tight and the unemployment rate approached record low levels in the middle of the year (5.2%). The rate of people taking early retirement gradually stabilised. Growth in the Slovak economy was boosted by workers from abroad, whose number passed 100,000 in 2024. There continued to be a mismatch in the labour market between job offers and the available skilled workforce. The number of long-term unemployed people remains close to 100,000. At the same time, the number of unfilled job vacancies reached a record high, passing the 100,000 level for the third time. After two years, real wage growth turned positive again (+4.6% y/y), which helped to raise consumption and domestic savings.

Slower inflation

As expected, prices grew at a slower rate in 2024. Average harmonised inflation for the whole year was 3.2%. This favourable development was mainly due to a slow-down in price rises in the heavily weighted category of food, where the average year-on-year price rise was 2.5%. The good result was influenced by the base effect because the previous year (2023) food prices had risen by an average of 18%. From a statistical point of view, the lower inflation rate was helped by the cap on household energy prices. This measure came with a price tag of EUR 1.25 billion for the government, which added to the stress on the already heavy-loaded budget. While there was a counter-inflationary effect from the rise in savings as households enjoyed real wage growth, the tight labour market was also a factor pushing up core inflation.



Unemployment rate in Slovakia (%)

The ECB began easing monetary policy

In the middle of the year, the ECB began to relax its tight monetary policy with a gradual series of four rate cuts since June. The total reduction amounted to one percentage point, bringing the ECB's key deposit rate to 3% at year's end. The easing of monetary policy is proceeding at a predictable rate but it was still tight at the end of the year and the economy had not yet felt the full impact of the previous rate reductions. PEPP reinvestments also terminated at the end of 2024, which put pressure on the yields required for the financing of government debt. The changes in monetary policy gradually began to have an impact on interest rates, naturally starting from the shorter maturity periods. A sharper drop in rates, especially for longer loan maturities was to some extent blocked by the increased risk premium on Slovak government bonds compared to German bunds. This was about 120 basis points for most of the year though there was a small correction to 100 basis points at the end of the year when the consolidation measures were announced.

A high deficit and the need for consolidation

In the last quarter, consolidation measures for 2025 were announced and approved with a total volume of EUR 2.7 billion. Considering the current state of public finances and the expected trajectory for the development of public debt, further consolidation will be inevitable. In its current form, consolidation focuses mainly on the revenue side of the budget with less emphasis on slimming down and streamlining operations in the state and public administration, that is to say reducing expenditure. Some of the consolidation measures (such as the financial transaction tax) have a significant negative impact on the business environment, which is already struggling with red tape and a high level of taxes and contributions. This will further weaken the international competitiveness of Slovak enterprises. The public finance deficit for 2024 was 6.0% of GDP and public debt reached 58.3% of GDP.

The year 2025 in the sign of consolidation

As consolidation measures have so far been mainly on the income side, such as tax increases, they have a pro-inflationary nature. Although the ECB will continue to relax monetary policy, the Slovak inflation rate is highly likely to reach 4% in 2025. The continuing cap on household energy prices will only slow increases. The consolidation measures will also slow economic growth. An important variable is making effective use of funds from the

Recovery Plan and other EU programmes to support investment in the economy. Political stability is crucial for consolidation to achieve positive benefits because the availability of European money could be reduced in case, for example, a worsening of relations with the EU by threatening the rule of law. That would increase the risk premium and other costs related to debt servicing and the sustainability of Slovakia's public finances. The importance of rule of law was also highlighted by Moody's, which lowered Slovakia's rating in mid-December 2024. Slovak GDP growth could reach 2.0% in 2025.

DEVELOPMENT IN THE BANKING MARKET

Higher interest rates slowed credit growth

Growth in the stock of loans was hampered by higher interest rates during the year. In retail lending, higher interest rates slowed growth in housing loans, with the year-on-year increase for 2024 being slightly below 3%. On the other hand, consumer loans thrived in the environment of higher interest rates, with their stock growing by 8% in 2024. In the second half of 2024, interest rates were gradually reduced, which had a positive effect on households' appetite for new housing loans. In corporate banking, the higher interest rates meant that there was negative year-on-year growth in the stock of corporate loans to non-financial corporations (-2% y/y). There was decreased demand for corporate financing across all product categories in the market. Despite the higher interest rates, there was no significant rise in non-performing loans amongst either households or businesses.

Recovery in the deposits market

The markets saw more than 7% year-on-year increase in retail deposits in 2024.This growth was supported by the gradual slowdown in inflation, thanks to which the financial situation of households improved allowing them to build up more savings and deposits. Higher interest rates naturally made term deposits more attractive, with their stock across the whole market increasing year on year by almost 20%. The year-on-year increase in the stock of corporate deposits (from non-financial corporations) in 2024 was around 6%. For comparison, in 2022 and 2023 the growth rate for corporate deposits was in double digits. The Bank forecasts that in coming years the growth in corporate deposits will be significantly affected by the newly introduced financial transaction tax.

Increased efficiency in the banking sector

Net interest income in the market increased by more than 11% year on year in 2024 despite the higher interest rates slowing growth in the stock of loans. The main factors supporting the rise in net interest income were the gradual revaluation of the loan portfolio, much of which consists of loans to households for housing. Fee and commission income also showed respectable growth across the market, with year-on-year growth of around 9%. Banks managed to keep growth in operating expenses below 6%. As operating income grew faster than operating expenses, the banking sector's efficiency increased, with a ratio of operating expenses to revenues slightly above 45%. The faster growth in income than in expenses was positively reflected in the growth of operating profit, which increased by around 16% year on year for the market.

Profitability in the banking

The net profit of the banking sector for 2024 was approximately EUR 1.08 billion, which represents a year-on-year decrease of approximately 11%. In absolute terms, it is the Slovak banks' second-highest ever profit after the record profits of 2023. The year-on-year decline in net profit in 2024 was mainly due to the higher tax burden on Slovak banks following the introduction of the bank tax. In 2025, the special bank levy will be around 5% lower but the effective tax rate for financial institutions will be around the same as in 2024 due to higher income tax, which will rise from 21% to 24% in 2025.

FINANCIAL RESULTS OF SLOVENSKÁ SPORITEĽŇA

Slower growth in the stock of loans

Higher interest rates slowed the growth in lending in 2024. When the European Central Bank began the gradual relaxation of its monetary policy, average interest rates began to fall. Thus, total net loans achieved a year-on-year growth of slightly over 3% by the end of the year. The Bank recorded a slight recovery in housing loan growth, where it also succeeded in increasing its market share year on year. The Bank recorded some recovery in growth in housing loans (+4% year-on-year), where it also managed to increase its market share year-on-year. To a greater extent, higher interest rates had a negative impact on the growth of corporate loans (non-financial corporations), whose balance at Slovenská sporiteľňa slowed down to 3% at the end of 2024.

The bank's total assets remained almost unchanged in 2024 (-0.3%) as loan growth failed to fully offset the decline in the cash reserve due to the repayment of the ECB's long-term refinancing operations (TLTRO) facility.

EUR 26.4 billion

value of Slovenská sporiteľňa's total assets

Faster growth in deposits than in loans

The total volume of deposits at the end of 2024 exceeded 18.7 billion euros, representing a year-on-year growth of nearly 7%. Household deposits grew by 6%, while corporate deposits saw a year-on-year growth of up to 9%. It is worth noting that in the first months of the year, the growth in household deposit balances was negatively impacted by the bank's decision to gradually phase out passbook savings accounts and replace them with more modern savings products. Regarding the structure of retail deposits, the bank recorded increased interest from clients in term deposits throughout the entire year of 2024.

The net loan-to-deposit ratio improved year on year to reach 103.8% thanks to slower growth in loans than in deposits.

The operating profit increased but the net profit was lower

Despite the slower growth in its stock of loans, Slovenská sporiteľňa increased its net interest income year on year by over 9%. This positive development was due to gradual revaluation, especially in the retail part of the loan portfolio. In fee and commission income, the Bank achieved significant year-on-year growth of around 12%. The main driver of increased operating expenses in 2024 was personnel expenses, which grew year on year by around 8%. Thanks to the faster growth in operating income compared to operating expenses, Slovenská sporiteľňa's operating profit for 2024 was 12% higher than the year before reaching EUR 475 million.

EUR 285 million

consolidated net profit for 2024

Slovenská sporiteľňa's consolidated net profit for 2024 was EUR 285 million. It was around 8% lower than the year before because higher taxes were imposed on the banks in Slovakia. The introduction of the bank tax increased the effective tax for Slovenská sporiteľňa from 22.6% in 2023 to 36.8% in 2024.

RISK MANAGEMENT

Effective risk management is one of the core pillars of the success of Slovenská sporiteľňa's business operations. Therefore, the Bank strives to introduce and to constantly improve processes for monitoring, evaluating and managing all the important risks to which it is exposed. These include in particular credit, market, operational, and liquidity risks. The Bank's risk management objective is to identify all the significant risks to which it is exposed, to accurately assess their potential adverse impact and to have procedures for managing and controlling them effectively. Risk management is guided by the following basic principles:

- a prudent approach to risk, emphasising long-term sustainability;
- keeping risk management as independent as possible of business lines in a centralised unit with sufficient resources and powers to fulfil its functions;
- integrated risk management: the overall risk profile reflects interdependences between individual types of risk, and risk exposure is managed constantly having regard for the amount of capital available;
- avoidance of transactions, investments or products whose risks the Bank cannot assess or manage. The set of indicators determining the Bank's targeted risk profile is defined in a binding document, the Bank's Risk Appetite Statement, which is one of the determinant inputs to the Bank's strategic business plan.

All indicators defined in the binding document "Risk Appetite of the Bank," which reflect expectations related to the bank's risk profile, were in line with the bank's objectives throughout the year 2024.

Credit risk

Thanks to the gradual decline in interest rates, housing loans grew a little faster in 2024. As real wages have increased, the resilience of the retail loan portfolio has correspondingly strengthened. This meant that the Bank did not need to tighten lending rules for retail clients. In corporate banking, Slovenská sporiteľňa even registered an improvement in key parameters of its portfolio during the year.

Liquidity risk

The Bank's liquidity position was better than in the previous year. This improvement was mainly due to deposits growing at a significantly faster rate than loans. Thanks to this development, the Bank had less need for capital market financing in 2024. The volume of issued bonds reached EUR 185 million.

The structure of deposits was affected by a continuing trend for funds, especially in the retail segment, to be placed in term deposits and savings accounts rather than current accounts. Both of these developments had a positive effect on the Bank's liquidity position.

Capital adequacy

During 2024, capital adequacy was stable, well above the regulatory minimum. Equity grew mainly due to an increase in retained earnings in 2023. Capital requirements increased due to growth in the loan portfolio.

19.8%

capital adequacy well above the regulatory minimum

Non-performing loans

The non-performing loan (NPL) ratio remained unchanged in 2024 despite the more difficult economic climate. There was even a slight decrease in non-performing loans in the corporate segment. This was due to early detection and appropriate resolution of clients' problems.

1.9%

the share of non-performing loans remained unchanged year-on-year

Provisioning

The favourable year-on-year development in provisions to cover credit risk continued in 2024. There was a slight increase in provisioning for the consumer loans of private clients but the increase in non-performing loans was largely offset by lower provisioning for loans to the corporate segment.

ESG risks

Environmental, social and governance (ESG) risks remained a top priority in 2024. The Bank focused on compliance with regulatory requirements and expectations, further refinements of the calculation methodology and input data quality for its carbon footprint calculation, monitoring of decarbonisation targets for the various sectors, improvements in its risk materiality assessment and reporting system, including for physical risks, and the integration of climate and environmental risks into credit risk processes.

OBJECTIVES FOR 2025

Slovenská sporiteľňa's goal for 2025 is to be a financial health partner for its clients, with whom it will work jointly to develop solutions that enable clients to fulfil their aspirations and increase their resilience to risk. The Bank offers its own solutions for both companies and households alongside the products of partners in areas such as investment, insurance and pensions. Slovenská sporiteľňa aims to be an attractive brand offering an outstanding experience of financial services that lead more people to consider it their main bank. The Bank will continue to work on the digital transformation of its products and services and improve its web and mobile banking apps so that clients can quickly and easily choose the most effective solution for their situation. The offer for each client will be tailored as far as possible to the individual, taking account of their current and future financial needs. In addition to an improved customer experience, the digital transformation makes it easier to streamline the Bank's internal processes and achieve long-term cost savings. It also enables Slovenská sporiteľňa to develop client services faster and deliver new improvements in the future. All the Bank's decisions will be taken within an acceptable degree of risk. Slovenská sporiteľňa wants to continue to contribute to the prosperity of society, environmental sustainability, and Slovakia's progress to becoming a modern, stable, and prosperous country within the European Union through its business activities, the activities of the Social Bank and the Slovenská sporiteľňa Foundation. It plans to use a subsidiary, Slovenská sporiteľna's Seed Starter, to explore synergies with start-ups and invest in those that offer the strongest potential.

CORPORATE GOVERNANCE REPORT

CODE OF CORPORATE GOVERNANCE

The management of Slovenská sporiteľňa recognises the importance of sound and responsible corporate governance. The principles of corporate governance are implemented in compliance with the directives and guidelines of the European banking authorities and the local regulator Národná banka Slovenska as they apply to banking institutions. The most relevant document for internal management and corporate governance is EBA/GL/2021/05 Guidelines on internal governance, as amended, which defines measures, procedures and mechanisms for selected financial institutions. Slovenská sporiteľňa, a. s. has implemented the Group Governance Policy of the Austrian banking group, Erste Group, of which it is a member. This policy reflects the main standards and principles of the OECD Principles of Corporate Governance, as well as those of the Austrian Code of Corporate Governance, which is reviewed and updated annually. The Code of Corporate Governance is a self-regulation tool consisting of recommendations and proposals for transparent and exemplary corporate governance. The primary aim of this voluntary code of conduct is to increase transparency in the management and control mechanisms of listed companies. In the case of Slovenská sporiteľňa, the application of the principles and rules of the Governance Code is influenced in some measure by the fact that it has a sole shareholder owning 100% of the shares issued by the company and its shares are not traded on any stock market. Certain provisions of the Governance Code relating to the exercise and protection of shareholder rights therefore need not be applicable or are applied to the sole shareholder.

Over the course of 2024, Slovenská sporiteľňa complied with all Group Governance Policy rules, as well as the applicable principles of the Governance Code.

Slovenská sporiteľňa has in place a Global Compliance Code establishing a set of ethical standards, principles and binding rules for the Bank and its staff. The responsibility of the Bank and its employees toward clients, and the responsibility of the employees to one another are the basis for strict compliance with the adopted rules and standards of the Compliance Code. The Bank applies a policy of zero tolerance to any violation of this code. The Code was drafted in compliance with European Union requirements for harmonising legislation and unifies the internal standards of Slovenská sporiteľňa with the internal standards of the Erste Group. It is also a practical guide on how to apply statutory provisions in day-to-day contact with information that could alter the behaviour of market entities. Furthermore, it is a point of reference for preventing or resolving conflicts of interest between the Bank, its staff, management and customers. The Global Compliance Code sets out the Bank's anti-corruption policy and establishes methods and procedures for reporting suspected cases of corruption or anti-social activities.

Pursuant to requirements regarding the values and objectives of corporate culture, information for clients and transparency, and for improving quality in the provision of investment services and securities trading, the Bank consistently applies measures resulting from the Directive of the European Parliament and of the Council on markets in financial instruments (MiFID II) for strengthening consumer protection in accordance with European legislation. Before providing an investment service, the Bank provides clients with a Key Information Document (KID) and a notice on investment services involving certain financial instruments (securities, derivatives) to provide greater transparency on these investment products and permit their comparison with other products of the same kind. All KIDs are available on the Bank's website (*www.slsp.sk/kids*).

Other key documents strengthening customer protection in the banking environment include the European Agreement on a Voluntary Code of Conduct on Pre-Contractual Information for Home Loans. This has been adopted at the level of European consumer organisations and the European credit sector associations.

Over and above legal obligations in this area, Slovenská sporiteľňa has adopted the Erste Group Code of Conduct, which establishes common values and principles for the whole financial group. It is a set of binding rules and recommendations affecting the day-to-day business activities of all the Bank's employees. The Code defines what is important in relation to customers, the company, employees and the shareholder and sets the standard for the Bank's conduct as a socially responsible company acting in all aspects of its activities responsibly, with respect and without undue risk. It is an important instrument of quality assurance in internal and in external environments because quality means support for proper, trustworthy relationships with each other and with relevant stakeholders.

The Bank has adopted a complaints management policy in accordance with the methodological guidelines of the Financial Market Supervision Unit of Národná banka Slovenska. It has designed a unified working procedure, specified the competences and responsibilities of the units involved in complaint management and set communication standards to ensure the quick, effective and reliable resolutions that increase customer satisfaction and loyalty. Slovenská sporiteľňa is one of the few Slovak banks to have created the position of Ombudsman protecting the interests of clients as consumers and users of financial services in accordance with European rules.

Slovenská sporiteľňa and its employees follow the principles of competition law without reservation and have zero tolerance for agreements that restrict competition or abuse a dominant position in the market. Compliance with competition rules is one of the Bank's highest priorities. Every member of the Bank's management at every level, and every Bank employee, bears responsibility for compliance with competition rules. A specific member of the Bank's Board of Directors is responsible for the overall performance and coordination of activities related to the protection of competition.

RELEVANT INFORMATION REGARDING MANAGEMENT AND ORGANISATION OF THE COMPANY

The management structure of Slovenská sporiteľňa, as well as that of its parent company – Erste Group Bank AG, comprises a Supervisory Board and Board of Directors. The Supervisory Board is the Bank's supreme control body. It supervises the activities of the Board of Directors and the conduct of the Bank's business activities. It regularly reports to the General Meeting on its activity. The Board of Directors is the Bank's statutory body, managing its activity and acting on its behalf. It decides on all the Bank's affairs not reserved to the Bank's General Meeting or Supervisory Board under acts of general application or the Bank's Articles of Association.

The basic and fundamental rules of the Bank's operation and existence are set out in the Articles of Association of Slovenská sporiteľňa, a.s. (the "Articles"). Any changes to the Articles must be approved by the General Meeting. Building on the mandatory requirements applicable to every joint-stock company under the provisions of Act no. 513/1991, the Commercial Code, and Act no. 483/2001 on Banks (the "Act on Banks"), the Articles govern the Bank's organisation and system of management, relations and cooperation between the statutory body, Supervisory Board, the Bank's officers, Internal Audit division and the Bank's committees. In addition to the activities set out in the Articles and entered in the Commercial Register, the Bank may, following approval by Národná banka Slovenska, also carry out non-banking activities related to the operations of the Bank and companies belonging to the consolidated and sub-consolidated group of Erste Group. These activities, in accordance with the Act on Banks, are not entered in the Commercial Register. The latest changes to the Articles were approved by the shareholder at the General Meeting on 6 October 2023 and related to the length of the term of office of members of the Board of Directors.

The company's organisational structure, the basic principles of its organisational arrangement, and the responsibilities, activities and roles of the company's organisational units are described in the Slovenská sporiteľňa Organisational Code. The Organisational Code is defined in accordance with the Commercial Code, the Act on Banks, the Securities Act, the Articles and other acts of general application, and is binding on all company employees.

The company performs its activities through its organisational units, comprising the headquarters, branch network, and other units established under the Bank's internal regulations. Responsibility for the creation, implementation, coordination, monitoring and control of the Bank's business objectives lies with the Board of Directors. In compliance with acts of general application, the Bank maintains within its organisational structure a separation between activities and powers and responsibilities in the following areas:

- risk management and banking activities;
- lending and investment business, and monitoring of risks to which the Bank is exposed
- monitoring of risks arising from conducting banking activities with persons with a special relationship to the Bank.

In 2024 the Bank continued to apply the principle of separation between risk monitoring and banking activities at all levels of management including the highest. The Corporate Credit Risk Management, Retail Credit Risk Management, Strategic Risk Management and Compliance and Operational Risk Management divisions must not engage, and during 2024 did not engage, in any banking, lending or investment business. Competence for authorising transactions with persons with a special relationship to the Bank is exercised by the Board of Directors of the company in accordance with the Act on Banks and the Organisational Code.

Slovenská sporiteľňa has not established any units abroad and does not perform banking activities outside Slovakia.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Internal control system

Slovenská sporiteľňa has in place an internal control system with clearly defined principles and standards. Effective internal control is the basis of sound operational risk management; it safeguards the Bank's assets, helps reduce or prevent the potential occurrence of serious errors or operational risk events, and helps in their timely detection. The internal control system is closely connected with operational risk management, particularly in the area of risk identification and risk control phases. Its implementation is required by the risk management strategy and has the following objectives at Slovenská sporiteľňa:

- to prevent and detect errors and any inefficient or wasteful use of resources;
- to prevent and detect abuses and fraud;
- to ensure the effectiveness and efficiency of banking operations;
- to ensure the integrity, accuracy, timeliness and reliability of information;
- to raise the quality of record-keeping;
- to monitor compliance with laws, regulations and internal policies.

The Bank's Board of Directors is responsible for the implementation, regular monitoring, evaluation and appropriate updating of the policy for an efficient internal control system. Each organisational unit is responsible for its practical implementation and compliance within its remit. Senior managers are responsible for internal control at the level of the executive, and may not delegate this responsibility.

The Bank's employees are responsible for their work and must abide by the principles of the internal control system. They perform their work in accordance with applicable laws and the company's internal guidelines. Moreover, they comply with competences related to the approval and authorisation for work. Internal control is a part of their work and responsibilities. The results of each inspection are documented, and the responsible employees oversee the remediation of shortcomings and the implementation of measures identified in their findings.

An independent component of the internal control system is the Internal Audit division, which reports directly to the Bank's Supervisory Board. The CEO is responsible for its establishment and its operational functioning. Internal Audit is fully independent from all the Bank's activities. Its independence is manifested in all stages of its work, particularly during identification and analysis of risks, the planning and preparation of audits, including the selection of a review and evaluation method, drafting and submission of audit reports, and evaluation and follow-up of measures taken.

In accordance with applicable legislation, internal audit review and evaluation are also applied to outsourced and insourced activities, to the implementation of and compliance with remuneration principles, Bank information system security, etc. The Supervisory Board approves the audit strategy and annual audit plan after it is approved by the Board of Directors and recommended by the Audit Committee, an advisory body to the Supervisory Board. The Audit Committee oversees the independence and objectivity of the Internal Audit function, approves the audit strategy and regularly monitors and controls its activities and effectiveness, compliance with international internal audit standards and the Erste Group Internal Audit Policy. It also approves the Internal Audit Policy, the internal audit statute contained therein and its annual review.

The Bank pays particular attention to measures for protecting the Bank against money laundering, terrorist financing and financial fraud. Their implementation is a responsibility of the Compliance and Operational Risk Management division under the management of the Compliance Officer. Its other responsibilities include the application of preventive mechanisms in accordance with sanction policies and measures, and the detection and correction of fraudulent conduct. Slovenská sporiteľňa has adopted and published on its website a Concept of Protection against Money Laundering and Terrorist Financing, in which it commits to “zero tolerance” for the infiltration of “dirty” money into the financial system, money laundering and terrorist financing, in particular by emphasizing the application of the “know your client” principle. In keeping with its ethical values, the Bank also places importance on transparency in its relationships with both clients and suppliers. It applies zero tolerance of corrupt behaviour. To this end, the Bank has adopted a gifts policy, laying down rules for the acceptance and giving of gifts in full compliance with the legal environment of the Slovak Republic, Erste Group principles, and international standards. For proper management of operational risk in this area, the Bank also provides its employees with the opportunity to report corrupt or antisocial behaviour, violations of accepted banking rules or principles (whistleblowing) at any time, even anonymously, via the intranet.

In its organisational structure, the Bank has set up a unit for the prevention and detection of money laundering, which is managed by a designated person as defined by law. The designated person develops and regularly updates the Bank’s comprehensive protection concept, including internal rules, control mechanisms, updates the signs of abnormality, the criteria for assessment as well as the procedure for reporting.

Another role of internal control is to monitor and evaluate the timely implementation of legislation into internal bank procedures. Regulatory compliance is supervised by the Regulatory Compliance Officer, who is responsible for ensuring that the Bank implements in its policies, regulations and processes in a timely manner all relevant laws, their updates, and the regulations and recommendations of the competent Slovak and European regulatory institutions.

The Bank is responding to the dynamic changes in the field of new technologies and investments in information systems, taking into account the related risk from the growing importance of the secure functionality of these systems, by adequately managing the risk of ICT (information and communication technologies) with regard to upcoming legislative amendments, as well as identified risks. The risk framework and ICT risk management also fall under the responsibility of the Compliance and Operational Risk Management division, and the Security division provides full cooperation.

Ensuring the required level of cybersecurity of the relevant information systems and networks is a prerequisite for the provision of basic banking services. The Bank's cybersecurity is governed by internal guidelines and working procedures that are in line with Erste Group principles and international standards. The Security department is responsible for security at the Bank. The increasing level of digitalisation is leading to an increase in potential threats in cyberspace. The Bank therefore invests in the prevention, detection and response to security incidents on a long-term basis in order to prevent their occurrence and minimise their potential impact. At the same time, regulatory authorities are also responding to increased threats by introducing stricter legislative obligations, which the Bank must take into account in its security policy. Their compliance, compliance with the ISO/IEC 27002 standard and verification of the security of the Bank's information system are subject to audit by several regulatory authorities as well as the Bank's internal audit. The audit, as required by Act No. 69/2018 Coll. on Cyber Security, is carried out on a bi-annual basis. Information system security verification in accordance with the Methodological Guideline of the National Bank of Slovakia No. 7/2004 is carried out by the Bank on an annual basis. At the same time, selected elements of the Bank's information environment supporting IT applications are checked as part of the statutory audit (IT General Controls).

Risk management and control system

Slovenská sporiteľňa has, in accordance with applicable Slovak legislation, a risk management system in place that is based on a clearly defined risk management strategy, the Bank’s risk appetite and the Bank’s ethical values. The Bank has appointed a Chief Risk Officer on the level of the Board of Directors. Within its competence, the Board of Directors has established a Risk Management Committee responsible for compliance with and monitoring of the effectiveness of the risk management system and the periodic review of its effectiveness and adequacy. The effectiveness of risk management is overseen by the Supervisory Board, or the Supervisory Board Risk Management Committee. Within its organisational structure, the Bank keeps trading and investment activities strictly separated from risk management. The organisational units for strategic risk management, corporate credit risk management, retail credit risk management, compliance and operational risk management and legal services report to the member of the Board of Directors responsible for the performance of the risk management function (Chief Risk Officer).

The risk management strategy of Slovenská sporiteľňa defines the fundamental principles and objectives of risk management, and describes the management process, responsible persons and competences for risk identification, monitoring and management controlling. It also defines the Bank’s policy and positions in the area of individual types of risk to which it is or may be exposed. Procedures and measures for mitigating or eliminating individual types of risk are set out in the Bank’s internal guidelines and published to the Bank’s staff via internal information channels.

The primary objective of the Bank’s risk management is to achieve a sustainable ability to identify all significant risks to which it is exposed, to evaluate the potential impact of risks on the Bank and to have procedures enabling these risks to be managed effectively. The Bank has a process prepared for managing every identified risk. The effectiveness and adequacy of the risk management system in place is reviewed with reference to the adopted strategy upon each major change in the risk management process, or in any new risk-related activity, at least once a year. Furthermore, when developing and evaluating scenarios of comprehensive stress testing, the Bank considers various material risk types (credit, market, operational and liquidity risks, etc.). In accordance with statutory and regulatory provisions and requirements, the Bank continuously evaluates and maintains its ability to bear risk in the changing economic and market environment in which it operates. The risk management system in place, including the monitoring of the applicable limits for each risk, enables the Bank to manage its risk profile in a responsible manner and to provide and secure financing both under normal conditions and in the case of stress events.

Within the overall risk management strategy, the Bank has developed its own system for the Internal Capital Adequacy Assessment Process (ICAAP). The assessment system takes into account all main risks to which the Bank is exposed, and which must be continuously covered by its own internal capital. The limits and measures for covering unexpected losses correspond to the nature, scope and complexity of the banking activities in accordance with the Bank’s adopted business strategy. The Bank has implemented the ICAAP framework and standards, including the RAS (Risk Appetite Statement) methodology, in accordance with the group policy, and it takes them into account in managing and setting business objectives.

In accordance with statutory provisions, the Bank has a Recovery Plan prepared. The plan describes each risk type, the potential failure points for the Bank, and its scenarios for recovery and identifies critical functions and the main strategies and procedures to be implemented in unexpected major critical situations. Because the Bank is part of the Erste Group, the local Recovery Plan is, in accordance with European legislation, a direct part of the Group Recovery Plan and is designed to enable the Bank to restore its financial position in such circumstances without external assistance. The Bank's Recovery Plan is updated annually or ad hoc in response to changes in the market, and the Bank's Supervisory Board is kept regularly informed of it. In 2024, the selected indicators, recovery measures and impacts of risk scenarios of the Recovery Plan were updated in accordance with legislation and the regulator's recommendations.

INFORMATION ON THE COMPOSITION AND ACTIVITIES OF THE COMPANY'S BODIES AND THEIR COMMITTEES

In accordance with the Commercial Code and the Articles of Association of SLSP, the Bank's bodies are the Shareholders' General Meeting, the Supervisory Board and the Board of Directors.

The rules for the appointment and recall of members of the company's bodies are set out in Slovenská sporiteľňa's Articles, which are approved by the Shareholders' General Meeting pursuant to the provisions of the Commercial Code. In accordance with the proper performance of the Supervisory Board's supervisory function, the election and recall of members of the statutory body falls within the competence of the Supervisory Board. The Supervisory Board elects the members of the Board of Directors subject to prior approval by the European Central Bank, which supervises Slovenská sporiteľňa as a systemically important bank, as well as in accordance with recommendations of the Nomination Committee of the Supervisory Board. The appointment and recall of members of the Supervisory Board, other than representatives elected and recalled by the employees, lies in the competence of the company's General Meeting and is subject to the prior opinion of the European Central Bank. The assessment as well as the reassessment of the suitability of the members of the Supervisory Board, the Board of Directors and persons holding key positions is carried out by the Nomination Committee of the Supervisory Board in accordance with the guidelines issued by the European Banking Authority EBA/GL/2021/06 on the assessment of the suitability of members of the management body and key function holders and the Methodological Guideline of the Financial Market Supervision Unit of Národná banka Slovenska of 15 June 2022 no. 8/2022 on the demonstration of the competence and suitability of persons nominated to functions under Section 7(2)(e) and Section 8(2)(c) of the Act on Banks. The Bank regularly reviews and assesses whether members of the Board of Directors, the Supervisory Board and key employees meet the eligibility criteria laid down in the guidelines.

An important criterion of selecting and appointing members of the Bank's top management is not only knowledge, but also living by the values and respecting the approach both inside and outside the company. Slovenská sporiteľňa is an innovative and responsible bank that believes in people, ideas, and enterprise and is committed to fulfilling its mission. The key values for the Bank, such as commitment, innovation and responsibility are therefore thoroughly verified and tested in the case of candidates for top management positions at the Bank alongside their expertise and practical experience. Persons holding key positions at the Bank must be able to perform their duties properly and, as a whole, must support and contribute to effective management and a balanced manner of decision-making in the Bank within their defined competences. The proper and responsible composition of the team of top managers creates all the conditions and pre-requisites that ultimately affect decision-making at the highest competence level of the Bank, and thereby also affecting the very security and health of the institution and the banking sector as such.

Appointments to the Bank's Supervisory Board and Board of Directors also take account of the criterion of gender diversity. Gender balance within the meaning of the EU CRD IV regulations is reflected in Erste Group policies and guidelines. It is the Bank's ambition that by 2028 at least 30% of top positions should be held by women. The diversity indicator for the proportion of gender representation on the Board of Directors and in management positions is one of the performance indicators assessed for the individual objectives of the members of the Bank's Board of Directors and is reviewed annually.

The evaluation criteria applied in top management appointments are regularly updated to reflect changing conditions and knowledge from practice. In view of the required consistency of the appointment criteria for individual members of the Board of Directors with their actual assessment, the Nomination Committee of the Supervisory Board did not propose the Supervisory Board and the sole shareholder of Slovenská sporiteľňa any measures leading to changes in the composition, structure and size of the Supervisory Board and the Board of Directors, or its individual members, from the suitability policy perspective, for the year 2024. Following a review of the principles for the selection and appointment of top and senior management (including persons holding key functions), the Nomination Committee of the Supervisory Board recommended that the current version of the principles remain unchanged for another year pending further review.

General Meeting

The Shareholders' General Meeting is the company's supreme body. It is held at least once a year. The shareholder participates at it in person, or by means of an authorised representative. The extent of the competence of the Slovenská sporiteľňa General Meeting is defined in the Articles. A two-thirds majority of all shareholders is required for a change to the Articles, in accordance with applicable legislation. The General Meeting has the competence to decide on share capital increases or decreases, to elect or dismiss members of the Supervisory Board and other bodies stipulated in the Articles, with the exception of the Supervisory Board members elected and recalled by employees, to approve the company's ordinary and extraordinary individual financial statements, to decide on the distribution of profits or settlement of losses and directors' fees, to decide to wind up the company or change its legal form, to have the Bank's shares removed from trading on the Stock Exchange, and to decide that the Bank will cease to be a public joint-stock company. Slovenská sporiteľňa has a sole shareholder, which can take decisions either at the General Meeting or in the form of a sole shareholder decision, which replaces the effects of the General Meeting. The Bank complies with statutory provisions related to the protection of shareholder rights, with emphasis on the timely provision of all relevant information on the state of the company, and due process in the convening, voting and decision-making of the Shareholders' General Meeting.

All information on the General Meeting's activities, its powers, a description of shareholders' rights and the procedure for their application are set out in the Articles, the full text of which is held at the Bank's headquarters and is also available on its website.

In 2024, the Bank had one ordinary General Meeting, and three extraordinary General Meeting were held in the form of a sole shareholder decision. At the ordinary General Meeting held on 27 March 2024, the shareholder approved the annual individual and consolidated financial statements, the profit distribution and the company's annual report for 2023 and at the same time approved PricewaterhouseCoopers Slovensko, s.r.o. as the external auditor for verifying the financial statements of Slovenská sporiteľňa for 2024. The General Meeting held by way of a resolution of the sole shareholder on 17 January 2024 decided to reappoint Mr. Paul Formanko as a member of the Supervisory Board for a further term of office. On 11 December 2024, the Sole Shareholder resolved to approve PricewaterhouseCoopers Slovensko, s.r.o. as the Bank's auditor for the performance of assurance activities in the area of reporting sustainability information relating to the Company's 2024 Annual Report and approved, in accordance with the Bank's Articles of Association, a change in the remuneration of the members of the Bank's Supervisory Board.

Supervisory Board

The Supervisory Board is the Bank's supreme control body. The Articles stipulate that it may have three to six members, two thirds of whom are elected by the General Meeting with the remainder being elected by employees of the Bank. Membership on the Supervisory Board may not be deputised. The Supervisory Board oversees the exercise of the powers of the Board of Directors and the Bank's business operations. Meetings are normally held on a quarterly basis. The competences of the Supervisory Board include supervising the Bank's compliance with acts of general application, the Articles and decisions of the General Meeting, scrutinising the Bank's financial statements and proposals for the distribution of profits or the settlement of losses. The Supervisory Board regularly examines reports on the state of the Bank's business and the balance of its assets, monitors the Bank's risk management position, deliberates on the report on the risk management, the report on the remuneration system, submits its statements, recommendations and proposals for decisions to the General Meeting and Board of Directors, and assesses information from the Board of Directors regarding the Bank's principal business objectives. It pre-approves the establishment of legal entities by the Bank and the appointment and recall of the Internal Audit Director; it elects members of the Board of Directors, its Chairman, etc. The Supervisory Board informs the General Meeting of its activities by way of regular reports. The Supervisory Board may establish committees, define the scope of their activities and approve their statutes.

Composition of the Supervisory Board and tern of office

Supervisory Board of Slovenská sporiteľňa has six members, their term of office is five years. In 2024, the Supervisory Board acted in the following composition:

Supervisory Board member	Year of birth	Profession	Date of first election	End of term
David O´Mahony [1] (Chairman)	1965	Member of the Board of Directors	2.2.2022	2.2.2027
Jan Homan (Vice-chairman)	1947	CEO	4.5.2012	8.8.2027
Paul Formanko [2]	1965	Bank analyst	4.2.2019	5.2.2029
Vazil Hudák [2]	1964	Company director and financial consultant	11.11.2020	11.11.2025
Alena Adamcová [3]	1967	Bank advisor	2.11.2016	2.2.2027
Juraj Futák [3]	1976	Trade union officer	2.2.2022	2.2.2027

[1] has resigned as of 30 June 2024
[2] independent member of the Supervisory Board
[3] member of the Supervisory Board elected by employees

In accordance with the requirements laid down by guidelines of the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA), both independent members of the Supervisory Board satisfied the criteria of independence during performance of their function.

As of 5 March 2025, Alexandra Habeler-Drabek was appointed a member of as well as Chairwoman of the Supervisory Board of Slovenská sporiteľňa. From 30 June 2024 until 5 March 2025, the Supervisory Board had only 5 voting members.

Committees and advisory bodies of the Supervisory Board

In line with statutory and regulatory requirements and corporate governance principles, the Supervisory Board has established the following committees:

Audit Committee

The Audit Committee oversees the financial reporting process, the effectiveness of the internal control system (including IT security), compliance with statutory requirements, the effectiveness of risk management, internal audit activities and analyses recommendations made by external and internal auditors. It monitors and verifies the independence of the statutory auditor or audit firm in accordance with legal requirements, approves the appropriateness of the provision of non-audit services in accordance with the applicable EU regulation and the services provided by the statutory auditor or audit firm. Based on a proposal by the Board of Directors, it recommends an external auditor for the company to the General Meeting. In accordance with the committee's statute, its competence also extends to the performance of activities and responsibilities for SLSP Social Finance, s.r.o. – a subsidiary of Slovenská sporiteľňa.

The members of the Audit Committee are David O'Mahony (Chairman) until 30 June 2024, Jan Homan, Vazil Hudák and Alena Adamcová.

Credit Committee

The committee is an advisory body to the company's Supervisory Board in the performance of its duties relating to the company's credit activities and credit policy. Its competence includes approval of credit transactions pursuant to the company's Competence Rules, subject to limits approved by the company's Supervisory Board, and in accordance with the company's credit policy.

The members of the Credit Committee are David O'Mahony (Chairman) until 30 June 2024, Jan Homan and Paul Formanko.

Remuneration Committee

The Remuneration Committee is established under the provisions of Act no. 483/2001 on Banks, establishing the rules for prudent management of banks and securities dealers. The Committee independently assesses the remuneration principles of selected categories of Bank employees. It focuses primarily on the mechanism for balancing all risks, liquidity and capital, and on compliance with the remuneration system, with the aim of achieving long-term prudent management of the company. Implementation of the remuneration principles is subject to annual inspection by Internal Audit.

The members of the Remuneration Committee are Vazil Hudák (Chairman) - independent member of the Supervisory Board, David O´Mahony until 30 June 2024 and Jan Homan.

Nomination Committee

This Committee was established by the Supervisory Board as an advisory body to fulfil its responsibilities related to the nomination of members of the Bank's Board of Directors and Supervisory Board. It was established under the Guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06). It oversees and controls the candidate selection process, assesses and reassesses their suitability in terms of their characteristics, skills, knowledge and experience required for the relevant positions under the Act on Banks and applicable rules of the European Banking Authority.

The members of the Nomination Committee are Paul Formanko (Chairman) - independent member of the Supervisory Board, David O´Mahony until 30 June 2024, Vazil Hudák and Juraj Futák.

Risk Management Committee

The Committee was established by the Supervisory Board in accordance with the EBA's Guidelines on internal governance (EBA/GL/2021/05). The Committee is an advisory body to the Supervisory Board in fulfilling its responsibilities related to the Bank's risk management. It supervises the implementation of capital and liquidity management strategies as well as all other related risks such as market, credit, operational (including legal and IT risks) and reputational risks, to assess their adequacy with reference to the Bank's risk appetite and approved risk management strategy.

The members of the Risk Management Committee are Paul Formanko (Chairman) - independent member of the Supervisory Board, David O´Mahony until 30 June 2024 and Vazil Hudák.

The meetings of the Supervisory Board committees are held usually once per quarter and they are governed by statutes that define their competences and powers. The committees are composed of individual members of the Supervisory Board, and their leadership satisfies the requirement of the Guidelines on internal governance (EBA/GL/2021/05) that an independent member of the Supervisory Board should chair the Remuneration Committee, the Nomination Committee and the Risk Management Committee.

Activity of the Supervisory Board and its committees in 2024

In 2024, the Supervisory Board met four times and made one decisions by circular resolution (per rollam). The Supervisory Board discussed documents and approved resolutions on an ongoing basis in accordance with its competences and responsibilities in the area of control activity. It devoted particular attention to regular information on the company's economic development and management. It discussed the financial statements for 2023, and proposed to the Bank's General Meeting the distribution of profit for 2023. At its meeting, it discussed the annual reports of its advisory committees in the area of the application of the principles of remuneration policy, evaluation of the suitability of the members of the Supervisory Board and the Board of Directors, or in the area of risk – the report of the Chief Risk Officer for the year. Based on the recommendation of the Remuneration Committee, the Supervisory Board approved the remuneration of the members of the Bank's Board of Directors as a component of the variable part of their remuneration. Together with its strategic outlook, the Bank approved planning documents for 2025 as well as the annual internal audit activity plan to 2027.

During the year, the **Audit Committee** of the Supervisory Board met four times in its ordinary meetings and made three decisions by circular resolution (per rollam). This included the resolution and recommendation concerning the auditor's report on the results of the statutory audit and the financial statements of SLSP Social Finance, s.r.o. for the year 2023. Meetings focused mainly on the activities of and cooperation with the Bank's external auditor in the field of statutory audit. Based on legal requirements, the committee evaluated and supervised the independence of the statutory auditor, approved the purchase and performance of non-audit services provided by the auditor to the Bank, discussed the Report on the company's statutory audit and financial statements for 2023, which it recommended for approval by the General Meeting, it approved the plan of and interim reports on the external statutory audit of 2024. In the Report, and in cooperation with the external auditor, it recommended measures to the Bank's management for improvement in audited fields. Through regular reports, the Committee monitored compliance and operational risk, including the Bank's own anti-money laundering and anti-terrorist financing programme, cyber security aspects and the results of internal audit activities.

The **Supervisory Board's Risk Management Committee** met four times in 2024. In accordance with its competence, it discussed the updated Recovery Plan of Slovenská sporiteľňa (SLSP Recovery Plan). On a quarterly basis, it discussed reports on the Bank's risk management, the Bank's current risk profile, the development of capital adequacy and the level of risk-weighted assets in comparison with the limits set in the RAS (Risk Appetite Statement), and the indicators of the Bank's Recovery Plan. As part of the regular annual Internal Capital Adequacy Assessment Process (ICAAP) and in accordance with group policy and regulatory requirements, the Committee discussed the assessment results regarding the severity of all potential risks that the Bank faces.

In its four ordinary meetings and one meeting by circular resolution (per rollam), the **Remuneration Committee** approved mainly documents concerning an update to the remuneration policy, the setting of the main banking criteria, and documents evaluating performance indicators for members of the Board of Directors. It also approved a list of material risk takers and those who are subject to special remuneration principles due to this status under the Act on Banks.

The **Nomination Committee**, based on its terms of reference, worked in two areas. The first was the regular annual assessment of the suitability of the members of the Executive Board and the Supervisory Board, the so-called Fit & Proper, and the assessment of the structure, size, composition and functioning of both bodies in the light of the Fit & Proper Policy. The second area of the Committee's work was the assessment of nominations for the positions of Supervisory Board and Management Board members. The Committee met three times during 2024 and took one decision by per rollam. In the light of Erste Group's approved objectives and targets for gender diversity and inclusion for 2024-2028, the Committee adopted targets for the Bank, which were subsequently reflected in the individual performance indicators of the members of the Board of Management. It also evaluated one nomination to the Management Board and one nomination to the Supervisory Board prior to the European Central Bank's opinion. In 2024, the Committee's activities and responsibilities were expanded to include the area of succession to positions at the level of the Management Board and independent members of the Supervisory Board. The succession process is carried out and evaluated annually in accordance with the Guidelines on the assessment of the suitability of members of the management body and key function holders (EBA GL/2021/06) and related regulations. The Nomination Committee discussed and noted the list of successors for the above positions in December 2024.

Boards of Directors

The company’s statutory body is the Board of Directors. Its members, including the Chairman, are elected by the Supervisory Board. In accordance with the Articles, the Chairman of the Board of Directors also serves as the CEO; the Vice-Chairman of the Board of Directors also serves as the first Deputy CEO; other members of the Board of Directors concurrently serve as Deputy CEOs.

The Board of Directors performs its activities on the basis of and in compliance with its rules of procedure. Meetings of the Board of Directors are held at least once a month. Its responsibilities and competences are defined in the Articles. It decides on all the Bank’s affairs not reserved to the General Meeting or the Supervisory Board under acts of general application or the Articles. The Board of Directors is responsible for efficient and proper corporate governance, appropriately taking into account the interests of the shareholder, employees, clients, as well as public interests. It takes each decision in accordance with applicable legislation, the Articles, as well as internal regulations and guidelines. The Board of Directors decides on the Bank’s strategic objectives and business plan, as well as that of its subsidiaries, on its organisational structure, remuneration system and staff competences at each organisational level, the company’s internal control system, the provision of loans to persons with a special relationship to the Bank, the issuance of selected types of securities and outsourcing of selected activities, internal guidelines required under acts of general application or under Erste Group rules. In addition, it also takes decisions on the company’s policy for specialised areas, such as business activities and terms, risk management, including maintaining an effective system of risk management, compliance and protection of the Bank against money laundering and terrorist financing.

Composition of the Board of Directors and terms of office

The Board of Directors of Slovenská sporiteľňa has five members. Pursuant to the Articles, the maximum term of office of members of the Board of Directors is four years. In 2024, the Board of Directors worked in the following composition:

Member of the Board of Directors	Year of birth	Date of first election	End of term
Peter Krutil (Chairman)	1968	17. 12. 1998	4. 1. 2026
Juraj Barta	1979	8. 6. 2022	8. 6. 2027
Pavel Cetkovský	1969	26. 1. 2018	5. 4. 2028
Milan Hain	1962	1. 7. 2018	2. 7. 2028
Norbert Hovančák	1975	1. 10. 2019	30. 9. 2028

No vice-Chairman of the Board of Directors was appointed in 2024.

Division of competences and responsibilities of members of the Board of Directors in 2024

Member of the Board of Directors	Area of competence as per organisational structure
Peter Krutil (Chairman)	Strategic Change Management, Strategy and Customer Experience, Brand HUB, People & Culture HUB, Balance Sheet Management, Financial Director, Accounting and Controlling.
Pavel Cetkovský	Compliance and Operational Risk Management, Strategic Risk Management, Corporate Credit Risk Management, Retail Credit Risk Management, Legal services, Properties, Facility Management and Environment. He is the person responsible for the risk management function at Slovenská sporiteľňa, the person responsible for the environment, the sustainability agenda and is the member of the Board of Directors responsible for the anti-money laundering agenda.
Juraj Barta	Client Prosperity, Digital and Omnichannels Journey, Client Needs, Branch Network Management, Social bank. He is the person responsible for the area of financial intermediation.
Norbert Hovančák	Financial Solutions and Business Client Prosperity, Treasury and Investments. He is a person responsible for the performance of activities pursuant to Act No. 566/2001 Coll. on Securities and Investment Services.
Milan Hain	Security, Shared IT Services, Data management, IT Operations, Banking Processes and Operations.

Committees, advisory bodies of the Board of Directors and specialised functions

The Board of Directors may establish advisory committees, to which it can delegate tasks as well as its decision-making and approval powers in certain areas. Committees are established via a resolution that must contain the date of the committee's establishment, its competences, number of members, composition, designation of the chairman from the committee members and other particulars determined by the Committees' Statute. At any time, the Board of Directors may, by resolution, change a committee's competences or its composition, or cancel it. During 2024, the Bank had the following committees:

Assets and Liabilities Management Committee

The committee assesses and approves the management and control process for the Bank's financial flows and its asset and liability structure to achieve an optimal balance between the Bank's profitability and its exposure to market risks. It evaluates the Bank's current position in terms of liquidity, market risks, capital adequacy and fulfilment of the planned balance sheet structure, and determines the securities portfolio strategy. The competences of the committee also include the Bank's liquidity risk management. To this end, the committee has established a separate advisory committee for operating liquidity management.

Operating Liquidity Management Committee

This committee analyses and evaluates the Bank's liquidity position. Where necessary, the committee submits proposals to Assets and Liabilities Management Committee regarding liquidity management.

Credit Committee

The Credit Committee, in accordance with the Bank's Competence Rules and credit policy, approves lending business (new business, amendment of terms of already-approved business, restructuring and recovery of receivables) with corporate clients, municipalities and retail clients. It does not approve loans and guarantees for persons with a special relationship to the Bank, which are approved by the Board of Directors.

Product Pricing Committee

The Product Pricing Committee sets the prices at which the Bank and its subsidiaries sell products to customers. It approves the Bank's product pricing strategy (interest and fees), receives information on developments in the structure of the Bank's products and subsidiaries' products together with their market position.

Business Committee

The committee analyses business results and adopts measures to ensure that the Bank's business plan is fulfilled. It ensures the implementation of the marketing strategy of the group, the Bank and its subsidiaries. It approves the annual marketing communication plan and its individual campaigns, allocation of campaign costs and evaluation of their effectiveness. It also considers issues relating to digitalisation of the Bank and electronic sales channels.

Operational Risk and Compliance Committee

The committee defines the strategy and processes for operational risk management and sets the degree of acceptability and levels of tolerance for operational risk. It sets measures for reducing or mitigating operational risk, including compliance risk. It defines procedures and strategy for reducing or mitigating money laundering risk, and measures for reducing the number of frauds and for mitigating their impact.

Risk Management Committee

The committee's responsibility is to maintain an effective risk management system, to monitor and implement the risk management strategy and procedures pursuant to Section 27(1) of the Act on Banks. Based on regular review of its effectiveness and adequacy, the committee proposes adjustments to the risk management system, taking account of the Bank's ability to bear risk in a changing economic environment. It approves changes to the IRB approach as defined by the NBS, as well as internal models in the risk management process, ICAAP principles, including the RAS (Risk Appetite Statement) methodology and stress testing, and it ensures that ICAAP principles are implemented in the Bank's management and its business objectives. The committee coordinates the preparation of scenarios for comprehensive stress testing and approves the scenarios, taking into consideration all material types of risk, including credit, market, operational and liquidity risk, and their evaluation. The committee provides support and information to the Board of Directors and Supervisory Board concerning risk identification, analysis, monitoring, reporting and management.

Models Committee

The Board of Directors delegates to the Models Committee powers related to the development, validation, monitoring and approval of local credit and non-credit models, or the use of group models related to risk management.

Crisis Committee

The committee's role is to assess the situation in the event of an impending crisis and to manage the Bank's procedures at a time of crisis. The Crisis Committee takes decisions and determines responsibilities in a time of crisis. Its task is to regularly monitor and evaluate the situation, to coordinate communication activities and to manage the Bank's procedures for stabilising and calming a crisis.

Committee on Investment and Treasury Products

The committee participates in the approval of financial instruments created by the Bank or third parties as part of the approval process for investment products, as well as treasury products that may be traded on the banking book or trading book or offered to clients. If critical events occur that may have a significant impact on the risk level of investment products or treasury products, the committee decides on remedial measures to reduce the risk.

Local Sustainable Finance Committee

This committee oversees the management of sustainability of financing and is chaired by the Chief Environmental Officer. It conducts regular (at least semi-annual) analyses of the Bank's sustainable financing and, if necessary, proposes measures to be taken in connection with sustainable financing. It reviews proposals and initiatives for sustainable assets and approves framework conditions for green, social and sustainable issues of bonds.

Ad Hoc Disclosure Commission

The committee assesses possible confidential information from the legal and factual points of view, decides on any obligations related to the ad hoc disclosure of such information as well as on the division of responsibilities in communication with the relevant supervisory authorities. In the event of a need for ad hoc publication or in the event of its postponement, committee members are required to agree on the wording of the disclosure.

Specialised functions

The Board of Directors, in accordance with the defined applicable legislation, appoints persons to bear responsibility for specific areas and activities. Slovenská sporiteľňa appoints responsible persons for the following specific functions:

Compliance Officer ensures the fulfilment of tasks under the programme of Slovenská sporiteľňa's own activity against money laundering and terrorist financing. The Compliance Officer reports directly to the member of the Bank's Board of Directors responsible for risk management. In the absence of the Compliance Officer, the responsibilities and competences are taken over by the designated Deputy Compliance Officer.

Data Protection Officer (in accordance with the GDPR) assesses, prior to the processing of personal data at Slovenská sporiteľňa, whether there is any potential danger of infringement of data subjects' rights and freedoms. The responsibilities and competences of this officer are detailed in the guidelines on "Ensuring Personal Data Privacy".

The **persons responsible for specific areas in financial intermediation** monitor compliance with the obligations of employees performing activities in accordance with the Act on Financial Intermediation and Financial Advice, especially in deposit taking, lending, insurance, and reinsurance. A member of the Board of Directors is responsible for the area of financial intermediation for all sectors except credit intermediation.

The **persons responsible for MiFID** (Markets in Financial Instruments Directive) monitor and evaluate the effectiveness of measures and procedures to ensure the Bank's provision of investment services complies with its obligations as a securities dealer under the Securities Act. The responsibility is divided into two areas. The first is the definition of operational controls, checking their fulfilment, reporting and organisation in this area and MiFID II implementation. The second person is responsible for the development, methodology and administration of investment products and related guidelines, and for customer care and related control activities.

The **FATCA Officer** is responsible for the implementation of the American Foreign Account Tax Compliance Act (FATCA) and compliance with its provisions.

The **BCM Officer** (Business Continuity Management) is responsible for managing the Bank's policy on operational and business continuity and the implementation of rules in this area.

The **Chief Risk Officer** is responsible for the implementation of the Bank's risk management system and monitoring of its effectiveness.

The **Consumer Protection Contact Person** coordinates and implements consumer protection requirements into the Bank's systems, processes and products. They also coordinate and implement requirements from the supervisory authorities for consumer protection.

The **Sustainability Officer** implements an environmental concept of sustainability into corporate strategy, manages environmental protection and defines rules for combating climate change within the Bank.

The **Diversity manager** implements the Erste Group's rules and principles on diversity at the local level; responsible also for local initiatives promoting diversity and solutions for diversity and inclusion.

The **person responsible for the protection of competition** provides for and coordinates the Bank's activities relating to the protection of competition and compliance with fair competition rules including rules on anti-competitive conduct and prohibited agreements.

The **Safeguarding Officer** is responsible for establishing and regularly reviewing measures and procedures for the protection of clients' funds and financial instruments, their separation and proper record keeping, including prevention of their unauthorised use; as well as responsible for compliance with related requirements under the act on securities and investment services and MiFID II.

The **Regulatory Compliance Officer** is responsible for ensuring compliance with legislation through the Programme for legislative compliance control, whose aim is to mitigate risks connected with non-compliance with legislation. They gather, monitor, assess and report information to the competent directors and heads of divisions, and the members of the Board of Directors and

Supervisory Board who are authorised to adopt decisions and appropriate mitigation measures.

The **Cyber Security Manager** is responsible for designing, adopting and enforcing security measures at the Bank. They stand outside the management structure for the operation and development of information technology services and at the same time meet the knowledge standards required for performing this function. In the event of their absence, their deputy takes over their responsibilities and competences.

The **AML Manager** is responsible for ensuring risk awareness and prevention of money laundering and terrorist financing (AML/CTF risk), and is responsible for internal guidelines, procedures and controls in this area. In accordance with the European Guideline EBA/GL/2022/05, the responsible person is the member of the Board of Directors in charge of the risk management line.

The **Sanctions Officer** is responsible for the development and implementation of the Bank's local policy on the implementation of national and international sanctions, embargoes or similar restrictions in accordance with the law.

The **ICT Risk Manager** is responsible for the effective management of risks associated with Information Communication Technology (ICT) in accordance with the requirements of the Digital Operational Resilience Act (DORA) so as to maintain the Bank's digital operational resilience.

Supervisory and other board memberships of members of the Board of Directors

The Act on Banks regulates the holding of functions in the management and supervisory bodies of other companies by members of a statutory body. In 2024, members of the Board of Directors of Slovenská sporiteľňa acted in statutory and similar bodies of Slovak companies or interest groups in accordance with the Act on Banks, as follows:

Member of the Board of Directors	Area of competence
Peter Krutil (Chairman)	Member of the Presidium of the Slovak Banking Association, member of the Board of Trustees of the Slovenská sporiteľňa Foundation
Juraj Barta	Member of the Supervisory Board of KOOPERATIVA poisťovňa, a.s. Vienna Insurance Group
Pavel Cetkovský	Vice-Chairman of the Deposit Protection Fund Council, managing director of Procurement Services SK, s.r.o., Chairman of the Supervisory Board of LANED a.s., member of the Supervisory Board of Prvá stavebná sporiteľňa, a.s., non-executive member of the Board of Directors of Erste Reinsurance S.A.
Norbert Hovančák	Member of the Board of the Slovak-Austrian Chamber of Commerce
Milan Hain	Member of the Supervisory Board of Monilogi s.r.o., (until 12 July 2024 as Chairman), member of the supervisory Board of Erste Digital GmbH (until 31 October 2024)

Policy and principles of remuneration for members of the Board of Directors

The remuneration of members of the statutory body, the Supervisory Board and selected categories of employees in Slovenská sporiteľňa is in accordance with the Act on Banks, employment law, in particular the Labour Code and the implementing directives of the European Parliament and the Council that affect supervision of remuneration principles in banks, such as CRD IV, now amended by CRD V (the directive on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms) and the Markets in Financial Instruments Directive (MiFID II), legislation issued by Národná banka Slovenska, and the guidelines of the European Banking Authority (EBA) and European Securities and Markets Authority (ESMA) on remuneration policy.

The remuneration policy takes account of the principle of proportionality and the requirements of EU legislation calling for limitation of the risk resulting from the motivation of persons who could have a material effect on the Bank's activity and risk profile. Rules for remuneration of specific groups of employees adopted by the Bank are drawn up with consideration of the Bank's activity, the Bank's risk profile and the significance of the impact of individual categories of staff on the risk profile. The basic remuneration principles and strategy for the aforementioned persons who are subject to the remuneration principles established by the Act on Banks are approved by the Supervisory Board's Remuneration Committee, which also monitors compliance with these principles. The Remuneration Committee conducts its activities under powers delegated by the Supervisory Board. The Supervisory Board is responsible for the adoption and upholding of the remuneration policy and monitors its implementation to ensure its proper functioning. It may delegate its responsibilities for remuneration to the Remuneration Committee or, conversely, it may at any time withdraw, in whole or in part, the Remuneration Committee's responsibilities in matters of remuneration. The Remuneration Committee cannot be given competence to approve the variable remuneration of members of the Board of Directors or to approve payments related to the early termination of an employment contract or any other relationship with members of the Board of Directors.

Members of the Remuneration Committee are actively involved in the design of remuneration policies and models. Their principal tasks include setting the remuneration strategy for executive management, for material risk takers (employees with a significant influence on the Bank's risk profile resulting from their position and professional activities) and the heads of control units, ex-post and ex-ante information on material changes in commission-based variable remuneration schemes, and approving the variable remuneration model and practices for all employees (for example, approving conditions for bonus payments, instrument types, the balance of fixed and variable remuneration components, and performance indicators for members of the Board of Directors). The Remuneration Committee conducts regular reviews of remuneration policy and assesses new schemes for variable remuneration or fundamental changes in existing schemes.

In accordance with statutory requirements and rules as well as the methodology adopted by Erste Group, remuneration is divided into 2 parts – fixed and variable. The variable remuneration component may reach at most 100% of the fixed remuneration component.

In accordance with the Act on Banks, the Bank applies the following remuneration model for the payment of the variable component of total remuneration, in which there are two methods of payment of the variable component. In the first method, a 4-year or 5-year deferral in the form of investment certificates is applied to the 40% part of the variable remuneration component, and the remaining 60% is divided into two equal parts, one of which is payable in cash and the other in the form of investment certificates maturing after one year. In the second method (if the variable remuneration component is greater than EUR 150 000), the 60% part of the awarded variable remuneration is subject to a 4-year or 5-year deferral (the "deferred part") in the form of investment certificates. The remaining 40% share of the awarded variable remuneration component is divided into two equal parts, one of which is payable immediately and the other in the form of investment certificates maturing after one year. If a material risk taker is a member of the Board of Directors, the Supervisory Board, or a managerial employee, the deferral period is 5 years. The deferral period for all other material risk takers is 4 years. The deferred bonus component may be spread over several payments during the deferral period in accordance with Section 23b(13) of Act no. 483/2001 on Banks. The claim to payment of the deferred remuneration does not expire faster than in the case of proportional payment. If the annual variable component of the total remuneration is less than EUR 50 000, and is not higher than one third of the employee's total annual remuneration, the conditions for deferral of the bonus do not apply – the bonus is paid out as one cash payment.

Payment of the variable part of the remuneration is linked to fulfilment of predetermined criteria. Individual remuneration is based on a combination of the assessment of individual work performance and evaluation of the Bank's overall results. Objectives are set within the risk management system so that in the event of their non-fulfilment, the variable portion of total remuneration for the period evaluated will be decreased, or possibly not paid. Payment of the variable part of remuneration is subject to the conditions of zero tolerance in the event of conviction for a crime related to performance of work function, fraudulent conduct, conduct contrary to the Bank's internal guidelines or violation of obligations ensuing from legislation. The Bank also has a principle in place that no insurance or other hedging strategy may be applied in connection with remuneration or responsibility that could reduce the impact of remuneration principles focused on risk.

Erste Group's remuneration policy stipulates that Bank employees who are members of the Supervisory Board in other Erste Group companies are not entitled to remuneration for their Supervisory Board functions.

Implementation of remuneration principles according to the approved methodology is subject to annual review by the Internal Audit division of Slovenská sporiteľňa. The Internal Audit review for 2024 did not find any significant shortcomings in the procedures and rules for calculating and awarding the variable component of the total remuneration. Slovenská sporiteľňa submits the review of compliance with remuneration rules to Národná banka Slovenska by 30 June of the year following the calendar year to which the report relates.

Pursuant to Decree of Národná banka Slovenska and in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council, Slovenská sporiteľňa publishes the following information on its website:

- information on bodies overseeing remuneration;
- information on the design and structure of the remuneration system for designated staff;
- a description of the methods used to take account of current and future risks in the remuneration process. The published information includes an overview of the key risks, their measurement and the effect of the relevant measures on remuneration;
- the ratios between fixed and variable remuneration set in accordance with Article 94(1)(g) of the CRD;
- a description of the methods by which the institution seeks to link performance during a performance measurement period with remuneration;
- a description of the methods by which the institution seeks to adjust remuneration to reflect long-term performance;
- a description of the main parameters and rationale for any variable component scheme and any other non-cash benefits in accordance with Article 450(1)(f) of the CRR;
- the total remuneration of every member of the management body or senior management (at the request of the competent Member State or the competent authority);
- information on whether the institution benefits from a derogation laid down in Article 94(3) of the CRD in accordance with Article 450(1)(k) of the CRR;
- quantitative information on the remuneration of the collective management body differentiating between executive and non-executive members in accordance with Article 450(2) of the CRR (disclosure rule applicable to large institutions).

Activities of the Board of Directors in 2024

In 2024, the Board of Directors met 45 times. One decision was taken in the form of a circular resolution (per rollam). The Board of Directors regularly discussed the Bank's financial results. It fulfilled control activity and security policy obligations either by considering reports drawn up by the company's internal audit or by discussing reports on compliance and evaluation of the programme of own activity against money laundering and terrorist financing. Particular attention was paid to risk management, credit portfolio development analyses, and monitoring of customer behaviour to protect shareholders' and clients' funds. In order to streamline workflows, the Board of Directors also decided to make changes to the company's organisational structure and approved policies and strategic programmes focused on change management. Matrix-managed units with elements of agile management were implemented in the Bank's organisational structure. Changes in the legislative environment, regulatory requirements as well as changes in market conditions were reflected in decisions made by the Board of Directors concerning consumer protection, business conditions and product policy, an update to the programme of own activity against money laundering and terrorism financing, and the adoption of the environmental protection policy. Strategic decisions on investments in information technology were implemented through activities aimed at the development of services for clients, communication and sales channels, digital technologies and company culture and values. The Board of Directors, within the scope of its duties and competences, applied decisions in accordance with ECB and EBA regulations and guidelines in the areas of remuneration, dividend policy, risk and capital management. Among other measures, the Bank employed the maximum possible use of information technology and online communication channels to enable employees to work from home to the extent the nature of their work and security permitted it. In connection with the military conflict in Ukraine, the Board of Directors also adopted measures in 2023 in light of the evolving geopolitical situation, taking into account the protection and assistance needs of displaced residents and refugees from the conflict zone. In its decisions, the Board of Directors worked from market information and analyses in line with current and expected economic developments in the Slovak economy and its financial and banking sectors, taking into account the Bank's adopted strategic objectives and the evolution of liquidity, capital and risk positions.

SHARE CAPITAL STRUCTURE SHAREHOLDER RIGHTS AND KEY FUNCTIONS OF OWNERSHIP

Shares forming the company's share capital may be issued only as registered book-entry shares. Changes to their form or type are forbidden by law. Slovenská sporiteľňa is a private joint-stock company. It's share capital is EUR 212 000 000. It is divided into 212 000 registered book-entry shares. The par value of one share is EUR 1 000. The shares have not been admitted for trading on any regulated market. The shares are registered in the Central Securities Depository of the Slovak Republic in accordance with applicable legislation. Shares carry the right to participate in the management, profit and liquidation balance, and voting rights. The securities forming the share capital are transferable without restrictions.

As of 31 December 2024, a qualified participation of 100% in the Bank's share capital was held by Erste Group Bank AG, registered office Am Belvedere 1, 1010 Vienna, Austria.

The Bank has issued Investment Certificates which are classified as Additional Tier 1 capital items in accordance with CRR Article 52. The distribution of the proceeds of the Investment Certificates is decided annually by the Bank's General Meeting as part of the distribution of profit and loss.

The company applies principles of equitable treatment of shareholders in a manner appropriate to the fact that the Bank has a sole shareholder. Pursuant to the company's Articles of Association, the Bank applies special provisions for a sole shareholder. The voting rights of the sole shareholder are not limited and the management of Slovenská sporiteľňa is not aware of the existence of any agreement that could restrict transferability of securities or restrict voting rights. As at the date of writing this report, Slovenská sporiteľňa has not issued any employee shares or shares with special control rights. In 2024, Slovenská sporiteľňa did not acquire any own shares, interim shares or participating interests or shares; nor does it acquire any interim shares or participating interests in its parent accounting entity pursuant to Section 22 of the Accounting Act. Any decision to increase or decrease the Bank's share capital, to issue or redeem shares lies in the direct responsibility of the General Meeting. The shareholder is entitled to participate at the General Meeting, to vote, to make proposals and to request information and explanations concerning the company's affairs, or the affairs of entities controlled by the company that relate to the subject of discussion of the General Meeting. The shareholder also has the right to a share in the company's profit (dividend), which the General Meeting determines for distribution based on the company's profit. The shareholder also has the right to decide on the payment of board members' fees for members of the Supervisory Board in the proposal for profit distribution. The Bank adopted dividend policies that use conservative and prudential assumptions to meet applicable capital requirements after each dividend distribution.

In accordance with the Articles, the shareholder has the right to appoint and to recall members of the Supervisory Board, other than members elected by employees. The Bank provides regular information on its results to the shareholder so that the shareholder is sufficiently informed about the company's state and the state of its investment.

The company is not aware of any significant agreements to which the Bank is a party which will take effect, be amended or cease to be valid because of a change in control of the Bank occurring in connection with a takeover bid.

The Bank's relations with members of its bodies and its employees, regarding the end of their tenure or termination of employment, are governed by the Labour Code, the Act on Banks and the Commercial Code.

During 2024, Slovenská sporiteľňa, a.s. spent EUR 687 thousand on research and development activities.

STAKEHOLDERS' RIGHTS, INFORMATION DISCLOSURE AND TRANSPARENCY

As the largest bank in the Slovak financial market, Slovenská sporiteľňa is fully aware of the extent and significance of its social responsibilities. A long-term interest and vision of Slovenská sporiteľňa, which is reflected in its strategy and values, involves building financial health and delivering benefit to clients, the shareholder, employees and society as a whole. The Bank prepares both financial and business plans with all these stakeholders in mind. It applies the fundamental principle of effective and responsible corporate governance as well as the principles of transparency and information disclosure at all levels and in all relations with its shareholder, customers and staff. The Bank strictly observes compliance with legal regulations and corporate governance principles. It regularly briefs its shareholder and investors of the parent company on all important information on its business, financial and operating results, and other important events. It informs its customers and the public of its financial results and strategic priorities by issuing regular reports and via press conferences and press releases, which are also available on the Bank's website. All information is prepared and disclosed in accordance with standards for accounting and disclosure of financial and non-financial information. Employees are kept informed about the Bank's strategy and results at regular meetings, regional meetings, conferences, by means of internal communication channels, an internal magazine, training programmes and management personnel. Staff may exercise their right to information also via their representatives on the Supervisory Board as well as a person appointed for this purpose via a confidential telephone line and an email address to which employees can direct their complaints, suggestions and initiatives outside the established workflow and hierarchy. Clients have direct access to an independent ombudsman, who deals with their submissions or complaints on a case-by-case basis. The Bank's relations with related parties are also in accordance with the law. The approval of transactions with related parties is set aside for the Board of Directors; where a related party includes a member of the statutory body, approval falls to the Supervisory Board.

LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The consolidated financial statements prepared as of 31 December 2024 include the following entities in which the Bank holds a stake exceeding 20% of the share capital or voting rights:

Subsidiaries

- LANED a.s., registered office Tomášikova 48, 832 71 Bratislava, ID no.: 35 918 918
- SLSP Seed Starter, s.r.o., registered office Tomášikova 48, 831 04 Bratislava, ID no.: 54 736 196
- SLSP Social Finance, s.r.o., registered office Tomášikova 48, 832 01 Bratislava, ID no.: 52 840 107
- Procurement Services SK, s.r.o., registered office Tomášikova 48, 832 75 Bratislava, ID no.: 36 721 972

Associated companies

- Dostupný Domov j.s.a., registered office Farská 48, 949 01 Nitra, ID no.: 52 990 401 (associated company to SLSP Social Finance, s.r.o.)
- Dostupný Nájom j.s.a., registered office Farská 48, 949 01 Nitra, ID no.: 55 964 087 (associated company to SLSP Social Finance, s.r.o.)
- Prvá stavebná sporiteľňa, a.s., registered office Bajkalská 30, 829 48 Bratislava, ID no.: 31 335 004
- Slovak Banking Credit Bureau, s.r.o., registered office Mlynské nivy 14, 821 09 Bratislava, ID no.: 35 869 810
- Holding Card Service, s.r.o., registered office Olbrachtova 1929/62, 140 00 Praha 4, Česká republika, ID no.: 045 62 861

Join undertaking

- Monilogi s.r.o., registered office Mlynské nivy 1, 821 08 Bratislava, ID no.: 54 508 673

CONSOLIDATED REPORTING OF SUSTAINABILITY INFORMATION

Independent practitioner's limited assurance report on Slovenská sporiteľňa, a.s. Consolidated Sustainability Statement

To Shareholder, Supervisory Board and Board of Directors of Slovenská sporiteľňa, a.s.

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Slovenská sporiteľňa, a.s. (the "Bank"), included in Consolidated Sustainability Statement of the Annual Report 2024 (the "Consolidated Sustainability Statement"), as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with paragraph 20g) of the Act on Accounting No. 431/2002, as amended (the "Accounting Act") implementing Article 29(a) of EU Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Bank to identify the information reported in the Consolidated Sustainability Statement (the "Process") is in accordance with the description set out in note Description of the processes to identify and assess material impacts, risks and opportunities; and
- compliance of the disclosures in Disclosures pursuant to the EU Taxonomy Regulation within Environmental Information of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Practitioner's responsibilities section of our report.

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Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and requirements of the Act No. 423/2015 on Statutory Audit and on the amendments and supplements to the Act on Accounting No. 431/2002, as amended regarding independence and ethics that are relevant to this engagement.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Consolidated Sustainability Statement

Management of the Bank is responsible for designing and implementing a process to identify the information reported in the Consolidated Sustainability Statement in accordance with the ESRS and for disclosing this Process in note Description of the processes to identify and assess material impacts, risks and opportunities of the Consolidated Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management of the Bank is further responsible for the preparation of the Consolidated Sustainability Statement, in accordance with paragraph 20g) of the Accounting Act implementing Article 29(a) of EU Directive 2013/34/EU, including:

- compliance with the ESRS;
- preparing the disclosures in Disclosures pursuant to the EU Taxonomy Regulation within Environmental Information of the Consolidated Sustainability Statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

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Inherent limitations in preparing the Consolidated Sustainability Statement

In reporting forward-looking information in accordance with ESRS, management of the Bank is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Consolidated Sustainability Statement, in relation to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- designing and performing procedures to evaluate whether the Process is consistent with the Bank's description of its Process set out in note Description of the processes to identify and assess material impacts, risks and opportunities.

Our other responsibilities in respect of the Consolidated Sustainability Statement include:

- identifying where material misstatements are likely to arise, whether due to fraud or error; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the Consolidated Sustainability Statement. The risk 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.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Consolidated Sustainability Statement, whether due to fraud or error.

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In conducting our limited assurance engagement, with respect to the Process, we:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Bank's internal documentation of its Process; and
- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Bank was consistent with the description of the Process set out in note Description of the processes to identify and assess material impacts, risks and opportunities.

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Statement, we:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the Consolidated Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- evaluated whether the information identified by the Process is included in the Consolidated Sustainability Statement;
- evaluated whether the structure and the presentation of the consolidated Sustainability Statement is in accordance with the ESRS;
- performed inquires of relevant personnel and analytical procedures on selected information in the Consolidated Sustainability Statement;
- performed substantive assurance procedures on selected information in the Consolidated Sustainability Statement;
- where applicable, compared disclosures in the Consolidated Sustainability Statement with the corresponding disclosures in the consolidated financial statements and the Annual Report 2024;
- evaluated the methods, assumptions and data for developing estimates and forward-looking information; and
- obtained an understanding of the Bank's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement.

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Other matter

The comparative information included in the Consolidated Sustainability Statement of the Bank as at 31 December 2023 and for the year then ended was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Mgr. Rastislav Petruška
Licence UDVA Nr. 1108
Licence for sustainability UDVA Nr. 153

PricewaterhouseCoopers Slovensko, s.r.o.
Licence SKAU Nr. 161
Licence for sustainability UDVA Nr. 22

25 April 2025
Bratislava, Slovak Republic

ÚRAD PRE DOHĽAD NAD VÝKONOM AUDITU
UDVA
22
číslo licencie
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GENERAL INFORMATION

GENERAL DISCLOSURES (ESRS 2)

BASIS FOR PREPARATION

The report has been prepared in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council on the reporting of corporate sustainability information (hereafter CSRD) and Commission Delegated Regulation (EU) 2023/2772 defining the European Sustainability Reporting Standards (hereafter ESRS).

Slovenská sporiteľňa is obliged to publish a Consolidated Sustainability Statement (hereinafter also "Sustainability Statement" or "Sustainability Report") under Section 20g of the Accounting Act.

The scope of a consolidated sustainability statement is the same as for consolidated financial statements attached to this annual report (see the General information section of the notes). In general, the information in the Sustainability Statement relates to the entities covered by financial reporting consolidation. Exceptions from this scope are referred to in the text of the report.

To ensure that all relevant aspects are reflected, the Bank carried out an analysis of its value chain as part of its double materiality assessment (DMA). This materiality assessment helped it to identify and assess the impacts, risks and opportunities (IROs) throughout its value chain. Material IROs associated with the value chain are an integral part of the Sustainability Statement. More information about the value chain and its assessment is presented in the section Strategy, business model and value chain (SBM-1).

Slovenská sporiteľňa has exercised the option to omit information on grounds of commercial secrecy in respect of the description of certain strategic documents (e.g. the Banking Strategy of Slovenská sporiteľňa) and specification of resources allocated to action plans. Detailed information is presented in the relevant topical chapters. The Bank has not applied an exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in Section 20c, paragraph 10 of the Accounting Act (in accordance with Articles 19a(3) and 29a(3) of Directive 2013/34/EU).

All metrics in the report are described in accordance with ESRS requirements. At the same time, no metrics are used that have been validated by an external body other than the verification provider. Metrics specific to Slovenská Sporiteľňa are described in the sections Sustainable finance targets and Target values for management of material IROs (S4-5).

Disclosures in relation to specific circumstances (BP-2)

Slovenská sporiteľňa has defined short-, medium- and long-term horizons in accordance with requirements of ESRS 1 section 6.4:

- Short-term: up to 1 year
- Medium-term: 1 to 5 years
- Long-term: more than 5 years

Calculations of GHG emissions and the Bank's energy consumption used average estimated values. Information on the estimates and data sources used together with possible measurement uncertainties and any relevant assumptions can be found in the sections Energy consumption and mix (E1-5) Energy consumption and mix (E1-5) and Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6).

A list of information incorporated by reference is given in the table below.

Table 1: List of information incorporated by reference

Disclosure requirement	Reference
ESRS 2 BP-1 Scope of consolidation - paragraph 5 (b i)	Consolidated financial statements (Notes, section General information)
ESRS 2 GOV-1 Description of the role of management in governance processes, controls and procedures - paragraph 22 (c i)	Corporate Governance report (section Information on the composition and activities of the company's bodies and their committees)
ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	Corporate Governance report (part Boards of Directors, section Policy and principles of remuneration for members of the Board of Directors)
ESRS 2 GOV-5 Scope, main features and components of the risk management and internal control processes and systems - paragraph 36 (a)	Corporate Governance report (section Internal control and risk management system)
ESRS 2 GOV-5 Description of risk assessment approach followed- paragraph. 36 (b)	Corporate Governance report (section Internal control and risk management system)
ESRS 2 SBM-1 Breakdown of total revenue, as included in financial statements - paragraph. 40 (b)	Consolidated financial statements (Note Segment reporting)
ESRS 2 SBM-3 Current financial effects of the material risks and opportunities on its	Consolidated financial statements (Note 26, ESG risk management)

Disclosure requirement	Reference
financial position, financial performance and cash flows - paragraph 48 (d)	
ESRS E1 SBM-3 Scope of resilience analysis of strategy and business model - paragraph. 19 (a)	Annual report of Erste Group (chapter "Sustainability statement", section Resilience of the business model)
ESRS E1 SBM-3 Disclosure of how resilience analysis has been conducted - paragraph 19 (b)	Annual report of Erste Group (chapter "Sustainability statement", section Resilience of the business model)
ESRS E1 SBM-3 Time horizons applied for resilience analysis - paragraph AR 7 (b)	Annual report of Erste Group (chapter "Sustainability statement", section Resilience of the business model)
ESRS E1 SBM-3 Description of results of resilience analysis - paragraph 19 (c)	Annual report of Erste Group (chapter "Sustainability statement", section Resilience of the business model)
ESRS E1 SBM-3 Description of ability to adjust or adapt strategy and business model to climate change - paragraph AR 8 (b)	Annual report of Erste Group (chapter "Sustainability statement", section Resilience of the business model)
ESRS E1 IRO-1 Process of identyfing climate related hazards - paragraph AR 11 (a)	Consolidated financial statements (Note 26, ESG risk management)
ESRS E1 IRO-1 The extent to which assets and business activities may be exposed to identified climate hazards - paragraph AR 11 (c)	Consolidated financial statements (Note 26, ESG risk management)
ESRS E1 IRO-1 Identification of climate-related hazards and the assessment of exposure and sensitivity are informed by high emissions climate scenarios - paragraph AR 11 (d)	Consolidated financial statements (Note 26, ESG risk management)
ESRS E1 IRO-1 Explanation of how climate-related scenario analysis has been used - paragraph 21	Consolidated financial statements (Note 26, ESG risk management)

GOVERNANCE

Role of administrative, management and supervisory bodies (GOV-1)

In accordance with the Commercial Code and the Articles of Association of SLSP, the Bank's bodies are the Shareholders' General Meeting, the Supervisory Board and the Board of Directors. Information on their roles, responsibilities, composition and other characteristics is set out in the Corporate governance report in the section Information on the composition and activities of the company's bodies and their committees.

The **General Meeting** is the bank's supreme body. Slovenská sporiteľňa has a sole shareholder (Erste Group Bank AG) and the scope of the competence of the Slovenská sporiteľňa General Meeting is defined in the Articles, whose full wording is available in writing at the Bank's headquarters and disclosed on its website.

The **Supervisory Board** of Slovenská sporiteľňa is the Bank's supreme control body. It oversees the Board of Directors in the exercise of its powers and the Bank's business operations. Consists of six non-executive members. One third of the members (two) are employees' representatives elected by the Bank's employees and one third are independent members. However, one member of the Supervisory Board has resigned as of 30 June 2024 and as at 31 December 2024, this position was vacant. Therefore, the representation of women on the Bank's Supervisory Board as at 31 December 2024 was 20% (1 woman and 4 men).

The **Board of Directors** is the Bank's statutory body, managing its activity and acting on its behalf. It decides on all the Bank's affairs not reserved to the Bank's General Meeting or Supervisory Board under acts of general application or the Bank's Articles of Association. It consists of five executive members, all of whom were men as of 31 December 2024 (the percentage of women was 0%). The structure of the Board of Directors does not provide for employees' representatives or independent members. Members of the Board of Directors are not employees of the Bank.

The members of the Supervisory Board and the Board of Directors are carefully assessed before their appointment in line with the requirements applicable to the banking sector. When appointing members to the Supervisory Board and the Board of Directors, care is taken to ensure that the both collective bodies have the appropriate skills and expertise for the proper performance of its duties, especially as regards the key areas of Slovenská sporiteľňa's business and the related risks.

The Board of Directors and the Supervisory Board are jointly responsible for oversight of the IRO arising from Slovenská sporiteľňa's own activities and from its value chain. All members of the Board of Directors and the Supervisory Board are involved in this responsibility with the aim of ensuring comprehensive and effective management. The specific responsibilities of these bodies are clearly defined in the Articles, the competence rules and other applicable internal documents of the Bank.

The Bank's policies and procedures for various areas are organised into the following lines: Staff Units, Finance, Risk Management, IT & Operations, and two business lines (Retail Banking and Corporate banking & Markets). One member of the Board of Directors is responsible for each line except for Staff Units and Finance, which are both under the responsibility of the chairman of the Board of Directors (CEO). The management of material IROs is integrated into the Bank's routine activities and therefore oversight is carried out within the individual lines with some IROs being covered by several lines at the same time. The Staff Units line deals with all IRO, the Risk Management line deals mainly with the impacts of greenhouse gas emissions and overall ESG risks and the business lines are mainly concerned with sustainable finance.

The Bank has also established various committees, a detailed list of which, including a description of their competences and composition, is included in the Corporate governance report in the section Information on the composition and activities of the company's bodies and their committees. Based on their statutes, the committees have an advisory role and the Board of Directors may delegate tasks to them as well as decision-making and approval powers in certain areas. As regards IROs, the following committees are most relevant:

- Credit Committee – considers ESG risks when approving credit transactions
- Operational Risk and Compliance Committee – assesses and evaluates risks and compliance with business conduct policies
- Risk Management Committee – integrates and monitors ESG risks into the Bank's risk management and the monitoring of ESG risks
- Local Sustainable Finance Committee – monitor and manage sustainable finance in the Bank

The Board of Directors is regularly informed about processes for the identification and management of IROs and about the current situation and milestones achieved. These tasks are carried out by the submission of materials for the meetings of the Board of Directors by the Strategy and Customer Experience Division at least once a year. More detailed partial information is discussed on a more frequent basis (at least quarterly) with the member of the Board of Directors responsible for sustainability (Chief Sustainability Officer), who then communicates about these matters with the other members of the Board of Directors. At the senior management level, selected division directors (B-1) are part of the ESG project steering committee (ESG stands for environment, social and governance). In addition to its decision-making function on operational ESG matters, the project also serves to inform the Steering Committee members, through regular project meetings (on a monthly basis), on ESG topics, including the process of identifying and managing significant IROs.

Responsibility for risk management within Slovenská sporiteľňa is assigned to specific functions and committees and special control mechanisms and procedures are in place to manage IRO and integrate them into the Bank's structures.

The Board of Directors of Slovenská sporiteľňa has joint responsibility for the management of the organisation and definition of ESG strategy, targets and priorities. It is also responsible for the preparation of the Sustainability Statement and for ensuring implementation of the ESG strategy by allocating adequate resources and putting in place control mechanisms. Each member of the Board of Directors also sets targets for material IRO and monitors progress towards achieving them. Indicators associated with material IROs are regularly presented to the members of the Board of Directors in the day-to-day management of activities in their lines.

The Bank's Supervisory Board and Board of Directors have access to various sources of expertise in all the Bank's specialised areas, primarily through materials presented during meetings of the Board of Directors and the Supervisory Board. The availability of ESG expertise in the Bank is ensured primarily by the creation of a team of ESG specialists in the Strategy and Customer Experience Division. Their role is to prepare key ESG policies, provide expertise on climate, environmental, social and governance targets, to define the ESG management framework and to cooperate with investors, rating agencies, NGOs and regulatory and public authorities. In addition, some specific topics are managed by experts from the People and Culture Centre (own workforce topic), the Risk Management divisions (calculation of portfolio emissions and ESG risks) and Accounting (sustainability reporting). The Board of Directors and the Supervisory Board also have access to relevant expertise through the representatives appointed to relevant committees such as the Risk Committee, the Local Sustainable Finance Committee and the Audit Committee.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)

The Supervisory Board is responsible for supervising implementation of the ESG strategy and for approving major strategic decisions relating to IRO. The Supervisory Board and the Board of Directors receive ad-hoc information from the Strategy and Customer Experience Division and specialised bank units such Risk Management and the People and Culture Centre on progress achieved in addressing identified IRO. The members of the Board of Directors receive regular updates about the fulfilment of ESG targets in their lines. This enables them to assess the adequacy of the measures in place on an ongoing basis. The basic information communicated to members of the Board of Directors includes mainly sustainable finance volumes in both business lines, GHG emission volumes and information on portfolio decarbonisation.

IRO are considered in major transactions that the Bank performs. The Responsible Financing Policy defines sector-specific ESG criteria and lays down rules for determining whether and how a transaction can be carried out. In addition, the policy describes an evaluation process to ensure effective decision-making on a documented basis of compliance with established ESG criteria that reflect the identified IRO, especially as regards the financing of emission-intensive industries. Some transactions may thus be declined solely due to the IRO assessment even if the Bank would have granted the loan otherwise.

All IRO categorised as material in the DMA have been discussed and approved by the Board of Directors and the Supervisory Board. A full list of material IRO is given in the chapter Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3).

Integration of sustainability-related performance in incentive schemes (GOV-3)

Slovenská sporiteľňa's remuneration policy defines the structure and criteria for remuneration of members of the Board of Directors and the Supervisory Board. The general principles of remuneration for members of the Board of Directors are described in more detail in the Policy and principles of remuneration for members of the Board of Directors in the section Boards of Directors. ESG targets are included in the targets of selected members of the Bank's Board of Directors and their fulfilment determines the members' variable remuneration. The remuneration policy is consistent with the integration of sustainability risk in accordance with Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector.

In 2024, members of the Board of Directors of Slovenská sporiteľňa had the following ESG-related targets:

- Maintain Erste Group's good performance in ESG as assessed by external ratings (MSCI, ISS ESG, SUSTAINALYTICS, CDP) – common to all members of the Board of Directors
- Support the transition to a Net Zero portfolio (Net Zero target setting) – shared by the members of the Board of Directors responsible for Risk Management, Finance and the two business lines
- ESG leadership within the institution and progress in achieving set targets – assigned to the CEO
- Support for the overall sustainability strategy – assigned to the CEO
- Increase in the volume of new sustainable retail mortgages – assigned to the member of the Board of Directors responsible for the Retail Banking line
- Increase in the volume of new sustainable corporate finance and implementation of green evaluation criteria in accordance with the EU taxonomy – assigned to the member of the Board of Directors responsible for the Corporate Banking and Markets line
- Increase in the share of supplied electricity with zero carbon emissions – assigned to the member of the Board of Directors responsible for the Finance line
- Implementation of the ECB ESG Action Plan – assigned the member of the Board of Directors responsible for the Risk Management line
- Systematic support for ESG data management and implementation of green asset screening – assigned to the member of the Board of Directors responsible for the IT and Operations line
- Meeting diversity targets in senior management appointments – shared by all members of the Board of Directors

The individual strategic targets are described in detail in the "scorecard" of each member of the Board of Directors and their fulfilment is assessed at the end of the evaluation period by experts in the Strategy and Customer Experience Division. The outcome of assessment is "target achieved", "target exceeded" or "target not achieved" and the ESG objectives account for 15% of the variable component of remuneration of the members of the Board of Directors. Of this, environmental aspects make up 10% and diversity-related targets account for 5%. The evaluation results are reviewed and approved by the Remuneration Committee, which reports to the Supervisory Board. The Supervisory Board does not have any targets set and therefore does not have sustainability related targets set.

In accordance with the Remuneration Policy of Slovenská sporiteľňa, the ESG targets are proposed by the Erste Group ESG office, approved by the Remuneration Committee of the Supervisory Board and incorporated into the scorecard of the Board of Directors. The remuneration of members of the Board of Directors is determined by the Supervisory Board, which has set up an independent remuneration committee in accordance with statutory requirements. This committee prepares the Supervisory Board's resolutions on remuneration. Targets are set and evaluated on an annual basis.

Statement on due diligence (GOV-4)

Slovenská sporiteľňa has firmly embedded the concept of sustainability in its company business strategy and relies on sustainable, value-oriented and responsible business practices that will enable the Bank to achieve stable returns for its sole shareholder over the long term. This chapter shows how this ambition is fulfilled within its ESG strategy of Slovenská sporiteľňa and Diversity and inclusion strategy of Slovenská sporiteľňa. The following table contains a description of the core elements of due diligence in Slovenská sporiteľňa.

Table 2: Core elements of due diligence

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)
	Integration of sustainability-related performance in incentive schemes (GOV-3)
	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)
Engaging with affected stakeholders in all key steps of the due diligence	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)
	Interests and views of stakeholders (SBM-2)
	Description of the processes to identify and assess material impacts, risks and opportunities
	Policies related to climate change mitigation and adaptation (E1-2)
	Policies Relating To Own Workforce (S1-1)
	Policies concerning consumers and end-users (S4-1)
	Processes for client engagement in relation to impacts (S4-2)
	Business conduct policies and corporate culture (G1-1)

Core elements of due diligence	Paragraphs in the sustainability statement
Identifying and assessing adverse impacts	Description of the processes to identify and assess material impacts, risks and opportunities
Taking actions to address those adverse impacts	Actions and resources in relation to climate change policies (E1-3) Adoption of measures related to material IROs concerning own workforce and effectiveness of such measures (S1-4) Adoption of measures related to material IROs for clients and approaches to managing material risks and utilising material opportunities (S4-4)
Tracking the effectiveness of these efforts and communicating	Targets related to climate change mitigation and adaptation (E1-4) Target values for management of material IROs (S1-5) Target values for management of material IROs (S4-5)

Risk management and internal controls over sustainability reporting (GOV-5)

The main risk in the area of sustainability reporting is that errors or deliberate action (fraud) could prevent the faithful depiction of the company's ESG-related IRO. This also applies to value-chain information, which is an integral part of the sustainability statement. A materialisation of this risk would be the disclosure of (qualitative or quantitative) information in the Sustainability Statement significantly deviating from true data or circumstances. They could thus, either individually or in aggregate, affect the decisions of the users of the sustainability statements.

To mitigate the risk of such incorrect reporting, Slovenská sporiteľňa implements a risk management system based on internal control processes. In principle, sustainability reporting uses the same basic internal control system components as financial reporting and applies the same prioritisation of risks. In this case, it considers the materiality of a risk and its probability of occurrence. A description of this system is provided in the Corporate governance report in the section Internal control and risk management system.

Key components of the internal control process:

- systematic automated controls and measures in the bank's procedures and processes, e.g. technical controls in data processing
- principles of segregation of duties (executive and control) and checking by another person (four eyes principle)
- controlling as permanent financial and business analysis (e.g., the monitoring and evaluation of targets against actual data) and inspection of individual bank units
- automated data validation in the Group consolidation process
- internal audit as an independent element of control

The annual information provided to the Board of Directors and the Supervisory Board in the preparation of the Sustainability Statement and the related risks ensures a regular information flow and facilitates monitoring of the internal control system. Information flows to administrative bodies are described in the section Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2). Additionally, the handling of sustainability issues is fully integrated into the regular financial reporting process and there is thus no need to create new internal processes and functions. The consolidated sustainability statements are therefore reviewed by the Audit Committee of the Supervisory Board and also submitted to the Supervisory Board for approval.

STRATEGY

Strategy, business model and value chain (SBM-1)

Business model

Slovenská sporiteľňa is a universal bank providing services to households, businesses, financial institutions and clients from the government sector. Its basic activities are taking deposits and providing loans, and its main source of income is net interest income. It provides its services through a physical distribution network (branches and corporate centres), by telephone (client centre) and through digital channels (internet banking and the George and Business24 apps).

Strategy

The Bank has not yet adopted an integrated sustainability strategy in the form of an internal directive. The Bank's sustainability strategy is implemented through several strategic documents approved by the Board of Directors. The Bank's basic strategic documents on sustainability include:

Table 3: Basic documents for sustainability strategy

Document	Description of the strategy	Objectives
Bank Strategy of Slovenská sporiteľňa	Building the financial health of all clients indiscriminately to prepare them for the future.	These objectives are trade secrets of the Bank
ESG strategy of Slovenská sporiteľňa	Enhancing leadership in sustainable finance by financing mitigation and adaptation measures to climate change.	Net Zero portfolio by 2050 Net Zero operations by 2030

Diversity and inclusion strategy of Slovenská sporiteľňa	Build open, respectful and safe workplaces to promote equal opportunities for all employees.	30% representation of women in Board of Directors and Supervisory Board and 33% representation of women in B-1 positions by 2028
Customer Experience (CX) strategy of Slovenská sporiteľňa	Improving processes with the aim of transforming into a client-oriented bank that reflects and meets the needs of its clients.	These objectives are trade secrets of the Bank

The Bank's headcount is shown in the section Characteristics of employees (S1-6) and the geographical distribution of its employees follows the concentration of the Bank's activities within Slovakia.

Significant customer groups served

Retail

In the retail segment, buildings have the largest environmental impacts due to energy consumption in construction, heating, cooling and lighting for dwellings and businesses, along with the appliances and equipment installed in them. These factors account for more than a third of global energy consumption and emissions. Retail mortgages make up a large part of the assets in Slovenská sporiteľňa's portfolio. Slovenská sporiteľňa has adopted decarbonisation targets for 2030 and 2050 in line with a 1.75°C climate scenario, and these targets apply to its retail mortgage portfolio with the 2022 value as baseline.

The measures to achieve portfolio decarbonisation targets in relation to Slovenská sporiteľňa's retail mortgages can be divided into two groups:

1. *Decarbonisation technologies*
   A significant part of buildings in the Slovak Republic are still not "climate-proof" due to their high age and poor insulation. Improvement is possible only with changes in client behaviour, which may be influenced by costs in the short term and through regulations and the availability of government subsidies encouraging further investment in the medium and long term.

2. *Product range*
   In the retail mortgage segment, the Bank has developed sustainable mortgages and new products for renovation projects aimed at improving the energy efficiency of buildings. Slovenská sporiteľňa provides a variety of support for clients dealing with the challenges of renovating buildings, including digital calculators for renovations and energy efficiency.

Corporate financing

Slovenská sporiteľňa divides the corporate sector into four business lines: small and medium enterprises, large enterprises, the public sector and commercial real estate (CRE). Each of these covers a specific client group with its own needs and preferences, therefore requiring specialised sales and service models.

1. *Planned decarbonisation approach*
   Slovenská sporiteľňa plans to implement procedures for achieving decarbonisation targets in 2025. The planned approach for corporate business, the aim of which is to support the achievement of Slovenská sporiteľňa's strategic target of Net Zero in 2050, consists of an initial assessment of clients' readiness for the transition and the start of a process of involving identified clients in a financial needs analysis. Slovenská sporiteľňa understands its diverse client base and is committed to helping clients find a tailor-made approach that meets their needs.

2. *Product range*
   Slovenská sporiteľňa's ambition is to help clients benefit from decarbonisation by providing advice and financing that support cost-effective measures. Slovenská sporiteľňa offers specifically targeted finance and advice services on climate solutions, including renewable sources of energy, high-efficiency buildings in commercial real estate and sustainable transport solutions, for both large corporate clients and SMEs.

Helping clients decarbonise will bring Slovenská sporiteľňa closer to achieving its goals and will consolidate its leading position in the field of sustainable finance. Slovenská sporiteľňa wants to be a bank that finances the transition to Net Zero. In building and improving its offerings, Slovenská sporiteľňa will continuously evaluate which opportunities it should address by itself and which are better offered through a strategic partnership. Slovenská sporiteľňa is thus in constant contact with its client base to better understand the needs of this key stakeholder group.

A detailed breakdown of total revenue by sector can be found in Note Segment reporting to the Consolidated financial statements.

Slovenská sporiteľňa is not active in the fossil fuel (coal, oil and gas) sector, chemicals production, controversial weapons or the cultivation and production of tobacco.

The Bank's value chain was defined in line with the business model in the mapping of the sustainability context by the working group responsible for the preparation of the double materiality assessment. A detailed description of the value chain is given below.

Composition of Slovenská sporiteľňa's value chain

Upstream (Suppliers and service providers)

This section of the value chain includes investors, goods and services procured by the Bank including IT services, office supplies, real estate and infrastructure, advice and other external services supporting the Bank's activities.

Own operations

This covers the Bank's own operational activities including the management of its employees and branches.

Downstream (Clients)

This covers the clients that the bank finances and invests in and their activities. The most significant business actors for Slovenská sporiteľňa include corporate and retail clients, institutional investors and various stakeholders involved in its sustainability initiatives.

Interests and views of stakeholders (SBM-2)

The Bank involved stakeholders in the double materiality assessment of its IRO. The relevant stakeholders were determined by experts in specific areas of sustainability during the mapping of the Bank's sustainability context. The relevant actors that the experts identified included employees, non-employees, suppliers, marginalised groups, persons in difficult life situations, retail clients, corporate clients, investors, rating agencies, Erste Group, associations and non-profit organisations and the academic community.

The Bank decided to engage with the following groups:

Table 4: Stakeholder engagement process

Name of group	Description	Engagement method
Employees	All employees of the Bank, regardless of their place of work, job description or form of employment	online questionnaire
Retail clients	Retail clients – consumers, regardless of whether they are active clients. The Bank recruited a representative sample of 10,000 clients with proportional representation of genders, age groups and regions of residence reflecting the population structure of the Slovak Republic.	online questionnaire
Corporate clients	Large corporate clients according to the Bank's segmentation	discussion with experts
Vulnerable groups	Persons in difficult life situations and marginalised persons covered by the Bank's social programmes	discussion with experts
Associations	Non-profit organisations and associations that the Bank cooperates with or is a member of	online questionnaire
Erste Group	The Bank's sole shareholder	individual interview
Supervisory Board	The Bank's supreme control body	individual interview
Investors	Actors investing or potentially investing in bonds issued by the Bank	secondary, desk research

The Bank organised the stakeholder engagement process between April and June 2024 using a range of methods – online questionnaires, discussion with experts, individual interviews and desk-based research. The specific methods were chosen based on their suitability for data and information collection, the Bank's technical and personnel capacity and the engagement capacity of the stakeholder. They are shown in the table Stakeholder engagement process above. The Bank's aim was to be as efficient as possible while ensuring the credibility of the results of stakeholder engagement.

The objective of stakeholder engagement was to map the interests of the different groups and collect their opinions on the Bank's effect in each area of sustainability, both through its own operations and through its value chain.

Based on the results of the stakeholder engagement, the Bank made a list of sub-topics and evaluated their relevance for DMA purposes.

The Bank analysed the overall results of the stakeholder engagement and concluded that the Bank's existing business model, strategy and sustainability approach already reflect stakeholder interests and views to a significant extent. The findings did not indicate a need for change in the business model or strategy.

The Board of Directors and the Supervisory Board were informed about the process and participants of stakeholder engagement and about its objectives at their regular meetings in June 2024. They duly deliberated and noted the results without reservations.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

This chapter provides an overview of Slovenská sporiteľňa's material IRO based on the double materiality assessment described in chapter IRO-1. Their interactions with the strategy and business model are described in more detail in the relevant topical chapters. The following table shows all the material IROs, the area affected, the IRO type, its position in the value chain and the time horizon in which it was assessed to be material.

Table 5: List of material IRO

IRO ID	Sustainability matter	IRO type	IRO description	Value chain	Time horizon
IRO E1-01-03	E1 - Climate change adaptation	Positive impact	Financing of climate change adaptation measures increasing resilience to climate change impacts	Portfolio	Long term
IRO E1-01-06	E1 - Climate change adaptation	Risk	Credit risk due to physical risks related to climate change and inadequate adaptation measures	Portfolio	Long term
IRO E1-02-01	E1 - Climate change mitigation	Positive impact	Continuous reduction of greenhouse gas emissions from the bank's own operations (buildings, vehicles, business travelling, employee commuting...)	Own operations	Long term
IRO E1-02-02	E1 - Climate change mitigation	Negative impact	Greenhouse gas emissions from the bank's own operations (buildings, vehicles, business travelling, employee commuting...)	Own operations	Long term
IRO E1-02-03	E1 - Climate change mitigation	Positive impact	Mitigation of the negative effects of climate change in the region by accelerating sustainable finance and linking lending more closely to the bank's decarbonisation measures	Portfolio	Long term
IRO E1-02-04	E1 - Climate change mitigation	Negative impact	Financing of companies and activities that produce a large quantity of greenhouse gases causing climate change	Portfolio	Long term
IRO E1-02-06	E1 - Climate change mitigation	Risk	Increased credit risk due to the high risk of clients undergoing transition	Portfolio	Long term
IRO E1-02-10	E1 - Climate change mitigation	Opportunity	Financing the transition to a low-carbon economy	Own operations	Long term
IRO E1-03-01	E1 - Energy	Positive impact	Continuous reduction of energy consumption in the bank's own operations	Own operations	Short term
IRO E1-03-03	E1 - Energy	Positive impact	Financing the transition from fossil fuel-based energy production to more sustainable sources and energy savings in companies	Portfolio	Medium term
IRO E1-03-04	E1 - Energy	Negative impact	Financing of companies and activities that produce energy from non-renewable sources	Portfolio	Medium term
IRO S1-01-02	S1 - Secure employment	Negative impact	Contributing to unemployment and job losses in some regions due to branch closures, automation and digital transformation	Own operations	Medium term
IRO S1-01-07	S1 - Secure employment	Risk	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	Own operations	Medium term
IRO S1-02-01	S1 - Working time	Positive impact	Support for a better work-life balance by setting working time to 37.5 hours, providing flexible work arrangements and paid time off	Own operations	Long term
IRO S1-02-07	S1 - Working time	Risk	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	Own operations	Medium term
IRO S1-02-10	S1 - Working time	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	Own operations	Medium term
IRO S1-03-01	S1 - Adequate wages	Positive impact	Support for sustainable financial health through fair and adequate remuneration and a system of non-discriminatory benefits for all	Own operations	Long term
IRO S1-03-05	S1 - Adequate wages	Risk	Increase in the employer's personnel costs and brand-related costs due to organisational change, changes in remuneration and benefits and other measures	Own operations	Long term
IRO S1-03-07	S1 - Adequate wages	Risk	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	Own operations	Medium term
IRO S1-03-10	S1 - Adequate wages	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	Own operations	Medium term

IRO ID	Sustainability matter	IRO type	IRO description	Value chain	Time horizon
IRO S1-05-01	S1 - Freedom of association, existence of work councils and the information, consultation and participation	Positive impact	Support for freedom of association, engagement and mapping of employees' needs through employee groups and communities	Own operations	Long term
IRO S1-05-10	S1 - Freedom of association, existence of work councils and the information, consultation and participation	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	Own operations	Medium term
IRO S1-06-01	S1 - Collective bargaining, including the rate of undertaking's workforce covered by collective agreement	Positive impact	Support for employee participation and involvement in decision-making in matters affecting employees through collective bargaining	Own operations	Long term
IRO S1-06-05	S1 - Collective bargaining, including the rate of undertaking's workforce covered by collective agreement	Risk	Increase in the employer's personnel costs and brand-related costs due to organisational change, changes in remuneration and benefits and other measures	Own operations	Long term
IRO S1-06-09	S1 - Collective bargaining, including the rate of undertaking's workforce covered by collective agreement	Risk	Civil disputes, complaints and administrative proceedings for breaches of internal directives and/or labour law	Own operations	Medium term
IRO S1-06-10	S1 - Collective bargaining, including the rate of undertaking's workforce covered by collective agreement	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	Own operations	Medium term
IRO S1-09-02	S1 - Gender equality and equal pay for work of equal value	Negative impact	Contribution to the country's unadjusted gender pay gap due to the under-representation of women in management and highly skilled jobs (e.g. IT)	Own operations	Medium term
IRO S1-09-07	S1 - Gender equality and equal pay for work of equal value	Risk	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	Own operations	Medium term
IRO S1-13-01	S1 - Diversity	Positive impact	Promotion of an open, respectful and safe working culture and zero tolerance for harmful behaviour as a contribution to a fairer society.	Own operations	Medium term
IRO S1-13-10	S1 - Diversity	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	Own operations	Medium term
IRO S4-01-01	S4 - Privacy	Positive impact	Maintaining a reliable security system, providing cutting-edge products and services to clients (e.g. mToken, online payment insurance) and raising awareness of secure banking	Own operations	Medium term
IRO S4-01-05	S4 - Privacy	Risk	Financial risk (own operations) - loss of profit due to outflow of clients (a bank run) following concerns about data security and privacy protection and/or costs for repairing damage after IT incidents (e.g. compensation of clients)	Own operations	Long term
IRO S4-01-10	S4 - Privacy	Opportunity	Reputation. To be recognised as a digital, innovative and secure bank that can keep all investments and finances safe, with high levels of client satisfaction and trust.	Own operations	Medium term
IRO S4-03-01	S4 - Access to (quality) information	Positive impact	Improvements in clients' financial literacy through high-quality information made available online or through various tools (Financial Manager, Investment Plan) that enable clients to make informed decisions about their financial health	Own operations	Medium term
IRO S4-07-01	S4 - Non-discrimination	Positive impact	Access to affordable, accessible banking products that improve financial health for any client regardless of their nationality, social status or family status	Own operations	Medium term

IRO ID	Sustainability matter	IRO type	IRO description	Value chain	Time horizon
IRO S4-08-01	S4 - Access to products and services	Positive impact	Adoption of measures in communications, digital services and the physical environment that make banking more accessible for persons with disabilities	Own operations	Medium term
IRO G1-01-01	G1 - Corporate culture	Positive impact	Support for company culture can enable everyone to make their voice heard and report illegal or unwanted conduct, thereby contributing to a society free from corruption	Own operations	Medium term
IRO G1-01-04	G1 - Corporate culture	Negative impact	All fraud, corruption and other illegal acts carried out by businesses financed by SLSP	Portfolio	Medium term
IRO G1-01-09	G1 - Corporate culture	Risk	Legal risks / compliance risks (own operations) under criminal law (criminal proceedings relating to SLSP as a legal entity) or civil law (lawsuits initiated by whistleblowers/employees), fines imposed by the Office for the Protection of Whistleblowers	Own operations	Medium term
IRO G1-02-01	G1 - Protection of whistleblowers	Positive impact	Support for company culture can enable everyone to make their voice heard and report illegal or unwanted conduct, thereby contributing to a society free from corruption	Own operations	Medium term
IRO G1-06-01	G1- Corruption and bribery	Positive impact	Preventing corruption and bribery when dealing with retail and corporate clients as means to ensure all clients have access to banking products and services under equal and objective conditions	Own operations	Long term

As this is the first report in accordance with the Accounting Act and the CSRD, it is not possible to report any changes to the material IRO compared to the previous reporting period.

After the assessment of materiality, an analysis was conducted to assess the potential impact of material IROs on the business model, value chain and strategy of Slovenská sporiteľňa or the need for changes to address them. Based on this assessment, no significant effects have been identified that would require a change in the Bank's business model. The way in which significant IROs affect people and the environment is described in the thematic chapters. The current and anticipated financial effects of the material IROs are set out in the Consolidated Financial Statements (Note 26, ESG risk management).

The Bank does not issue any additional entity-specific disclosures.

Resilience of Slovenská sporiteľňa's strategy and business model regarding its capacity to address its material impacts and risks and to take advantage of its material opportunities

Business Environment Scan

The Bank monitors and assesses the resilience of its strategy and business model through the Business Environment Scan (BES) process, which is conducted annually on the level of Erste Group.

The purpose of the annual BES is to outline the Bank's approach and conduct a comprehensive scan of the business environment for climate and environmental risks (C&E) affecting the organisation. This process is crucial for identifying:

- Threats to the business model from climate change and environmental risks
- Business opportunities arising from economic transformation and adaptation measures to mitigate physical risks

Based on the analysis and interpretation of data on macroeconomic trends, regulatory requirements, technological changes and market conditions, the Bank and its Board of Directors can make well-informed decisions and adapt quickly to the ever-changing environment.

The scan takes account of macroeconomic changes, the competitive environment, policy and regulation, technologies, social/demographic developments and geopolitical trends, alongside physical changes in the business environment related to climate change and other environmental factors.

The output of the scan is used in further analyses:

- Identified threats (if considered relevant) must be analysed further in the risk materiality assessment.
- Identified opportunities (if considered relevant) must be incorporated into the business strategy and business planning.

Both outcome types provide information for the preparation of sectoral strategies and the decarbonisation process.

The scan is considered a business model analysis tool. Unlike the risk materiality assessment, the BES does not quantify impacts. Instead, it highlights where there are vulnerabilities, potential threats and opportunities in different time horizons.

Risk materiality assessment

The purpose of a risk materiality assessment is to identify how C&E risk factors affect various types of risks, estimate the potential impact on the Bank's capital adequacy and recommend to the Board of Directors whether an economic capital allocation is needed (within Pillar 2 / ICAAP).

Results

The Bank studied the environment in which it operates and conducted an analysis to assess the resilience of its business model to the threats and opportunities arising from the necessary transition to a low-carbon economy. Additionally, the Bank studied potential and actual impacts and opportunities resulting from climate change and environmental risks. As the main market in which the Bank operates is Slovakia, the resilience of its business model is to a large extent dependent on how the country manages its transition.

The findings are as follows:

1. The Slovak economy is facing challenges arising from the changing environment. The main challenge for economic adaptation is its high dependency on the automotive sector, which is exposed to high input costs and the transition to electric vehicles.
2. An important success factor will be the ability to absorb EU funds because Slovakia has had problems with the release and use of these funds in the past.
3. It will be crucial for Slovakia to improve its indicators for governance and the strength of its institutional environment and reverse the weakening of the rule of law apparent at present. This will be important for investor confidence and the inflow of EU funds.

The Bank is ready to participate actively in financing the transition to a low-carbon economy.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Description of the processes to identify and assess material impacts, risks and opportunities

Before preparing its sustainability statement under the CSRD, the Bank carried out a DMA in accordance with the requirements of the European Sustainability Reporting Standards (ESRS).

The Bank allocated the necessary personnel and funds for the DMA, specified who would be responsible (mainly departments and experts) and planned activities whose output would be a list of material Impacts, risks and opportunities (IROs).

Sustainability context mapping

The Bank mapped the sustainability context of its own operations and operations in its value chain. As part of this process:

- it identified internal experts in individual areas of sustainability and set up an expert panel to check the results of the DMA and submit it to the Bank's Board of Directors for approval
- it created a list of documents (directives, policies, strategies, reports, survey results, websites) necessary for the decision-making activities of internal experts, including the expert panel
- it studied the sustainability approaches of relevant banks and banking groups through their annual reports, sustainability reports and other information
- it engaged stakeholders in the assessment of the sustainability context and the materiality of individual sustainability topics through a questionnaire, or discussion with stakeholder representatives
- it analysed its own operations and its value chain

Analysis of own operations and value chain

The Bank's own operations are defined by its business model and its business relations. They served as the basis for the DMA.

Stakeholder engagement

Stakeholder engagement is described in section Interests and views of stakeholders (SBM-2).

Sustainability topic materiality assessment

The Bank used the results of the sustainability context mapping process to assess the materiality of individual sustainability topics. The Bank has created a list of all topics (to the level of sub-sub-topics) in accordance with the ESRS and bank-specific topics. It then assessed the materiality of every topic with reference to own operations and the value chain whereas topics were assessed to be material if:

- materiality followed directly from the nature of the Bank's operations or its financing;
- the Bank's direct operations or value chain involve activity in a given area above and beyond statutory requirements.

When preparing this year's sustainability statement, the Bank carried out a double materiality assessment in accordance with the requirements of ESRS 1 and 2. The ESRS requires that organisations determine which sustainability matters are most important for them and for their stakeholders by assessing both their own impact on environmental and social factors (impact materiality) and the influence of these factors on the organisation (financial materiality). Subsequent analysis was based on the identification and assessment of IRO within the scope of consolidation under the IFRS. The results of the assessment determined the scope of this report and the data presented herein.

The ESRS-based DMA process was conducted for the first time in 2024. In the process, the specifics used to identify and assess risks and opportunities were considered through a holistic analysis. All the opportunities and risks arose from impacts but some impacts had risks and opportunities in common. The Bank will conduct an annual review of the materiality assessment process. Further information on the specific circumstances of the identification and assessment of impacts, risks and opportunities related to environmental, social and government topics is given in the chapter "Impact materiality" and "Financial materiality".

The final point scores of individual IRO were set by the expert panel, which included experts from the fields of strategy, risk management, reporting and corporate financing. After these steps, the results were visualized in a matrix, summarised and approved by the Board of Directors of Slovenská sporiteľňa. The result of the double materiality assessment is the list of material IRO set out in section Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3), which forms the basis for this statement. Materiality assessment ensures that the most important factors are prioritised and monitored, as described in section Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2).

In the assessment of sustainability-related impacts, the Bank assessed the broader context, not just its banking activities and business strategy but also the size and characteristics of its employees, the value chain including clients and business partners, the current situation and trends in the area of sustainability in Slovakia, the applicable legislation, policies, action plans and other non-binding documents. Through its daily operations, the Bank has a direct impact on various areas such as waste management in its buildings, energy consumption, emissions and its employees' working environment. It is not a manufacturing enterprise, does not work with fossil fuels and does not operate in nature parks. Even so, it notes that it can have a significant indirect impact through investments and the financing of clients' projects in various sectors. Given the nature of its operations, it is useful to clarify here that the Bank assessed the materiality of individual topics in relation to its portfolio. It maps the flow of money it provides to its clients and monitors which business sectors and projects it invests in and to whom it lends its funds. These business relationships are part of the downstream value chain. More than two-thirds of the portfolio consists of households, to which the Bank mainly provides mortgages and other loans. In the corporate business line, the real estate market provides the most clients but companies trading in natural resources and other commodities, the energy market, transport and construction are also well-represented. Financing also flows to the automotive industry, manufacturing, consumer goods, medical services, telecommunications and tourism, all of which the bank has considered in assessing the material topics.

As a company offering financial services, the Bank did not analyse the upstream value chain in detail because it includes only a small number of suppliers of a predominantly administrative character and incorporated it into the assessment of its own operations.

The assessment focused on the list of sustainability topics, sub-topics and sub-sub-topics in ESRS 1 AR 16, which was reduced based on an initial check of relevance to ensure that it appropriately reflected the Bank's business model, portfolio and strategic position. In addition to its own knowledge and experience in sustainability, the Bank has taken into account topics that competitors consider important. A detailed assessment of IRO was conducted for the remaining items.

Relying not just on its own knowledge and experience of sustainability, the Bank considered also topics that its competitors have recognised as important.

The selection of important areas and their subsequent assessment is a multi-stage process involving a wide range of people within SLSP and also from various areas outside the Bank so as to understand the needs and interests of other stakeholders.

The assessment was guided by the following main assumptions:

- Impacts were defined as positive or negative. If a mixture of different impacts (e.g. both positive and negative) were identified for a sustainability matter, each impact was assessed separately.
- There was no difference between the methodologies for potential impacts and actual impacts, which were assigned a probability of 100%.
- The scales used for assessing financial materiality were based on internal processes.
- The final scores for the assessed IROs were calculated as the averages of the assessed criteria multiplied by their probability.
- For a sustainability matter to be considered material, it was sufficient for one IRO to be material regardless of the number of non-material IRO, whether the IRO is actual or potential, the assigned time horizon or the significance for the value chain.

Impact materiality

In assessing impact materiality, the Bank applied 4 criteria, namely the potential scale and scope of the impact, its irremediable character (whether an impact can be put right, in the case of a negative impact) and also the likelihood that the impact will occur, in the case of a potential impact. The Bank assessed all 4 criteria on a scale from 0 to 5, trying to place the intensity of the impact in the context of business. The Bank took different approaches to assessing environmental and social impacts. All impacts with a final score of 2.5 or more were deemed to be material, which means that the Bank will disclose specific information on the given topic in accordance with ESRS requirements. An impact is considered to have the broadest scope (i.e. a value of 5) if it affects or could affect more than a million people or, in the case of an environmental impact, if it is global in scope (e.g., climate change). An impact is considered widespread (4) if it affects or could affect a majority of indirect stakeholders and a broader community of 100,000 to 1 million people or, in the case of an environmental impact, if it affects a significant geographical area on the level of a whole country or continent. Translated into the context of the Bank's business, this would mean an impact affecting all of the Bank's clients or the majority of its value chain. Medium scope (3) was assigned to impacts that would affect several direct stakeholders such as suppliers, business partners or all the Bank's employees (a group from 10,000 to 100,000 people). In environmental terms, such a scope would apply to one relatively large territory (a region or country).

Scale of impact referred to the intensity of the change in people's quality of life (either positive or negative) from negligible through health problems caused by a product or service to serious conditions such as severe damage to health, loss of work or death. Impacts on the quality of the environment and ecosystems was assessed from negligible impacts to irreversible damage to nature and biodiversity loss.

The criterion of irremediability was assessed on a scale from 0 (very easy to remedy with relatively little effort in a short time) to 5 (irreversible impact with permanent consequences such as death, lifelong effects or extinction of a species).

In the final stage, the likelihood of occurrence of these impacts and potential situations was assessed on a scale from 0% (the impact will certainly not occur) to 100% (the impact will occur with a very high probability).

Table 6: Scales for impact materiality

Scale of impact		
	5	Catastrophic/Major
	4	High
	3	Medium
	2	Low
	1	Minimal
	0	None
Scope of impact		
	5	Global/Total
	4	Widespread
	3	Medium
	2	Concentrated
	1	Limited
	0	None
Remidiability of impact		
	5	Irreversible
	4	Very difficult to remedy or long term
	3	Difficult to remedy or mid-term
	2	Remediable with effort (time & cost)
	1	Relatively easy to remedy short-term
	0	Very easy to remedy
Likelihood of occurrence		
	5	Guaranteed
	4	Very likely (occurs frequently)
	3	Likely (recurrent but not frequent)
	2	Possible (could occur, but uncommon)
	1	Unlikely (almost never)
	0	Never

Individual criteria were not assessed for topics in which the Bank's operations were assessed as having a negligible influence or where data or evidence was not available to indicate that the Bank would have an influence in the given area.

The input parameters for the assessment of individual criteria included the available internal policies and directives, especially as regards social topics and business conduct (Erste Group Code of Conduct, Social Bank Report 2023, the Collective Agreement, Diversity and Inclusion Policy and Strategy, Remuneration Policy, among others). For input parameters on the environment, the Bank relied on, inter alia, internal documents (Sustainable Finance Framework, Risk Assessment, Sustainability Report 2022, SLSP carbon footprint calculation), available scientific knowledge (IPCC) and national documents (Slovak Republic State of the Environment Report 2022), thus ensuring consideration of specific activities, business relationships and geographical areas.

Financial materiality

Financial materiality is looked at in two aspects: the risks and opportunities that may be associated with a given impact. These risks and opportunities have been assessed as material if they exceeded a certain level of:

1. risk / opportunity magnitude
2. probability of occurrence of the given risk / opportunity

The magnitude of a risk (e.g. reputation risk or compliance risk) was expressed with reference to the potential financial loss through a scale from 0 (non-existent or insignificant risk) to 3 (high risk) where a loss greater than EUR 1 million is considered the highest magnitude with a risk of significant damage to the Bank, its brand and trust. A financial loss of between EUR 500,000 and 1,000,000 was assessed as being of medium magnitude and a loss of between EUR 100,000 and 500,000 was considered to be of low magnitude. The Bank considers a financial loss of less than EUR 100,000 to be a negligible risk. For the Bank's portfolio, impact magnitude was assessed using ESG Factor Heatmaps (an internally approved matrix show the magnitude of various types of ESG risks for specific sectors).

Alongside the magnitude of a risk (or opportunity, in positive cases), the probability of the given risk/opportunity's occurrence was also calculated. The probability of an impact's occurrence was deemed to be frequent or almost certain if it had a probability of at least 99%. An impact was deemed to be likely if its chance of occurring was at least 80% and the impact could affect several economic sectors at once. With a probability of 60%, an impact was classified as possible and below 40% as unlikely. This probability was converted to a scale of 0 to 5 as shown in Table 7: Scales for financial materiality.

Table 7: Scales for financial materiality

Magnitude of financial effect		
	3	High
	2	Medium
	1	Low
	0	Negligible
Probability of occurrence		
	5	Frequent/almost certain
	4	Likely (occurs frequently)
	3	Possible (recurrent but not frequent)
	2	Unlikely (could occur, but uncommon)
	1	Rare (almost never)
	0	Never

The final score for financial materiality was the product of the financial effect and the assigned probability (percentage corresponding to the 0-5 scale above), and was between 0 and 3. If an impact received a score greater than 1.5, it was considered material.

Instead of developing a new methodology and procedures for assessing sustainability risks, the Bank aims to incorporate ESG risks into its existing risk materiality assessment procedure, with ESG risks given the same weight as other risks. The risks associated with material topics primarily affect and will affect the area of credit risk.

Not material topics

The Bank reviewed all topics, including pollution, water and marine resources, biodiversity and ecosystems, resource use, and circular economy. No significant IROs were identified in all these areas. The assessment considered the Bank's business model as a financial institution and its value chain. The assessments revealed that potential IROs were considered insignificant or irrelevant given the bank's non-productive business model and the structure of its portfolio. The Bank included consultation with affected communities in the stakeholder engagement process.

E-2 Pollution

In assessing pollution issues, the Bank considered the entire value chain, such as IT and infrastructure software providers, as well as the Bank's own operations and downstream value chain. As the Bank is not a manufacturing company and does not have direct reference points for pollution, potential impacts were assessed as insignificant. Potential pollution risks and opportunities were analysed based on the current business strategy and portfolio structure.

E-3 Water and marine resources

As with pollution, potential impacts related to aquatic and marine resources were assessed along the entire value chain as well as the Bank's own operations. As the Bank is not a manufacturing company and direct water consumption occurs only in the office areas, impacts related to its own operations are considered negligible. Potential risks and opportunities have been assessed based on the current business strategy and portfolio structure combined with the results of the risk materiality assessment.

E-4 Biodiversity and ecosystems

The Bank assessed potential impacts on biodiversity and ecosystems from the perspective of its own operations as well as the entire value chain. Given its business strategy, the Bank is not dependent on biodiversity and ecosystems for its own operations. From a value chain perspective, the Bank based its assessment on the structure of the portfolio as well as the assessment of material risks and relevant internal documents (ESG Factor Heatmap, Risk Materiality Assessment). Similarly, in assessing physical and transformation risks related to biodiversity, as well as systemic risks, the Bank based its assessment on the analysis and structure of the portfolio. Given its business model, the Bank has not identified any affected communities from a biodiversity and ecosystem perspective. The Bank does not own any sites located within or close to biodiversity sensitive areas and therefore it is not necessary to put in place biodiversity mitigation measures.

E-5 Resource use and circular economy

The Bank has assessed the potential impacts from both its own operations and the value chain perspective. Given the structure of the Bank's portfolio, which was assessed using internal documents (ESG Factor Heatmap, Risk Materiality Assessment) and the Bank's internal assumptions, this impact was assessed as insignificant. For risks and opportunities, the financed portfolio was assessed.

Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

A list of disclosure requirements and their locations in the report can be found below.

Table 8: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Table 9: List of unreported requirements

List of requirements	Reason
ESRS 2 - SBM-3, paragraph 48 e	Phase-in under Appendix C of ESRS 1
E1-7, paragraphs: 56 a, 56 b, AR 61, AR62 a, AR 62 b, AR 62 c, AR 62 d, AR 62 e, AR 64, 60, 61, 61 a, 61 b, 61 c	Not relevant
E1-8, paragraphs: 63 a, 63 b, 63 c, 63 d	Not relevant
E1-9, paragraphs: 66 a, 66 b, 66 c, 66 d, 67 a, 67 b, 67 c, 67 d, 67 e, 68 a, 68 b, 69 a, 69 b, AR 69 a, AR 69 b, AR 72 a, AR 72 b, AR 73 a, AR 73 b	Phase-in under Appendix C of ESRS 1
E2-4, paragraph 28 a	Not material
E4.SBM-3, paragraphs: 16 a(i), 16 b, 16 c	Not material
E4-2, paragraphs: 24 b, 24 c, 24 d	Not material
E5-5, paragraphs: 37 d, 39	Not material
S1.SBM-3, paragraphs: 14 f(i), 14 f(ii), 14 g(i), 14 g(ii)	Not relevant
S1-8, paragraphs: 60 b, 60 c, 62, AR 70	Not relevant
S1-17, paragraphs: 103 c, 104 b	Not relevant
S2.SBM-3, paragraph 11 b	Not material

List of requirements	Reason
S2-1, paragraphs: 17, 17 a, 17 b, 17 c, 18, 19, AR 15	Not material
S2-1, paragraphs: 17 a, 17 b, 17 c, 18, 19, AR 15	Not material
S2-4, paragraph 36	Not material
S3-1, paragraphs: 16, 16 a, 16 b, 16 c, 17	Not material
S3-4, paragraph 36	Not material
S4-2, paragraph 22	Conditional
S4-3, paragraphs 25 a, 27	Not relevant
S4-4, paragraphs: 31 a, 31 b, 32 a, 32 b, 32 c, 34	Not relevant
G1-1, paragraph 10 b	Not relevant
G1-1, paragraph 10 d	Not relevant

Table 10: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement	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	43
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	43
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	45
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	64
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	64
ESRS E1-4GHG 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	70
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				Not material	
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	74
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	75

Disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
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	75
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	
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				Not material	
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material	
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material	
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	

Disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
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	190
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	190
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Material	190
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Material	191
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	192
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	200
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material	200
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Material	200
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	200
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			Delegated Regulation (EU) 2020/1816, Annex II		Not material	

Disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
Labor Organisation Conventions 1 to 8, paragraph 19						
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	**Error! Bookmark not defined.**
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	**Error! Bookmark not defined.**
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Material	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Not material	
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Not material	
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	213
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27) , Annex II		Material	213

ENVIRONMENTAL INFORMATION

CLIMATE CHANGE (ESRS E1)

The integration of sustainability-related performance in incentive schemes is described in the chapter Integration of sustainability-related performance in incentive schemes (GOV-3).

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (ESRS 2 SBM-3)

Strategy and business model resilience

The Bank has not carried out a separate analysis of the climate resilience of its strategy and business model but climate change was covered in a resilience analysis carried out by Erste Group in 2024. Details of the resilience analysis of Erste Group's strategy and business model can be found in the section E1 SBM-3, on page 186 in the Erste Group annual report.

DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES (ESRS 2 IRO-1)

The processes to identify and assess material climate-related IRO are described in the section Description of the processes to identify and assess material impacts, risks and opportunities. The Bank's assessment of the IRO related to climate change took account of its scope 1, 2 and 3 GHG emissions, which are described in more detail in the chapter Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6). It screened both physical risks and transition risks related to climate change in its own operations and in all stages of the value chain, and set out the results for both physical risks and transition risks in the Consolidated Financial Statements (Note 26, ESG risk management). The Bank's process used the scenarios of the Network for Greening the Financial System (NFGS) alongside information from IPCC reports. These scenarios were used for the BES and the Risk Assessment described in section Resilience of Slovenská sporiteľňa's strategy and business model regarding its capacity to address its material impacts and risks and to take advantage of its material opportunities.

The material IRO, including the classification of risks as physical or transition risks, are listed in the table below.

Table 11: List of material impacts, risks and opportunities ESRS E1

IRO ID	Sustainability matter	IRO type	IRO description	Value chain	Time horizon
IRO E1-01-03	E1 - Climate change adaptation	Positive impact	Financing of climate change adaptation measures increasing resilience to climate change impacts	Portfolio	Long term
IRO E1-01-06	E1 - Climate change adaptation	Risk	Credit risk due to physical risks related to climate change and inadequate adaptation measures	Portfolio	Long term
IRO E1-02-01	E1 - Climate change mitigation	Positive impact	Continuous reduction of greenhouse gas emissions from the bank's own operations (buildings, vehicles, business travelling, employee commuting...)	Own operations	Long term
IRO E1-02-02	E1 - Climate change mitigation	Negative impact	Greenhouse gas emissions from the bank's own operations (buildings, vehicles, business travelling, employee commuting...)	Own operations	Long term
IRO E1-02-03	E1 - Climate change mitigation	Positive impact	Mitigation of the negative effects of climate change in the region by accelerating sustainable finance and linking lending more closely to the bank's decarbonisation measures	Portfolio	Long term
IRO E1-02-04	E1 - Climate change mitigation	Negative impact	Financing of companies and activities that produce a large quantity of greenhouse gases causing climate change	Portfolio	Long term
IRO E1-02-06	E1 - Climate change mitigation	Risk	Increased credit risk due to the high risk of clients undergoing transition	Portfolio	Long term
IRO E1-02-10	E1 - Climate change mitigation	Opportunity	Financing the transition to a low-carbon economy	Own operations	Long term
IRO E1-03-01	E1 - Energy	Positive impact	Continuous reduction of energy consumption in the bank's own operations	Own operations	Short term
IRO E1-03-03	E1 - Energy	Positive impact	Financing the transition from fossil fuel-based energy production to more sustainable sources and energy savings in companies	Portfolio	Medium term
IRO E1-03-04	E1 - Energy	Negative impact	Financing of companies and activities that produce energy from non-renewable sources	Portfolio	Medium term

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION (E1-1)

A successful transition to a low-carbon economy using science-based decarbonisation pathways is crucial for ensuring long-term prosperity and financial health. The Bank, as part of Erste Group, is committed to the goals of the Paris Agreement and it joined the Net Zero Banking Alliance in November 2021. The Bank has also prepared a transition plan for climate change mitigation.

Considering its business model, the Bank has identified two main decarbonisation pathways:

- Achieve Net Zero in its operations by 2030
- Achieve Net Zero in its portfolio by 2050

Table 12: Climate change mitigation targets

2023	2026	2027	2030	2050
90 % purchased green electricity	25% of sustainable corporate financing	15% of sustainable retail mortgages	Net zero operations	Net zero portfolio
Achieved	On schedule	On schedule	On schedule	On schedule

The Bank plans to achieve these targets through the sub-measures described in detail in section Actions and resources in relation to climate change policies (E1-3). As regards operational emissions, the Bank has set targets in the following areas:

- Total emissions in Scope 1 and Scope 2
- Share of green electricity in total electricity consumption
- Share of electric vehicles in the fleet

As regards emissions financed in the portfolio, the Bank plans to follow science-based pathways on a sector-by-sector basis. Medium- and long-term targets have been set for the sectors shown in the table below.

Using relevant benchmark scenarios, the Bank has assured itself that these targets are compatible with the limiting of global warming to 1.5°C in line with the Paris Agreement. The only exceptions are commercial real estate and mortgages, where the bank will consider resetting the targets in 2025. Further information on the scenarios and methodologies are set out in chapter Targets related to climate change mitigation and adaptation (E1-4). The Bank plans to stop financing coal in 2030.

The following chart shows the climate scenarios to which the sectoral emission reduction pathways are aligned.

Table 13: Climate scenarios

Sector	Target	Sector	Target
Mortgages	1,75 °C	Iron and steel	1,50 °C
Commercial real estate	1,75 °C	Cement production	1,50 °C
Electricity production	1,50 °C	Coal	Phase-out 2030
Heat and steam production	1,50 °C	Agriculture	Planned
Oil and gas extraction	1,50 °C	Aluminium	Not planned, not material
Automotive	1,50 °C		

The Bank's strategy for achieving Net Zero in operational emissions by 2030 is based on three pillars with defined targets and measures:

1. Buildings – Transition to renewable energy and energy efficiency improvements
   a. Transition to low-carbon energy sources, with at least 90% of electricity from green sources
   b. Increasing energy efficiency in the Bank's own real estate through central monitoring and refurbishment
2. Culture – Behavioural change
   a. Employee awareness-raising through mandatory and voluntary ESG training
   b. Support for employee engagement through volunteering
3. Mobility – Low-carbon transport
   a. Decarbonisation of the vehicle fleet with targets of 29% electric vehicles in 2025 and 100% in 2030

As regards the decarbonisation of the Bank's portfolio, some of the most significant measures are:

1. Real estate: mortgages and commercial real estate
   Slovenská sporiteľňa is seeking to unlock the potential for refurbishment in the commercial real estate and retail sectors by promoting measures to increase energy efficiency and a faster transition to the use of renewable energy for heating, cooling and electricity generation.
2. Energy: electricity generation and the production and supply of heat and steam
   Slovenská sporiteľňa is promoting the energy transition by tapping the potential of renewable energy (financing renewable energy projects) and plans to end its financing of coal by 2030.

3. Other sectors:
   The Bank has begun implementing measures in relation to other sectors such as car production or iron and steel production, for which it set decarbonisation targets in 2023.

Further details on decarbonisation measures are set out in the section Actions and resources in relation to climate change policies (E1-3). Implementation of the measures related to the Transition Plan does not demand significant capital (CapEX) or operational (OpEx) expenditures. Considering its business model and strategy, the Bank assessed the GHG lock-in topic of its assets as not relevant. There are currently no known or available indications that locked-in GHG emissions may jeopardise the achievement of the above targets.

Slovenská sporiteľňa is not excluded from the EU Paris-aligned Benchmarks and does not engage in economic activities that are covered by delegated regulations on climate adaptation or mitigation under the Taxonomy Regulation.

The Transition Plan is fully embedded in and aligned with the undertaking's overall business strategy and financial planning, ensuring that the Bank's efforts to decarbonise its portfolio are incorporated into its core decision-making processes. The Transition Plan has been approved by the Board of Directors of Slovenská sporiteľňa.

The Bank is not yet in a position to report significant progress in the implementation of the Transition Plan as it is still in its initial phase. Next year it plans to prepare a comprehensive procedure for achieving its decarbonisation targets.

POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION (E1-2)

Table 14: Policies related to climate change mitigation and adaptation

IRO ID	IRO	Type of IRO	Policies
IRO E1-01-03	Financing of climate change adaptation measures increasing resilience to climate change impacts	Positive impact	Sustainable Finance Guideline Corporate Lending Principles Real Estate Financing Policy Retail Credit Risk Management Policy
IRO E1-01-06	Credit risk due to physical risks related to climate change and inadequate adaptation measures	Physical risk	Sustainable Finance Guideline Corporate Lending Principles Real Estate Financing Policy Retail Credit Risk Management Policy
IRO E1-02-01	Continuous reduction of greenhouse gas emissions from the bank's own operations (buildings, vehicles, business travelling, employee commuting...)	Positive impact	Rules for Protection of the Environment and Climate in Slovenská sporiteľňa
IRO E1-02-02	Greenhouse gas emissions from the bank's own operations (buildings, vehicles, business travelling, employee commuting...)	Negative impact	Rules for Protection of the Environment and Climate in Slovenská sporiteľňa
IRO E1-02-03	Mitigation of the negative effects of climate change in the region by accelerating sustainable finance and linking lending more closely to the bank's decarbonisation measures	Positive impact	Sustainable Finance Guideline Responsible financing policy Corporate Lending Principles Real Estate Financing Policy Retail Credit Risk Management Policy
IRO E1-02-04	Financing of companies and activities that produce a large quantity of greenhouse gases causing climate change	Negative impact	Sustainable Finance Guideline Responsible financing policy Corporate Lending Principles Real Estate Financing Policy Retail Credit Risk Management Policy
IRO E1-02-06	Increased credit risk due to the high risk of clients undergoing transition	Transition risk	Sustainable Finance Guideline Responsible financing policy Corporate Lending Principles Real Estate Financing Policy Retail Credit Risk Management Policy
IRO E1-02-10	Financing the transition to a low-carbon economy	Opportunity	Sustainable Finance Guideline
IRO E1-03-01	Continuous reduction of energy consumption in the bank's own operations	Positive impact	Rules for Protection of the Environment and Climate in Slovenská sporiteľňa
IRO E1-03-03	Financing the transition from fossil fuel-based energy production to more sustainable sources and energy savings in companies	Positive impact	Sustainable Finance Guideline Responsible financing policy Corporate Lending Principles
IRO E1-03-04	Financing of companies and activities that produce energy from non-renewable sources	Negative impact	Sustainable Finance Guideline Responsible financing policy Corporate Lending Principles

Sustainable Finance Guideline

Slovenská sporiteľňa has clearly defined criteria for ensuring transparency and support for the green transition. It defines the relevant criteria through a comprehensive due diligence process based on the EU taxonomy criteria. The aim is to identify investments aligned with the transition to a climate-neutral and environmentally sustainable economy with climate resilience. The due diligence process focuses on comprehensive screening and documentation in the credit process and ensures that relevant documentation for screening is obtained from the client. The four eyes principle is applied in this process. Additionally, new screening criteria have been approved at the level of the Erste Group's Sustainable Finance Committee.

The SFG enables capital flows to be channelled to the green transition. It supports portfolio management and contributes to the realisation of significant financial opportunities identified in the double materiality assessment relating to climate change mitigation, climate change adaptation, energy and the development of renewable energy sources. In addition, by providing rules for identifying sustainable finance, it implicitly supports the reduction of significant negative impacts associated with the financed carbon footprint, physical risks and transition risks present in the financed portfolio.

The SFG identifies groups of clients that are currently excluded from EU taxonomy disclosure regulations and takes account of their limited ability to provide information. It ensures that SMEs can also contribute to sustainability even if their taxonomy compatibility is not yet recognised. The guideline also takes account of the limited ability of certain groups of clients to provide detailed information and offers a less comprehensive internal screening procedure if necessary.

The SFG was not adopted as a policy in 2024 but will be formally adopted by the end of 2025.

Responsible Financing Policy

The Responsible Financing Policy lays down exclusion criteria for specific economic activities that have negative social and environmental effects. Focussing in particular on climate measures, Slovenská sporiteľňa prioritises the alignment of its energy financing activities with the climate targets of the Paris Agreement to limit global warming and prevent widespread environmental degradation. The Bank's Responsible Financing Policy establishes clear decision-making structures and procedures. The policy establishes two levels of assessment. To comply with policy requirements, a lender must:

- gather or collect all information and documents relevant to the loan in question
- assess non-financial risks in line with the Responsible Financing Policy and propose follow-up measures where necessary

A second assessment is carried out by the Operational Risk Manager. This provides guidance for the lender and other employees participating in the operational risk assessment of the loan in question.

The policy applies to all corporate finance and financial market products and services regardless of whether they are direct or indirect, on-balance sheet or off-balance sheet and whether or not they involve risks.

The policy applies to companies or groups where the economic activity in question accounts for more than 5% of their turnover, unless stipulated otherwise. The policy does not apply to selected retail banking products, individual payment transactions and transactions involving an aggregate sum below EUR 1,000,000.

The policy owner is the Corporate Financing LAB and it is made available to internal stakeholders on the intranet.

Real Estate Financing Policy

Slovenská sporiteľňa's policy on real estate financing (REF) requires a sustainability assessment to be carried out before any decision on residential projects with an exposure of EUR 20 million or more. The policy requires an assessment of energy efficiency, physical risks (e.g. flooding, drought etc.) and the CO_2e value of the asset. There must be a technical due diligence (TDD) report covering the following areas:

- a technical and functional assessment of assets
- verification of the statutes of legal bodies
- a general assessment of building specifications
- a technical/economic assessment of the products used
- the implemented technology, overall quality and execution
- a rough estimate of the investments required

The policy also sets out a procedure for dealing with policy exceptions in relation to increased risk. High-risk transactions must be approved by a designated approver and flagged as policy exceptions. Deviations from certain principles and rules defined in the policy must be explicitly highlighted and justified by robust and specific reasoning in the loan applications for both new and refinanced transactions, subject to the approval of the relevant approval bodies.

The REF Policy addresses climate change mitigation by requiring that residential projects with an exposure of EUR 20 million or more be subject to an assessment of the CO_2e value of the asset (based on an energy performance certificate (EPC)) which is included in the final loan decision to manage the increased ESG-related credit risk and avoid asset stranding in the portfolio. In addition, an assessment of building energy efficiency is carried out as more energy efficient real estate projects are preferable to less energy-efficient real estate projects. For liabilities over EUR 40 million, the policy stipulates that legal documentation must be based on the international standards of the Loan Market Association (LMA) to ensure the possibility of syndication or sub-participation.

REF policy covers all transactions for the financing of real estate with corporate clients or groups of clients regardless of segmentation criteria. Specifically, it applies to the commercial real estate segment, all clients for IPRE specialised loans and clients with certain NACE codes related to the corporate, industrial real estate segments or hotels and leisure.

The Corporate Credit Risk Management Division (CCRM) is responsible for the definition, safeguarding and updating of credit policy, which is approved by the Board of Directors of SLSP, a.s., and made available to internal stakeholders on the intranet.

Corporate Lending Principles

The policy defines rules and principles for the provision of corporate loans in the Bank with the aim of ensuring proper credit risk management, responsible banking and a standardised assessment of client creditworthiness. The policy supports the management of risks arising from the energy sector and climate change mitigation through comprehensive ESG assessment of large corporate debtors. The Bank may face increased credit risk due to climate-related transition events that could have a negative impact on the profitability of business models and the financial stability of borrowers. The consequences are increased risk margins for the Bank with negative impacts on the income statement and equity. For example, climate-related price volatility in the energy market could lead to lower profits in companies operating in sectors with a high share of emissions. By managing these risks, the policy supports the Bank's commitment to decarbonising its portfolio and possibly also reducing emissions. A key decarbonisation measure that contributes to achieving the policy objective is "emission reductions in the energy sector".

The Corporate Credit Risk Management Division (CCRM) is responsible for the definition, safeguarding and updating of credit policy, which is approved by the Board of Directors of SLSP, a.s., and made available to internal stakeholders on the intranet.

Retail Credit Risk Management Policy

The Bank's policy on retail credit risk management focuses primarily on Slovenská sporiteľňa's retail clients and includes measures to manage credit risk related to clients in financial difficulties. These include the requirement for every building to have an EPC because information on energy efficiency is vital for calculating future maintenance and investment costs. Increases in energy efficiency encouraged by EPC requirements help to mitigate climate change through reductions in energy consumption for heating and cooling.

The policy requires documentation and monitoring of clients' financial difficulties that could lead to problems with payment or even insolvency.

It also provides for the collection and storage of data on sustainability that can be obtained from a financed building's EPC or an alternative method for determining a building's energy classification. If no information on energy classification is obtained, a building will be assumed to be in the worst available category of energy performance. The policy includes special conditions for providing loans based on the energy performance of financed buildings. These conditions recognise that less energy-efficient buildings are likely to have higher maintenance and investment costs in the future, which could impact clients' ability to repay loans and therefore represent a credit risk. The recommended parameters of housing loans are differentiated by EPC levels and every energy performance category is assigned a different maximum repayment period and debt service-to-income ratio (DSTI).

If a client plans to refurbish financed real estate, the loan can be provided with parameters corresponding to the new energy performance category that the refurbishment is expected to implement. The target level of energy performance after refurbishment must be assessed and specified using methods that are locally admissible at the time of loan provision.

In addition, clients who purchase residential real estate (RRE) classified with a lower level of energy performance must comply with the maximum DSTI ratio specified in the policy. This ensures that the loan takes account of the real estate's higher costs for energy or future refurbishment.

The policy covers loans provided to private persons and micro-enterprises. The policy covers all of the broader real estate lending cycle, including loan origination, portfolio management and debt recovery. It does not include any explicit exceptions relating to the Bank's own operations or the upstream and downstream value chain.

By implementing this policy, Slovenská sporiteľňa also implements the guidelines of the European Banking Authority (EBA) on loan origination and monitoring and EU requirements relating to the GDPR and KYC. The Retail Credit Risk Management Division is responsible for the definition, safeguarding and updating of credit policy, which is approved by the Bank's Board of Directors and made available to internal stakeholders on the intranet.

Rules for Protection of the Environment and Climate in Slovenská sporiteľňa

This environmental policy defines the strategic principles that Slovenská sporiteľňa wishes to apply to its behaviour in relation to the environment. The policy is founded on broad indicative/general principles, roles and responsibilities relating to the development, implementation and adaptation of environmental matters. The policy covers the Bank's environment, energy and climate strategy, qualitative environmental objectives and overall targets for reducing the consumption of natural resources.

The policy is made available to all employees through the intranet.

The Strategy and Customer Experience Division is responsible for the content of the policy and compliance with it.

ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES (E1-3)

Table 15: List of key actions and decarbonisation levers

Sub-topic	List of key actions	Scope of actions	Decarbonisation levers	Horizon
E1 - Climate change mitigation E1 - Energy	Commercial Real Estate Financial Health Tool	Corporate segment – real estate financing	Support for a sustainable real estate sector	medium term
E1 - Climate change mitigation E1 - Energy	Financing of renewable energy projects	Corporate segment – project financing	Financing of emission reductions in the energy sector	long term
E1 - Climate change mitigation E1 - Energy	Refurbishment financing and energy savings calculators	Mortgages	Support for a sustainable real estate sector	medium term
E1 - Climate change mitigation	Reduction of coal financing in the portfolio	Corporate segment	Financing of emission reductions in the energy sector	medium term
E1 - Climate change mitigation E1 - Energy	Transition to low-carbon energy sources	Own operations	Reduction of emissions in own operations	medium term
E1 - Climate change mitigation E1 - Energy	Decarbonisation of employee mobility (e-fleet)	Own operations	Reduction of emissions in own operations	medium term
E1 - Climate change mitigation E1 - Energy	Increased energy efficiency in own buildings	Own operations	Reduction of emissions in own operations	medium term
E1 - Climate change mitigation	Employee engagement and awareness-building	Own operations	Reduction of emissions in own operations	medium term

Support for a sustainable real estate sector

Commercial Real Estate Financial Health Tool

Erste Group has developed a tool to measure the financial health (FH) of commercial real estate as means to increase client engagement, ensure greater transparency and improve the overall quality of its portfolio. The tool plays a crucial role in supporting climate change mitigation by helping to identify and promote energy-efficient building practices. By integrating data on energy performance and CO_2e emissions at the asset level, it enables the Bank and its clients to actively monitor and manage the carbon footprint of the commercial real estate portfolio.

The tool raises clients' awareness and promotes the implementation of renewable energy solutions such as on-site solar power generation or the procurement of green electricity. This initiative is part of a wider effort to increase energy efficiency and reduce carbon emissions in the commercial real estate sector.

The Commercial Real Estate FH Tool integrates key performance indicators for clients' assets with benchmarks derived from the Bank's portfolio data, internal policies and CO_2e thresholds. It enables visualisations of client projects, comparisons with other projects in the portfolio and setting them in the context of the Bank's commercial real estate decarbonisation pathways. The tool focuses on the downstream value chain, specifically the Bank's commercial real estate portfolio.

The tools supports the climate commitment by encouraging the financing of highly energy-efficient buildings and the spread of smaller- and larger-scale refurbishments in the existing portfolio, which contributes to the achievement of the aims and targets of the Sustainable Finance Guideline, the framework policy on sustainable financing and the group real estate finance policy.

The action contributes to achieving the "commercial real estate" objective referred to in Table 16: Portfolio decarbonisation targets and progress to 2024.

Screening of clients in the portfolio will begin in 2025. The main objective is to involve all relevant clients in the area of commercial real estate based on the available background information on assets. The Financial Health Tool therefore has an indirect effect on mitigating climate change and reducing GHG emissions by helping clients to identify and implement construction techniques for more energy-efficient buildings.

Renovation financing and the Energy Efficiency Calculator

To support the energy efficiency transition in residential real estate, we provide a digital web-based solution that simplifies the process of assessing their home refurbishment needs. Our tools for calculating refurbishment costs help clients to understand the energy performance of their property as it stands and to identify potential improvements. Our platform provides clients with a clear idea of where there is room for improvement in the energy performance of their home, what measures can address this and a quantification of the resulting benefits of such measures. The expected outcomes include an increase in customer engagement through digital channels and more homeowners investing in energy efficiency upgrades. The platform also provides support for accessing subsidy schemes and financing, which will improve the uptake of energy-saving technologies such as solar panels, heat pumps and home insulation. Where the criteria of financial viability and credit risk are met, we facilitate access to financing for energy upgrades. This is a key action that supports the implementation of the retail credit risk policy, the sustainable finance guideline and the sustainable finance framework, and the achievement of their objectives.

Scope of action:

The actions focus on the downstream value chain. Both actions relate to the medium-term time horizon.

The Commercial Real Estate Financial Health Tool is currently in the deployment phase and screening of all existing assets is expected with the short to medium term. The tool focuses on the downstream value chain, specifically the Bank's commercial real estate portfolio.

The refurbishment and energy efficiency calculator also applies to the Bank's downstream value chain, in this case retail mortgage clients. It focuses mainly on clients with high energy intensity.

In summary, financing for solutions for adapting to climate change such as refurbishment and actions to increase energy efficiency enables the Bank to reduce its clients' vulnerability to impacts of climate change such as energy price instability caused by climate-related events. Support for a sustainable real estate sector is also a way for the Bank to realise its opportunity to finance its clients' decarbonisation and sustainable transition in the real estate sector and pursue Net Zero in its portfolio by reducing the emissions that the Bank finances. This action also contributes to the target of 25% sustainable corporate loans and 15% sustainable mortgage loans. Additional information is given in Table 18: Sustainable finance targets.

Financing of emission reductions in the energy sector

Renewable energy financing

The Bank's aim in financing renewable energy is to increase the share of sustainable project financing supporting the transition to greener energy sources. By prioritising clients with decarbonisation technologies, the Bank aims to accelerate the implementation of renewable energy solutions such as wind and solar power and battery storage. The expected impact is a decrease in financed emissions in the power and heat sectors. This initiative is a key action contributing to the achievement of the aims and objectives set out in the SFG.

Reducing coal financings

In line with its Responsible Financing Policy, the Bank has committed to a progressive reduction in its financing of thermal coal mining and the generation of electricity from thermal coal and aims to reach zero exposure by 2030. As regards the oil and gas sectors, the Bank has undertaken not to expand its financing of oil and gas extraction unless it is crucial for national energy security within Europe.

Scope of action:

The scope of actions relating to renewable energy sources covers the Bank's downstream value chain, specifically renewable energy projects in the power and heat sectors. Actions on sustainable renewable energy financing are designed for a long-term time horizon.

Actions to remove coal from the portfolio apply to the Bank's downstream value chain. The time horizon for reducing coal financing in the portfolio is the medium term.

Reduction of emissions in own operations

Decarbonisation of employee mobility

The Bank plans to electrify its vehicle fleet. The aim is to achieve a 100% electric fleet by 2030, which will help to reduce GHG emissions from fuel combustion and emissions related to fuel production (emission scope 3 category 3). In recent years, the Bank has made significant progress in electrifying its vehicle fleet and 29% of its vehicles were electric powered in 2024.

Increased energy efficiency in own buildings

Alongside the transition to low-carbon energy sources, the reduction of actual energy consumption is crucial for achieving the target of Net Zero in own operations by 2030. The highest priority contribution to this is increasing the energy efficiency of the Bank's buildings. This includes various sub-actions: installing smart meters to monitor and remotely control heating and cooling systems, improving the insulation of doors, windows and walls during branch refurbishment and increasing employees' awareness of energy-saving behaviour. These measures should significantly reduce actual energy consumption and contribute to the reduction of Scope 1 and 2 emissions.

Transition to low-carbon energy sources

Over the last two years, the bank has achieved significant increase in its procurement of green electricity (the Bank's current energy mix is presented in section Energy consumption and mix (E1-5)). In 2024, more than 90% of the electricity that the Bank procured met this requirement. The Bank is also taking action to transition to alternative heating systems such as district heating and heat pumps. The group plans to implement these actions through the direct purchase of green electricity or through guarantees of origin, refurbishment of buildings where possible and the installation of heat pumps or connections to local district heating systems.

Employee engagement and awareness-building

To support the ongoing education of employees and cultivate a sense of shared responsibility, the Bank offers its employees training on ESG from obligatory basic and corporate training to voluntary training available to all employees. This action supports the overall objective of decarbonisation by encouraging changes in behaviour and operations.

Scope of action:

The actions to increase employees' engagement and raise awareness operate in the short-term while the decarbonisation of employee mobility, the increase in the energy efficiency of own buildings and the transition to low-carbon energy sources are medium-term actions.

The Bank has not calculated the expected decrease in GHG emissions for the individual measures but they are expected to make a net contribution to the Bank's objectives described in the chapter Transition plan for climate change mitigation (E1-1). As the Bank has not calculated expected GHG emission reductions for individual actions, it is not possible to report any reductions achieved in a given year. The successful implementation of the measures described above depends on market conditions relating to the decarbonisation strategy of Slovakia and customer demand for the individual measures. Implementation of the actions described above does not require significant amounts of CapEx and OpEx nor does it include activities covered by Commission Delegated Regulation (EU) 2021/2178.

TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION (E1-4)

Targeting Net Zero in the Bank's portfolio

The Bank's targets are detailed in the table Portfolio decarbonisation targets and progress to 2024, which sets out information on the relevant sectors, the current base year, the target value, benchmark and the scenarios and methodologies used. The Bank's targets for reducing GHG emissions are scientifically robust and, except for two sectors (Mortgages and Commercial Real Estate), they are aligned with limiting global warming to 1.5°C.

The Bank's aims in seeking a net-zero portfolio are to minimise credit risk resulting from physical risks and transition risks, to address opportunities to finance solutions for climate change adaptations and renewable energy projects, to increase positive impacts by financing renewable energy solutions and to mitigate the negative impacts of financing of energy-intensive companies.

No changes were made in the targets, the corresponding metrics or the underlying methodologies in 2024.

The Bank's interim progress is shown in the table Portfolio decarbonisation targets and progress to 2024. Progress towards the target is monitored at regular intervals. Specialised internal reports based on monitoring of current values are submitted to management and approved by the Bank's Board of Directors as part of the risk report on a quarterly basis. Target values have not been externally assured.

With the exception of heat and steam production, all target values are expressed as ratios, which means that future developments such as sales volumes or regulatory factors should not affect the achievement of the targets.

Table 16: Portfolio decarbonisation targets and progress to 2024

Sector	Metrics	Methodology	Scenario/Pathway	Emission Scope	Base Year	Value	Current Year	% Reduction	Target 2030	% Reduction	Target 2050	% Reduction
Mortgages	$kgCO_2e/m^2$	SBTi SDA	IEAB2DS	1 and 2	2022	65.45	67.24	3%	37.37	-43%	0.81	-99%
Commercial real estate	$kgCO_2e/m^2$	SBTi SDA	IEAB2DS	1 and 2	2022	36.38	22.50	-38%	18.51	-49%	1.00	-97%
Electricity production	$kgCO_2e/MWh$	PACTA	IEANZE2050	1 and 2	2022	350.30	222.50	-36%	139.40	-60%	22.90	-93%
Heat & steam production	thousand tCO_2e	SBTi AC	IEA NZE2050	1 and 2	2022	371.16	59.00	-84%	242.71	-35%	1.94	-99%
Oil and gas extraction	thousend tCO_2e	PACTA	IEA NZE2050	1,2 and 3	2023	-	-	-	-	-	-	-
Automotive sector	gCO_2e/km	PACTA	IEA NZE2050	1,2 and 3	2023	181.80	157.10	-14%	99.30	-45%	23.62	-87%
Iron and steel[1]	tCO_2e/tonne steel	PACTA	IEA NZE2050	1 and 2	2023	1.38	1.03	-25%	1.09	-21%	-	-
Cement production	tCO_2e/tonne cement	SBTi SDA	IEA NZE2050	1 and 2	2023	-	-	-	-	-	-	-

[1] No long-term targets for 2050 have been set for the iron and steel sector because technological uncertainties – regarding, amongst other matters, the development of alternative fuels such as hydrogen on a competitive industrial scale – are still too great. The Bank is currently working on improving the basis for long-term targets so that it can set specific targets for 2050 in coming years.

As all targets are derived from the SBTi and PACTA methodologies, they serve as benchmarks based on the 1.5°C scenario, except for the real estate sectors (Mortgages and Commercial Real Estate). For these sectors, the Bank will seek to establish revised targets in 2025.

Electricity decarbonisation target

The power generation sector will be central to the success of Europe's decarbonisation. As one of most polluting sectors at present, it offers a significant opportunity for the transition from fossil fuels to renewable energy sources. A greener energy mix will be a key factor in reducing emissions in other sectors.

EU climate targets support the energy transition by increasing the ambition of Member States' national programmes to implement clean energy measures. Electricity grids must be flexible and require expansion in energy storage batteries and flexible devices such as combined cycle gas turbines. The expansion and modernisation of transmission and distribution networks offers financing opportunities to meet the growing demands for electrification.

In terms of scope, this portfolio includes direct emissions (scope 1) from burning fossil fuels and indirect emissions (scope 2) related to the purchase of electricity, heat and cooling necessary for operations.

The methodology used is based on the PACTA framework adapted to financial institutions. This enables the Bank to monitor and manage the physical emission intensity of electricity producers within its portfolio. Decarbonisation targets are defined with reference to physical metrics and are measured as $kgCO_2e/MWh$.

This metric plays a key role in assessing whether a client is ready for the necessary transition in accordance with the 2030 and 2050 decarbonisation targets.

For alignment with global efforts to limit temperature increases, the IEA Net Zero 2050 scenario has been applied as a benchmark. The targets aim for a 60% reduction in the physical emission intensity of the portfolio by 2030, reducing it from a baseline of 350.3 $kgCO_2e/MWh$ in 2022 to 139.4 $kgCO_2e/MWh$. Progress towards the target is closely monitored, with interim results showing a reduction to 222.5 $kgCO_2e/MWh$ as of 2024, i.e. by 36% compared to 2022.

The NZE 2050 (1.5°C) scenario was used to derive future trajectories for specific technologies. In its publication "Net Zero by 2050: A Roadmap for the Global Energy Sector", the IEA shows how a global energy sector with net zero emissions can be built by 2050. The key drivers of this scenario are electrification and electricity supply and demand. Electricity supply will change, with the share of renewable energy sources increasing and coal use decreasing on the global level. Natural gas will be used as a transitional energy source until 2030 but will decrease in the long term.

Heat and steam decarbonisation target

In terms of scope, this portfolio includes direct emissions (scope 1) from burning fossil fuels and indirect emissions (scope 2) related to the purchase of electricity, heat and cooling necessary for operations.

The Bank aims to reduce the absolute quantity of financed emissions in this portfolio by 35% by 2030, reducing it from a baseline of 371.16 $ktCO_2e$ in 2022 to 242.71 $ktCO_2e$. Interim results show a reduction to 59.00 $ktCO_2e$ as of 2024, i.e. a decrease of 84% compared to 2022.

The derivation of the targets employed the absolute reduction approach (1.5 degrees) envisaged by the SBTi tool extended by the net-zero tool for long-term targets (2050) assuming a reduction of emissions by 99%. In this case, cooling technology is expected to increase demand for electricity in developing economies. Electrification of heating and cooling will pose a challenge for electricity networks.

Iron and steel decarbonisation target

The decarbonisation target for the iron and steel sector applies to clients engaged in the production or casting of iron and steel, and it covers scope 1 and 2 emissions.

The methodology used is based on the PACTA framework adapted to financial institutions. It enables the Bank to monitor and manage the physical emission intensity of iron and steel production in its portfolio with the indicator tCO_2/tonne of steel. This metric plays a key role in assessing whether a client is ready for the necessary transition in accordance with the Bank's 2030 decarbonisation target. For alignment with global efforts to limit temperature increases, the Net Zero 2050 scenario (WEO 2021) has been applied as a benchmark. As there is uncertainty about the development of the technologies necessary to support this sector's transition to net zero after 2030, targets are set only for 2030. The scenario assumes that the industry will transition from basic oxygen furnaces that emit large amounts of carbon dioxide and nitrogen oxide to electric arc furnaces supported by the use of renewable energy.

The targets aim for a 21% reduction in the physical emission intensity of the portfolio by 2030, reducing it from a baseline of 1.38 tCO_2/tonne of steel in 2023 to 1.09 tCO_2/tonne of steel. Interim results point to a reduction to 1.03 tCO_2/tonne of steel as of 2024, which represents a 25% decrease.

Automotive decarbonisation target

This target is defined for original equipment manufacturers, specifically makers of light-duty vehicles (LDV). The portfolio includes scope 1, 2 and 3 emissions so that emissions over the whole life of the vehicle can be considered.

The Bank uses a methodology based on the PACTA framework adapted to financial institutions. This enables the Bank to focus on the value chain that manages most of the impact and decarbonisation efforts, and to monitor and manage the physical emission intensity of the vehicles in its portfolio, which is measured as gCO_2e/km.

For alignment with global efforts to limit temperature increases, the Net Zero 2050 scenario (WEO 2021) has been applied as a benchmark. The targets aim for a 45% reduction in the physical emission intensity of the portfolio by 2030, reducing it from a baseline of 181.80 gCO_2e/km in 2023 to 99.30 gCO_2e/km. Interim results indicate a reduction to 157.10 gCO_2e/km as of 2024, i.e. a decrease of 14% compared to 2023.

The decrease of CO2 emissions captured in the Bank's decarbonisation pathway is mainly due to EU regulations issued by the European Parliament prohibiting the sale of new petrol and diesel cars in the EU from 2035 and the Fit for 55 programme.

Commercial real estate and mortgage decarbonisation target

This decarbonisation target applies to clients in the real estate sector. The definition of the real estate sector, which includes mortgages and commercial real estate, is governed by the PCAF guidelines for the calculation of financed emissions. The portfolio includes scope 1 and 2 emissions.

The methodology used is based on the SBTi framework using the SDA (Sectoral Decarbonization Approach). This enables the Bank to monitor and manage the physical emissions intensity of mortgages and financed real estate in its portfolio. The key metric used for quantification is $kgCO_2e/m^2$. This metric plays a key role in assessing whether real estate assets are aligned with the Bank's 2030 decarbonisation pathway. For the Bank's alignment with global efforts to limit temperature increases, the Beyond 2°C Degrees scenario (IEA ETP 2017) has been applied as a benchmark. Mortgage targets aim at a 43% reduction in the physical emission intensity of the portfolio by 2030, reducing it from a baseline of 65.45 $kgCO_2e/m^2$ in 2022 to 37.37 $kgCO_2e/m^2$. Interim results indicate an increase to 67.24 $kgCO_2e/m^2$ as of 2024, i.e. an increase of 3% compared to 2022. This is mainly due to a lower rate of building refurbishment.

Commercial real estate targets aim at a 49% reduction in the physical emission intensity of the portfolio by 2030, reducing it from a baseline of 36.38 $kgCO_2e/m^2$ in 2022 to 18.51 $kgCO_2e/m^2$. Interim results indicate a reduction to 22.50 $kgCO_2e/m^2$ as of 2024, i.e. a decrease of 38% compared to 2022.

Targeting Net Zero in own operations

The Bank has set a Net Zero target for its own operations, which means a reduction in scope 1 and 2 emissions by 90% compared to the base year (2017). In absolute terms, this means reducing scope 1 and 2 emissions from 7,861 tCO_2e to 786 tCO_2e by 2030.

The Net Zero target for scope 1 and 2 emissions due to operations was set using the SBTi Net-Zero Standard and Target Setting tool v1.1, which is aligned with limiting global warming to 1.5°C.

The target aims to reduce emissions through the energy mix, the Bank's own GHG emissions and supply chain GHG emissions. There is currently no policy document governing the operational emissions reduction target. Nevertheless, decarbonisation targets supporting the operational target have been identified, as is explained in the chapter Actions and resources in relation to climate change policies (E1-3).

Table 17: Decarbonisation targets

		Baseline		Actual		Short-term		Mid-term	
Targets	Metric	Year	Value	Year	Value	Year	Target	Year	Target
Total scope 1 and 2 emissions	tCO_2e	2017	7,861	2024	1,656	-	-	2030	786
Electric fleet	% of e-cars in total car fleet	-	-	2024	29%	2025	29%	2030	100%

Sustainable finance targets

Expanding sustainable finance to 25% of the corporate portfolio

The target of expanding sustainable finance to 25% of the corporate portfolio focuses on the challenges of climate change adaptation and mitigation. The Bank seeks to minimise the credit risk caused by physical climate-related risks which reduce the value of collateral and have negative impacts on the business model and financial stability of clients, while also seeking to address opportunities. Such opportunities include investments in renewable energy projects, strengthening positive impacts through the financing of clients' climate change adaptation solutions and decarbonisation plans, and climate change mitigation through the reduction of financed CO_2e emissions.

The Bank has set the target of achieving a 25% share of sustainable loans in the corporate portfolio in 2026 with no applicable milestones or interim targets. The target is defined relative to the Bank's total financial exposure to enterprises.

Progress against the target shows that the Bank is on track to reach the 25% target in 2026. In 2024 the share of the corporate portfolio meeting sustainable finance criteria increased from 11.9% (2023) to 19.0%, which indicates a positive trend towards achieving the target.

Expanding sustainable finance to 15% of the mortgage portfolio

As in the case of corporate financing, the target of expanding sustainable mortgages to 15% of this portfolio focuses primarily on physical risks related to climate, which could reduce the value of collateral or have a negative impact on clients' ability to repay their loans.

The Bank has set the target of achieving a 15% share of sustainable mortgage loans in the retail segment in 2027 with no applicable milestones or interim targets. The target is measured by dividing the retail mortgage loan exposure that the Bank has classified internally as sustainable by the total volume of retail mortgage loans at the reporting date. The target is defined relative to the total retail mortgage loan portfolio. Since the target is a fixed ratio of 15% in 2027, no baseline value or base year need to be applied for measuring progress.

In 2024 the share of mortgages meeting sustainable finance criteria increased from 9.5% (2023) to 13.3%, which indicates a positive trend towards achieving the target.

The criteria and the due diligence process for the classification of financial activities as sustainable or unsustainable are defined by Erste Group in the Sustainable Finance Guideline (SFG) taking the EU taxonomy criteria as a reference point with the aim of identifying investments that will help existing activities become climate-neutral, climate-resilient and environmentally sustainable.

As a rule, the Bank assesses the entire set of criteria defined in the EU taxonomy. If a client fails to provide sufficient information to prove compliance with the do no significant harm (DNSH) criteria and/or the minimum safeguards (MSS) in accordance with the taxonomy, the Bank conducts a less comprehensive internal DNSH and MSS screening internally. This includes groups of clients that are currently excluded from EU taxonomy disclosure and takes account of their limited ability to provide information.

The targets are not based on scientific evidence.

Table 18: Sustainable finance targets

				Targets			
		Actual		Short-term		Mid-term	
	Metric	Year	Value	Year	Target	Year	Target
Sustainable corporate financing	% of corporate financing portfolio	2024	19.0%	-	-	2026	25%
Sustainable retail mortgages	% of retail mortgage portfolio	2024	13.3%	-	-	2027	15%

Table 19: Sustainable finance in portfolio in 2024 by sectors in EUR million

Sector	2024
New corporate sustainable financing, total new business	336
Construction and real estate	220
Renewable energy	17
Transportation	61
Other corporate financing	38
Sustainable mortgages	1,482

ENERGY CONSUMPTION AND MIX (E1-5)

The Bank collects data on energy consumption using the UL360 software system from UL Solutions. Energy consumption is recorded and evaluated individually. Values for annual electricity and heat consumption in MWh are collected at the level of individual addresses broken down by source of electricity and type of heating to enable the reporting of total energy consumption from fossil, nuclear and renewable sources. Supplier invoices are recorded in the system as evidence. The attribution of energy to fossil, nuclear or renewable sources is carried out by the UL360 system using the following logic:

- Consumption from 100% renewable sources (e.g. purchases of green electricity specified in the contract with the energy supplier) is automatically assigned to "renewable sources".
- The same applies to energy that is 100% from fossil sources (e.g. diesel for emergency generators), which is automatically assigned to the "fossil" category.
- Energy from mixed sources, e.g. national electricity supplies or district heating using a mixture of biomass and fossil sources, can be disaggregated during data entry based on data shown in energy bills or provided by suppliers.
- If an employee entering data does not have access to such information, it is disaggregated in line with the national average mix.

Measurement uncertainty may arise where the collection of data on energy consumption is not directly linked to meters installed in offices or branches but is based on the manual entry of energy consumption billed by the energy supplier. For some locations, data must be extrapolated if invoices are received after reporting date or different periods of interruption are taken into account.

For locations where no consumption values supported by a supplier invoice are available, average consumption is calculated based on the net floor area of the location and using the national average mix of energy from fossil, nuclear and renewable sources.

Table 20: Energy consumption and mix

Energy mix	2024
Total energy consumption (MWh)	20,747
Total fossil energy consumption (MWh)	11,862
Share of fossil sources in total energy consumption (%)	57.17%
Consumption from nuclear sources (MWh)	409
Share of consumption from nuclear sources in total energy consumption (%)	1.97%
Total energy consumption from renewable sources disaggregated by:	8,476
-fuel consumption for renewable sources1	0
-consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources;	8,476
-consumption of self-generated non-fuel renewable energy	0

The Bank does not have activities in high climate impact sectors.

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

In 2024, environmental reporting covered all entities consolidated with Slovenská sporiteľňa under the financial control approach with at least one FTE.

Greenhouse gas emissions attributable to the Bank's operations are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. The calculations cover emissions in Scopes 1, 2 and 3 and each has been measured in CO_2 equivalents (CO_2e). Operational emissions were calculated using emission factors with GWP100 and include relevant emissions of the greenhouse gases CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3. The Bank does not emit biogenic emissions in Scope 1.

The approaches adopted for different emission categories are described below. The Bank has identified the following Scope 3 categories as material:

- 3.1 - Purchased goods and services
- 3.2 - Capital goods
- 3.3 - Fuel- and energy-related activities (not included in Scope 1 or Scope 2)
- 3.4 - Upstream transportation and distribution
- 3.5 - Waste generated in operations
- 3.6 - Business travelling
- 3.7 - Employee commuting
- 3.13 - Downstream leased assets
- 3.15 - Investments

The other Scope 3 categories are not material for the Bank and are therefore not measured. In the future, the Bank will continue to strive to improve data quality across the value chain.

Scopes 1+2

The Bank collects Scope 1 and Scope 2 environmental data using the UL360 software system from UL Solutions. Energy consumption is recorded and evaluated individually. Scope 2 emissions were calculated using both the location-based and market-based methods. Grid factors were used in emission calculations using the location-based method. Market-based calculations considered the Bank's actual energy mix based on its own procurement strategy. When calculating GHG equivalents (CO_2e), UL360 uses the DBEIS 2024 and IEA 2024 emission factors. The only contractual instruments used by the Bank relate to the purchase of electricity with guarantees of origin from renewable sources, whose emission factor is zero.

Scope 3.1 - 3.7

Scope 3.1 - Purchased goods and services

A spend-based method was used for Scope 3.1. Emissions for goods and services were estimated by gathering data on the economic value of goods and services purchased by the Bank and multiplying them by emission factors from an environmentally extended input output analysis (EEIOA; EXIOBASE 2024). Every purchase was assigned to the corresponding emission category from EXIOBASE and multiplied accordingly.

Scope 3.2 - Capital goods

A spend-based method was used for Scope 3.2. As with Scope 3.1, emissions for capital goods were estimated by collecting data on the economic value of the capital goods purchased by the Bank and multiplying these values by EEIOA-based emission factors (EXIOBASE 2024). Every purchase was assigned to the corresponding emission category from EXIOBASE and multiplied accordingly.

Scope 3.3 - Fuel- and energy-related activities (not included in Scope 1 or Scope 2)

An average-data method was used for Scope 3.3. Emissions were estimated using secondary emission factors (DBEIS, 2024) for upstream emissions per unit of consumption (transmission and distribution (T&D) and well-to-tank (WTT)). Data on purchased energy and fuel are actual data direct from the supplier which are used as the inputs for Scope 1 and 2 calculations. The data is extracted from the UL360 internal ESG database, which is managed by the Properties and Facility Management Department.

Scope 3.4 - Upstream transportation and distribution

A spend-based method was used for Scope 3.4. As with Scopes 3.1 and 3.2, emissions for upstream transport and distribution were estimated by collecting data on the economic value of the transport and distribution services purchased by the Bank and multiplying these values by EEIOA-based emission factors (EXIOBASE, 2021). Every purchase was assigned to the corresponding emission category from EXIOBASE and multiplied accordingly.

Scope 3.5 - Waste generated in operations

Scope 3.5 emissions were calculated using a waste-type-specific method if primary data was available for the relevant waste types. For all available primary data, waste descriptions were assigned to waste activities and waste types. Waste types were then assigned to waste treatment options based on DEFRA 2024 (The Department for Environment, Food and Rural Affairs, UK). The emissions for waste types were then multiplied by the emission factors derived from the waste treatment options provided by DEFRA. Waste treatment was disaggregated based on research and data on municipal waste treatment from the OECD and EEA.

If primary data was not available, the Bank applied estimates. The average municipal waste per FTE based on the available primary data from all Erste Group subsidiaries was used as a benchmark to calculate waste consumption. Emissions were calculated using DEFRA emission factors.

Scope 3.6 - Business travelling

Scope 3.6 emissions were calculated based on the distance travelled on business. Information on the distance and the mode of transport used in business travel is gathered in UL360 and partially extrapolated when primary data is not available. Extrapolation is based on the average distance travelled using a given mode of transport based on the actual data entered into the system. The calculation used relevant emission factors for each means of transport used (car, train, plane …) (UBA, 2024).

Scope 3.7 - Employee commuting

For Scope 3.7, a survey of Erste Group employees was carried out in selected countries in 2024 to determine the average distance travelled and the mode of transport that employees used to travel to work. Averages from this survey were applied to the Bank. In addition, the number of working days was calculated considering days of leave, average days of sickness and the rate of working from home. The Bank’s human resources department provided the necessary information. The calculation used appropriate emission factors for each mode of transport (UBA, 2023) as a multiplier.

Measurement uncertainty

Measurement uncertainty may arise especially when emissions are calculated using extrapolation. This applies especially to emissions categories with limited data availability such as “waste generated in operations” and “employee commuting”.

Table 21: Total GHG emissions E1-1

	Base year 2022	Actual year 2024	% Change compared to base year
Scope 1 GHG emissions1			
Gross scope 1 GHG emissions (tCO2e)	2,749	2,230	-18.88%
Percentage of scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0%
Scope 2 GHG emissions			
Gross location-based scope 2 GHG emissions (tCO2e)	1,481	1,311	-11.48%
Gross market-based scope 2 GHG emissions (tCO2e)	274	313	14.23%
Significant scope 3 GHG emissions 3			
Total Gross indirect (scope 3) GHG emissions (tCO2e)	2,775,493	3,242,748	16.84%
Purchased goods and services	280	275	-1.79%
Capital goods	57	99	73.68%
Fuel and energy-related activities	590	492	-16.61%
Upstream transportation and distribution	521	729	39.92%
Waste generated in operations	78	61	-21.79%
Business travels	353	219	-37.96%
Employee commuting	1,877	2,233	18.97%
Downstream leased assets	105,038	160,905	53.19%
Investments	2,666,698	3,077,736	15.41%
Total GHG emissions			
Total GHG emissions (tCO2e)	2,779,724	3,246,288	16.78%
Total GHG emissions (location-based) (tCO2e)	2,778,517	3,245,291	16.80%

The consolidated subsidiaries of Slovenská sporiteľňa produce less than 1t Co_2e in Scopes 1 and 2. The Bank has no financial or operation control of any entities other than its consolidated companies. Scope 3.15 Investments does not include associates measured using the equity method as the volume of these issues did not exceed the materiality threshold for inclusion in 3.15.

Table 22: GHG emission intensity per net revenue E1-3

GHG intensity per net revenue	Year 2024
Total GHG emissions (location-based) per net revenue (tCO2e/EUR)	5,882.19
Total GHG emissions (market-based) per net revenue (tCO2e/EUR)	5,880.38

Table 23: Reconciliation of net revenue and assets E1-4

	Net revenue	Assets (Carrying Amount)
Amounts used to calculate GHG emissions (EUR ths.)	551,884.4	
Total amount according to the financial statements (EUR ths.)	1,246,822.3	26,414,687.3

Scope 3.13 and 3.15 - Financed emissions

Financed emissions include the rows Investments and Downstream leased assets in the table Total GHG emissions E1-1, which represent 3.24 million tonnes of CO_2e.

Overall, the calculation of financed emissions for 2024 covers 58% of credit exposure. The uncovered part of the exposure is explained by the fact that selected portfolios (e.g. exposures to central banks and credit institutions, off-balance sheet items and consumer loans) are not currently included in calculations of financed emissions.

The Bank used the PCAF methodology (2022 version) to calculate its financed emissions (Scope 3 category 15 "Investments"). As this standard is aligned with the internationally recognised GHG Protocol, emissions are calculated for all seven GHGs referred to 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).

Details of the methodology, including assumptions, are set out in the "Methodology" section below. The calculation considered the following asset classes defined by PCAF:

- corporate bonds
- business loans
- project financing
- financing for commercial real estate
- mortgages

Calculations for leasing (category 13 "Downstream leased assets") use the same methodology as category 15 but are reported as a separate sub-item.

The financed emission intensity was around 189 tCO_2e/million euro.

Additionally, the Bank is making its first report of a weighted average carbon intensity (WACI) metric, which measures clients' emissions in relation to their income weighted by the respective client's share of the total portfolio. The WACI can only be calculated for the following PCAF asset classes - business loans, corporate bonds and project financing. The metric is not fully relevant for calculation of emissions related to financed buildings because the calculation depends on the financed building and not the client's emissions.

One of the seven existing PCAF calculation methods - motor vehicle loans - is not yet applicable. The motor vehicle asset class was not implemented as such because of its low portfolio weight. Financed emissions from this class are currently calculated using the method for business loans. Equities are likewise not treated as a separate asset class due to their low portfolio weight.

Methodology

Business loans, corporate bonds and project financing

In respect of business loans, the Bank applies PCAF methodology using either emissions reported by clients or emission factors obtained from the PCAF database, except in the case large real estate companies, for which the Bank applies its own approach. Loans provided to large companies engaging in real estate activities (NACE L68) are included in the PCAF asset class business loans if the purpose of financing cannot be clearly linked to one or more commercial properties. As the PCAF database assigns only very low emission intensity values to such exposures, they have been replaced by higher emission intensity values from the commercial real estate asset class. In this, the Bank applies the conservative assumption that a large part of any funds provided to real estate companies are used to finance the company's buildings even when loan documentation does not include specific evidence of this.

In the business loans and corporate bonds modules, the Bank deviates from the PCAF standard for listed companies by using the balance sheet value as the numerator for calculation of the attribution factor rather than EVIC (Enterprise Value including Cash) because the EVIC value could lead to higher volatility purely as a result of capital market movements, i.e. during periods of market stress the financed emissions would increase even if there were not changes in the company's physical production. Not all financial institutions apply EVIC in the calculation of financed emission because of this limitation of the metric. PCAF has also acknowledged this topic in a discussion document published in December 2024.

In the case of project financing, the Bank assumes that renewable energy projects (wind, solar, geothermal and hydro power) have a zero emission factor for Scopes 1 and 2. In the absence of a purpose of financing and in other project financing, the Bank applies the calculation method for the business loans asset class using either emissions reported by companies or estimates based on the financial indicators and emission factors drawn from the PCAF database.

In its reporting for 2024, the Bank continues the use of PCAF emission factors from the base year 2015 (EXIOBASE database) to ensure comparability with the data from the previous year which was also used as the basis for setting targets. The original PCAF version was based on the EXIOBASE 2015 database and the most recent update in March 2023 replaced this with EXIOBASE 2019. Retaining EXIOBASE 2015 for 2024 is also in accordance with information for users published by PCAF, which recommends using the same database on economic emission factors for a longer time period (at least 3 years). PCAF does not consider downstream emissions in Scope 3 emission factors.

Commercial real estate and mortgages

In respect of commercial real estate and mortgages, the calculation of financed emissions is based on data about the buildings used in the first step to calculate the building's emissions. Depending on the availability of data, the Bank applies methods for calculating building emissions in the following order (which does not reflect the data quality score):

1. CO_2 emissions specified in an energy certificate
2. Primary energy demand specified in an energy certificate
3. Primary energy demand category specified in an energy certificate
4. Primary energy demand category with an advanced approach to energy certificate estimation
5. Primary energy demand category based on year of construction
6. Primary energy demand category based on the national average obtained from the PCAF database for buildings in Europe since 2022

The Bank decided to apply emission conversion factors based on statistical data on energy mixes and emission intensities. These factors are also a key element in the development of decarbonisation model scenarios. Additionally, the conversion factors obtained in this way have the advantage that if internal portfolio data is available, national averages can be replaced with the corresponding portfolio data (e.g. if the share of gas in the portfolio is lower/higher than the national average). The main source of data on energy mixes and emission intensity was the European Calculator (EUCalc) in the case of electricity and the German Umweltbundesamt (UBA) in the case of heating.

Table 24: Financed emissions E1-10 in 2024

	Credit exposure	Credit exposure covered by emission calculation	Financed emissions, $tCO_{2}e$		Emission intensity	Weighted data quality (High=1, Low=5)		Weighted average carbon intensity	
	In EUR ths.	In EUR ths.	Scope 1 + Scope 2	Scope 3	$tCO_{2}e$/EUR Mio	Scope 1 + Scope 2	Scope 3	Scope 1 + Scope 2	Scope 3
per PCAF asset class									
Corporate bonds	-	129,857	3,534	5,522	70	4.0	4.0	253	396
Business loans	-	4,423,586	781,454	1,641,826	548	3.7	3.8	159	333
Project finance	-	85,615	5,017	8,620	159	4.1	4.1	162	278
Mortgages	-	11,162,830	770,527	-	69	3.8	-	-	-
Commercial real estate	-	1,313,161	22,141	-	17	3.6	-	-	-
Total	**29,660,618**	**17,115,050**	**1,582,672**	**1,655,968**	**189**	**3.8**	**3.8**	**160**	**335**
per sector									
Natural resources & commodities	1,201,477	716,929	245,942	335,031	810	3.8	3.9	334	455
Energy	1,547,627	608,377	247,454	97,586	567	3.2	3.4	630	248
Construction	1,695,218	515,581	93,407	270,264	705	4.0	4.0	141	411
Automotive	568,516	242,798	20,676	172,917	797	3.4	3.3	58	484
Cyclical consumer goods	552,596	344,453	46,709	91,417	401	3.9	4.0	73	143
Non-cyclical consumer goods	615,477	433,012	42,304	272,630	727	3.4	3.3	62	401
Machinery	525,701	255,494	10,295	121,506	516	3.9	3.9	34	397
Transportation	1,264,062	664,326	44,992	164,466	315	3.7	3.7	77	283
TMT	240,091	127,289	5,200	18,570	187	4.0	3.9	38	140
Healthcare & Services	546,459	320,688	14,776	58,922	230	4.0	4.0	44	174
Hotels and Leisure	271,829	225,989	8,942	32,894	185	3.9	4.0	44	218
Real estate	1,774,879	1,467,119	31,864	18,608	34	3.9	4.9	77	112
Public sector	4,440,923	9,198	17	88	11	4.0	4.0	29	149
Financial institutions	683,317	33,936	345	924	37	4.1	4.1	25	67
Private customers	13,732,021	11,149,495	769,725	0	69	3.8			
Other sectors	425	368	24	145	460	4.0	4.0	60	354
Total	**29,660,618**	**17,115,050**	**1,582,672**	**1,655,968**	**189**	**3.8**	**3.8**	**160**	**335**
of which category 13 (Downstream Leased Assets)		371,429	54,028	106,877	433	3.5	3.5		
according to risk countries									
Slovakia		16,721,675	1,525,749	1,592,181	186	3.8	3.8	157	338
Czechia		207,889	43,396	20,468	307	3.8	4.0	324	155
Spain		22,797	1,037	15,957	745	2.1	2.1	52	815
Poland		7,369	888	5,346	846	4.6	4.6	104	625
Romania		1,672	413	5,227	3 373	3.9	4.1	196	3 021
Hungary		6,575	1,631	3,314	752	4.9	4.9	209	425
Austria		6,878	1,823	1,253	447	4.1	5.0	672	539
Switzerland		8,344	553	2,502	366	4.0	4.1	13	66
Slovenia		5,211	886	1,775	511	4.1	4.1	175	350
Ukraine		52,877	2,357	0	45	3.8	5.0	48	36
Remaining Countries		73,764	3,941	7,945	161	4.1	4.3	77	222
Total	**29,660,618**	**17,115,050**	**1,582,672**	**1,655,968**	**189**	**3.8**	**3.8**	**160**	**335**

Detailed results by data quality

The evaluation of data quality (data availability) was based on the PCAF, where the scale ranges from DQ 1 (= the highest data quality – verified emissions reported by client) to DQ 5 (= the lowest data quality – data on the client's economic activity and the applicable PCAF factor). The data quality in our calculations reflects our high dependency on sectoral emission factors as relevant information on clients was not widely available. Re-reported emissions in the corporate client segment are not currently distinguished as verified or unverified so DQ 2 is applied in accordance with the conservative approach.

The weighted average data quality of the quantified portfolio was 4.1 as of the reporting date for 2024. The table shows a breakdown of financed emissions by data availability (energy performance certificates for the real estate sector and reported emissions for other PCAF asset classes).

Financed emission data derived from clients' reported emissions or available energy performance certificates is disclosed separately from financed emission data calculated using PCAF factors. The share of emissions derived from reported emissions or from an available energy performance certificate is 25% of credit exposure (covered by the emissions calculation) and 19% of financed emissions. This share is higher for real estate sector, though it must be noted that – depending on country-specific standards – an energy performance certificate often covers only demand for (primary) energy and not the level of emissions.

Corporate segments show lower emission intensity (tCO_2e/million euro) if the Bank uses PCAF factors to calculate emissions. In the case of Scope 3, this is mainly due to the fact that the PCAF emission factors consider only upstream emissions. There is also higher emission intensity in Scopes 1 and 2 for corporate clients with reported emissions. One of the causes may be an uneven sectoral distribution, because clients in more carbon-intensive sectors are more likely to be subject to emission disclosure requirements.

Table 25: Financed emissions by data quality

	Credit exposure covered by calculated emissions	Financed emissions thousand tCO2e		Emission intensity tCO2e/in EUR million		Weighted data quality (High = 1, Low = 5)	
	EUR ths.	scope 1 + scope 2[1]	scope 3	scope 1 + scope 2	scope 3	scope 1+2+3	Scope 3
Reported emissions / energy performance certificate available (by PCAF asset class)							
Corporate bonds	9,356	368	1,962	39	210	2.0	2.0
Business loans	556,158	53,959	309,298	97	556	2.0	2.0
Project finance							
Mortgages	3,023,704	73,169		24		3.0	
Commercial real estate	747,154	11,871		16		3.0	
Sub-total	**4,336,372**	**139,367**	**311,261**	**32**	**550**	**2.8**	**2.0**
No Reported emissions / no energy performance certificate available (by PCAF asset class)							
Corporate bonds	120,501	3,166	3,560	26	30	4.1	4.1
Business loans	3,867,428	727,495	1,332,528	188	345	4.0	4.1
Project finance	85,615	5,017	8,620	59	101	4.1	4.1
Mortgages	8,139,126	697,358		86		4.1	
Commercial real estate	566,008	10,270		18		4.5	
Sub-total	**12,778,678**	**1,443,306**	**1,344,708**	**113**	**330**	**4.1**	**4.1**
Total	**17,115,050**	**1,582,672**	**1,655,968**	**92**	**357**	**3.8**	**3.8**

[1] *including biogenic emissions amounting to 6,455 tCO_2e*

Sovereign emissions

These emissions amount to 831,115 tCO_2e including land use, land use change, and forestry (LULUCF) and 996,392 tCO_2e excluding land use, land use change, and forestry. They are reported separately from other financed emissions because the Scope 1 emissions include the entire production of the country, which leads to double counting of financed emissions. In addition, it is important to note that these emissions are automatically decarbonised when the country decarbonises. The Bank calculates sovereign emissions using the PCAF database as of March 2024. The database includes mainly data for 2021 with some information for 2020 expressed in millions of US dollars. To calculate sovereign emissions, the emission factor is converted into dollars using the average USD/EUR exchange rate for the year applicable to the emission factor.

Table 26: Sovereign emissions E1-10

	Credit exposure covered by emissions calculation	Financed emissions (tCO_2e)		Emission intensity (tCO_2e/ EUR mil.)		Weighted data quality (high = 1, low = 5)
	EUR ths.	Scope 1 incl. LULUCF [1]	Scope 1 excl. LULUCF[1]	Scope 1 incl. LULUCF [1]	Scope 1 excl. LULUCF[1]	Scope 1[2]
Top 5 countries						
Slovakia	3,256,575	658,286	808,458	202	248	1.0
Poland	300,450	89,676	94,426	298	314	1.0
Slovenia	292,503	46,461	57,560	159	197	1.0
Czechia	70,775	21,193	19,795	299	280	1.0
Croatia	41,271	6,470	8,484	157	206	1.0
Remaining Countries	44,182	9,028	7,669	204	174	1.0
Total	**4,005,756**	**831,115**	**996,392**	**207**	**249**	**1.0**

[1] Land use, land use change, and forestry (LULUCF)
[2] No difference with LULUCF included or excluded

DISCLOSURES PURSUANT TO THE EU TAXONOMY REGULATION

Legal framework at the EU level

Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment ("EU Taxonomy Regulation") serves as the basis for channelling capital flows towards sustainable economic activities and as the foundation for the transition to a sustainable European economy. It is ensured on the one hand by the introduction of a common classification system for sustainable economic activities and on the other by the introduction of specific disclosure obligations for financial and non-financial undertakings.

European Commission Delegated Regulation (EU) 2021/2178 ("Taxonomy Disclosure Regulation") supplements Article 8 of the EU Taxonomy Regulation by specifying the content and presentation of information to be disclosed regarding environmentally sustainable economic activities including the methodology to be used in order to comply with the disclosure obligation. In addition, a Delegated Regulation (EU) 2021/2139 was issued by the European Commission in 2021, amended in 2023 by Delegated Regulation (EU) 2023/2485, and a further Delegated Regulation (EU) 2023/2486 was issued by the European Commission in 2023 (the "Environmental Regulation"). Both regulations set out technical criteria for determining the conditions under which an economic activity qualifies as contributing substantially to at least one of the six environmental objectives defined in the EU Taxonomy Regulation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

Lastly, European Commission Delegated Regulation (EU) 2022/1214 defines other specific disclosures related to specific economic activities in the fossil gas and nuclear energy sectors applicable to non-financial undertakings directly involved in such economic activities and financial undertakings financing such non-financial undertakings.

Applicability to credit institutions

Within this regulatory framework, if the financing of economic activities by credit institutions – either through term loans or non-marketable investments in securities – is to be considered environmentally sustainable ("taxonomy-aligned"), it must be channelled by the Bank's clients or the issuers to income-generating activities or capital expenditures that meet all three of the following criteria:

a) contributing substantially to at least one of the EU's 6 environmental objectives;
b) causing no significant harm to any of the other environmental objectives; and
c) complying with the minimum social safeguards at the level of the financed undertaking.

If, under the relevant contractual provisions, the use of the relevant revenues cannot be specifically associated with such activities or capital expenditure projects, the taxonomy-alignment of general-purpose financing is determined statistically, i.e. by weighting using the taxonomy KPIs disclosed by the clients or issuers (see the section "Financial and non-financial undertakings subject to the CSRD and the use of their taxonomy KPIs").

The green asset ratio ("GAR") represents the ratio of taxonomy-aligned assets or economic activities financed by the Bank to the total "covered assets". Covered assets are the total assets of the group except for assets relating to central governments and supranational issuers and exposures to central banks and the trading book. Covered financial assets are included in the numerator of this KPI if either the relevant counterparties are directly obliged to disclose a sustainability statement at the current year-end ("subject to the CSRD") on an individual or consolidated level, or if they belong to a group led by an undertaking subject to the CSRD. Such financial assets, provided they are not held for trading and are not derivative assets, are included in the numerator of the green asset ratio (GAR KPI) as follows:

- in full, if the purpose of financing is known ("specific-purpose financing") and the financed economic activities demonstrably meet all the technical screening criteria of the classification system (e.g. project financing) and comply with the minimum social safeguards (MSS), or
- weighted in line with the counterparty's latest published taxonomy alignment ratio (or, if unavailable, in line with the taxonomy alignment ratio of the counterparty's group) if the purpose of financing is not known ("general-purpose financing", e.g. working capital loans).

In addition, the numerator of the GAR KPI also includes non-marketable non-derivative financial assets with known use of funds whose counterparties are households or local authorities (specifically public authorities or agencies not directly controlled by the relevant central government, e.g. municipalities or local councils) if the financed economic activities with a known purpose of financing demonstrably meet all the relevant technical screening criteria.

Another significant KPI is the taxonomy eligibility ratio. This KPI is the ratio of the Bank's covered assets that are classified as taxonomy-eligible to the total assets covered by the GAR KPI. As in the case of the GAR KPI, covered financial assets are included in the numerator of this KPI if either the counterparty is directly obliged to make disclosures under the CSRD on an individual or consolidated level or if it belongs to a group led by an undertaking subject to the CSRD. Such financial assets, provided they are not held for trading and are not derivative assets, are included in the numerator of the taxonomy eligibility ratio KPI as follows:

- in full, if the purpose of financing is known and the financed economic activities are considered eligible under the taxonomy by virtue of their correspondence to activities described in the classification system regardless of whether all the technical screening criteria are met (e.g. project financing), or
- weighted in line with the counterparty's latest published taxonomy eligibility ratio (or, if unavailable, in line with the taxonomy eligibility ratio of the counterparty's group) if the purpose of financing is not known ("general-purpose financing", e.g. working capital loans).

In addition, the numerator of the taxonomy eligibility ratio KPI includes non-marketable non-derivative financial assets with known use of funds whose counterparties are households or local authorities if the financed economic activities with a known purpose of financing demonstrably correspond to activities that the classification system describes as taxonomy-eligible regardless of whether all the technical screening criteria are met.

The Bank's business strategy, product design processes and engagement with clients and counterparties comply with the EU Taxonomy Regulation. Further information on the Bank's business strategy, product design processes and engagement with clients and counterparties is provided in chapter 1.3.1 Strategy, business model and value chain (SBM-1) in the document Consolidated Sustainability Statement.

Overview of the Bank's EU taxonomy disclosures and KPIs

Scope of disclosed EU taxonomy reporting templates

The Bank has prepared taxonomy disclosures on a consolidated basis in line with CRR consolidation, which differs insignificantly from IFRS consolidation with respect to the group (as stated in the relevant annex to this annual report), in particular as regards the effect on taxonomy disclosures on a consolidated basis in respect of the total consolidated assets of the group.

As a credit institution the Bank applies Annexes V and VI of the Taxonomy Disclosure Regulation. None of the Group subsidiaries that are within the scope of consolidated sustainability reporting under the CSRD as of 31 December 2024 disclose separate (consolidated) sustainability reporting. The Bank has not identified any significant differences between KPIs for the group as a whole and for any of its subsidiaries that would justify or require a separate presentation of their KPIs, which is in line with expectations stemming from the limited scope of prudential consolidation, which includes only institutions, financial institutions and, if consolidated supervision is required, ancillary services undertakings.

Summary of the disclosed EU taxonomy reporting templates

This section provides a brief description of the EU taxonomy reporting templates that the Bank disclosed as of 31 December 2024.

Template for Statement 0 "Summary of KPIs to be disclosed by credit institutions under Article 8 of the EU Taxonomy Regulation"

Statement 0 template provides a summary of the key amounts and most significant EU taxonomy KPIs, which are set out in more detail in templates 1, 3 and 5 (see below).

Total environmentally sustainable assets/activities (based on turnover)

In the template for Statement 0 for 31 December 2024, the Bank records total assets aligned with the EU taxonomy in the amount of EUR 0.19 billion ("stock"), of which EUR 0.09 billion correspond to the financing of sustainable activities initially reported in 2024 ("flow"). These sums are disclosed in Statement 0 template "on a turnover basis", i.e. in the case of general purpose financing for clients or issuers subject to the CSRD, the weighting of the relevant exposures is based on the EU taxonomy KPIs disclosed by the undertakings concerned in connection with their income-generating activities (non-financial undertakings) or their financing (financial undertakings).

Total environmentally sustainable assets are then presented in detailed breakdowns by asset classes and counterparties, and also by eligibility and alignment with each of the 6 environmental objectives in **template 1 "Assets for the calculation of GAR"** on both a turnover basis and a capital expenditure basis.

Total GAR Volume (Stock) and GAR Flow (on a turnover and CapEx basis)

On a turnover basis, the Bank reports a total GAR KPI of 0.91% (EUR 0.19 billion) as of 31 December 2024 (stock) and 2.08% (EUR 0.09 billion) as of 31 December 2024 (flow).

On a CapEx basis, the Bank reports a total GAR KPI of 1.29% (EUR 0.27 billion) as of 31 December 2024 (stock) and 2.09% (EUR 0.09 billion) as of 31 December 2024 (flow).

The Bank's GAR stock as of 31 December 2024 remains low by nature (below 1.3% on both the turnover basis and CapEx basis), mainly due to the built-in asymmetry of the GAR (which can be expected to gradually decline until 2028 as the scope of the CSRD gradually increases and the assets admissible to the GAR numerator likewise increase) but also due to the current impossibility of demonstrating alignment with the EU taxonomy of bank loans to households, especially mortgages, mainly as regards the DNSH and MSS criteria. As of 31 December 2024, the Bank's consolidated mortgage loans and building refurbishment loans amounted to EUR 11.2 billion, none of which were reported as being taxonomy-aligned despite the whole volume (EUR 11.2 billion) being taxonomy-eligible.

Detailed information on the GAR stock and GAR flow broken down by asset class and counterparties as well as by eligibility and alignment with each of the 6 environmental objectives is presented in the templates for **Statement 3 "GAR KPIs stock"** and **Statement 4 "GAR KPIs flow"**, with clear disclosures on both the turnover basis and CapEx basis.

FinGuar KPI flow (on the turnover basis and CapEx basis)

While the GAR relates to the assets of a credit institution, the KPI FinGuar focuses on the credit institution's off-balance sheet exposures. The Bank's FinGuar KPI recorded a taxonomy-aligned stock ratio of 0.78% as of 31 December 2024 (on a turnover basis) and 1.66% as of 31 December 2024 (on a CapEx basis).

More detailed information for the FinGuar KPI Stock and FinGuar KPI Flow including information on eligibility and alignment with each of the 6 environmental objectives is given in the template for **Statement 5 "KPI off-balance sheet exposures"** with clear disclosure on both the turnover basis and CapEx basis and information on stock and flow.

AuM KPI stock (on the turnover basis and CapEx basis)

The KPI for assets under management focuses on the off-balance sheet assets under management of credit institutions that are bonds or shares issues by undertakings subject to the CSRD even where these bonds or shares are underlying assets in collective investments (funds) or discretionary management portfolios. The Bank does not have such assets under management and therefore they are not reported.

Template for Statement 2 GAR – Sector information

This template provides, clear based on the stock (on the turnover basis and CapEx basis) a breakdown of all taxonomy-eligible and aligned sums referred to in row 20 of Statement 1 template (non-financial undertakings subject to the CSRD) by applicable NACE codes for all environmental objectives. For clarity, in its disclosures as of 31 December 2024, the Bank provided the required information on the level of NACE sectors only for NACE sectors covering, in descending order based on the relevant aligned amount, 14.27% of the Bank's turnover-based total assets of non-financial institutions that are EU taxonomy aligned and 19.69% of the Bank's CapEx-based total assets of non-financial institutions that are EU taxonomy aligned.

Additional disclosures related to specific economic activities in the nuclear energy and fossil gas sectors

In line with the requirements of Annex XII of the Taxonomy Disclosure Regulation, in addition to the main templates of EU taxonomy disclosures (templates for Statements 0 to 5) presented as of 31 December 2024 with all the required overviews, the Bank disclosed six sets of five additional templates of Disclosure Statements, each of which provides an overview of the Bank's direct or indirect financing (i.e. through the financing of partner financial undertakings) for either specific or general purposes which can be assigned to six specific economic activities related to the nuclear and fossil gas sectors. Each of these six sets of additional tables relates to one of the main EU taxonomy KPIs (namely: GAR stock and flow and FinGuar stock and flow), both turnover-based and CapEx-based.

As a result the total number of separate EU taxonomy templates that the Bank disclosed as of 31 December 2024 amounted to 13 main EU taxonomy templates and another 32 additional templates related to nuclear and fossil gas activities.

Overview of selected KPIs

The Bank's eligibility KPI and total GAR as of 31 December 2024 can be summarised as follows:

Turnover-based view

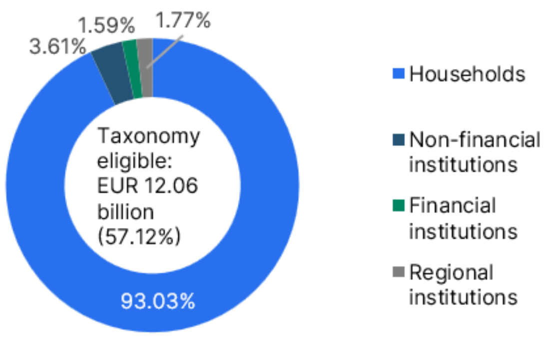
The Bank's consolidated assets that are EU taxonomy eligible amount to EUR 12.06 billion, which is 57.12% of total covered assets.

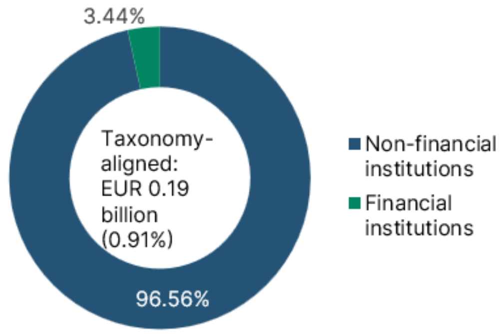
- The Bank's consolidated assets that are EU taxonomy aligned amount to EUR 0.19 billion, which is 0.91% of total covered assets.

CapEx-based view

- The Bank's assets that are EU taxonomy eligible amount to EUR 12.25 billion, which is 58.04% of total covered assets.
- The Bank's assets that are EU taxonomy aligned amount to EUR 0.27 billion, which is 1.29% of total covered assets.

A further breakdown of the overall eligibility KPI and overall GAR as of 31 December 2024 is shown in the following charts:





As of 31 December 2024, the EU taxonomy eligibility KPI included the following main items:

- Financing for households amounting to EUR 11.22 billion with a purpose corresponding to taxonomy-eligible activities in the fields of real estate and motor vehicles.
- Specific- and general-purpose financing for non-financial undertakings amounting to EUR 0.44 billion and financing for financial undertakings amounting to EUR 0.19 billion where the general-purpose financing was classified as EU taxonomy eligible on a pro rata basis in line with the eligibility KPI disclosed by the counterparties.
- Financing of local and regional authorities amounting to EUR 0.21 billion with a purpose corresponding to taxonomy-eligible activities.

The Bank's total GAR consists of specific- and general-purpose financing for financial and non-financial undertakings amounting to EUR 0.19 billion, with 100% of the aggregate aligned amount coming from general-purpose financing classified as EU taxonomy aligned on a pro rata basis in line with taxonomy alignment data disclosed by the counterparties.

GAR structural limitations and data availability limitations

The Bank's EU taxonomy disclosures and KPIs as of 31 December 2024 are substantially affected by structural limitations arising from the legal concept of the GAR and the limited coverage of the CSRD and also by a range of issues relating to data availability.

GAR structural limitations

In view of the extensive information needed to assess the technical criteria for EU taxonomy alignment (technical screening criteria, DNSH) and compliance with the MSS. The scope of the Taxonomy Disclosure Regulation is limited by law (at EU level: CSRD) to qualifying exposures to undertakings that are subject to the CSRD at the current year-end and all relevant subsidiaries included in the consolidated report of their parent company. As Slovenská sporiteľňa is a universal bank, a significant part of its portfolio (SMEs which are not subject to CSRD reporting duties or not part of such a group) cannot currently be included in the numerator for the eligibility KPI or the GAR and most of them are expected to be permanently classified only for inclusion in the denominators ("structural asymmetry of the GAR").

In addition, general-purpose exposures to households and local administrations are outside the scope of any possible assessment of this kind. This means that general-purpose exposures to households and local authorities and qualifying exposures to undertakings that are not subject to the CSRD cannot contribute to the GAR numerator despite being included in the GAR denominator.

Data availability limitations

Retail loans

In the context of the financing of real estate and vehicles for private households, credit institutions may use reliable third-party assessments with respect to the central criterion of the "do no significant harm" principle when performing a climate risk and vulnerability assessment. Erste Group is currently working on integrating physical risk data from one of the world's leading reinsurance companies into the EU taxonomy assessment process with the aim of the data and related methodology being fully applicable from the end of 2025. In the EU taxonomy disclosures as of the end of 2024, all exposures to households continue to be reported as non-aligned.

Environmental objectives 3-6

Under the Taxonomy Disclosure Regulation and the November 2024 draft FAQ, financial undertakings only disclose data on eligibility for environmental objectives 3-6 (Water and Marine Resources (WTR), Circular Economy (CE), Pollution Prevention and Control (PPC), Biodiversity and Ecosystems (BIO)) and amended activities under Objectives 1-2 (Climate Change Mitigation (CCM), Climate Change

Adaptation (CCA)). This means the Bank will not be obliged to disclose alignment information for environmental objectives 3-6 until its disclosures as of 31 December 2025. However, given the Bank's relatively advanced degree of technical readiness to meet this upcoming information duty on the one hand and, on the other hand, the relatively low number of taxonomy-related KPIs of clients subject to disclosure obligations that are available for collection and further processing in this regard, the Bank's EU taxonomy disclosures as of 31 December 2024 already cover the full set of environmental objectives including alignment data for general-purpose loans. Clients' alignment KPIs for environmental objectives 3-6 generally have very low values that did not require further analysis as to whether the relevant clients subject to disclosure obligations published them before they were obliged to do so or not.

Additionally, with regard to new and existing transactions with undertakings subject to the CSRD and local administrations – despite considerable efforts to advance the examination of individual transactions – in many cases, customers still do not or cannot provide sufficient information to determine whether the transactions can be considered EU taxonomy aligned. This especially affects environmental objectives 3-6 so that despite the draft Commission communication of 29 November 2024 providing additional clarification on the related assessment for EU taxonomy purposes, the interpretation and application of the guidance currently results in a relatively small amount of "specific-purpose" financing that is classified as eligible with reference to those environmental objectives as of 31 December 2024.

Methodology for reporting, critical assumptions and interpretations

(Gross) carrying amount of assets

With respect to the (gross) carrying amount of assets reported in Statement 1, the following approach has been taken:

The purchase price before value adjustment was used for all relevant financial assets at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) regardless of counterparty type.

For all other assets falling under rows 1-48 of Statement 1, the gross carrying amount was used, i.e. the value actually reported and used in the consolidated balance sheet under IFRS FINREP in accordance with the CRR. This means:

- In the case of performing debt instruments measured at fair value through profit or loss (FVTPL) the gross carrying amount corresponds to the fair value. In the case of impaired debt instruments measured at fair value through profit or loss, the gross carrying amount corresponds to the fair value after taking into account any cumulative negative changes in fair value due to credit risk.
- For all investments in associates and joint ventures, the carrying amount was used in accordance with IAS28/IFRS11.
- Fair value was used for all equity instruments measured at fair value through profit or loss.
- For all non-financial assets (‘Collateral acquired by taking possession’ or ‘Other asset categories’), the carrying amounts disclosed under IFRS were used.

Financial and non-financial undertakings subject to the CSRD and the use of their KPIs:

All large companies deemed to be public interest entities and employing more than 500 employees at an individual or consolidated level were required to disclose information under the EU taxonomy as of 31 December 2023 and non-financial information under Directive 2014/95/EU of the European Parliament and of the Council ("NFRD"). Large public interest entities whose securities have been admitted to trading on an EU regulated market are still required to disclose information under the EU taxonomy as of 31 December 2024 and sustainability information under the CSRD. Other large public interest entities that are not issuers of securities continue to be required to report information as of 31 December 2024 under the NFRD and the EU taxonomy. Financial and non-financial undertakings that are the parent undertakings of involved groups must disclose their KPIs at the consolidated level. These KPIs are used to determine group KPIs for qualifying exposures to all subsidiaries of that group (“closest reporting parent undertaking”) unless KPIs are available for the counterparty on an individual basis.

Process for assessing the eligibility/alignment of specific-purpose financing

Screening of specific-purpose financing for taxonomy alignment applies to transactions with the purpose of financing specific activities, which must be identified in the contractual documentation. For the purposes of assessing alignment with the taxonomy, the counterparty, issuer, client or public authority is obliged to provide relevant information on the given activity (i.e. evidence of compliance with screening criteria). Certain exceptions apply for exposures to households.

The data must be the most recent. To ensure proper data quality the ESG Desk AT and the local ESG Desk conduct a two-person check for screenings, the output of which is a sustainability index. This process is applied for selected sectors (of significant volume) relevant to the EU taxonomy (i.e. the real estate sector, renewable energy and transport).

The assessment process for specific-purpose financing is described in more detail in the chapter Policies related to climate change mitigation and adaptation (E1-2) in the description of the Sustainable Finance Guideline.

Flow

For the purposes of template for Statement 4 (GAR KPIs flow), template for Statement 5 (KPI off-balance sheet exposures) and acquiring an overview for the “flow” templates of Statements relating to the nuclear and fossil gas sectors, “flow” was defined as a subset of “stock” limited to asset transaction originated in the current reporting period. There are two exceptions to this approach:

- Non-financial assets and financial assets other than loans and advances, debt securities or equity instruments: “flow” is deemed to be zero.
- Underlying debt securities and equity instruments in off-balance sheet investment funds or other portfolios under management: “flow” is deemed to arise from any positive year-on-year net increase in the number of units held at the level of the underlying ISIN within each relevant investment fund or other portfolio under management.

Significant notes for the assessment of assets in Statement 1

For the GAR numerator, non-marketable loans and advances, debt securities, equity instruments with financial or non-financial corporations required to report under the CSRD as counterparties (or their subsidiaries), as well as real estate and automobile financing for households, specific-purpose financing provided to local governments, and real estate collateral acquired through repossession are all acceptable and therefore relevant for assessing EU taxonomy eligibility or alignment.

Financial and non-financial undertakings

- Qualifying assets in relation to financial and non-financial undertakings are included in the GAR numerator if the counterparty is directly obliged to disclose KPIs or is part of a group subject to this obligation.

- The financing of financial and non-financial undertakings that are not obliged to disclose KPIs and not part of a group obliged to disclose KPIs is included in the denominator regardless of their residence (EU or non-EU).
- The financing of multilateral development banks referred to in Article 117(1) or Article 117(2) of Regulation (EU) No 575/2013 (CRR) is deemed to be financing of credit institutions under the clarifications of the "Environmental Regulation" and can be included in the numerator in the case of EU-resident undertakings.

Households

- The financing provided to households included in the numerator consists only of financing related to real estate or motor vehicle loans (since 1 January 2022). Other household financing (e.g. consumer loans) is included only in the denominator and shown under "Other categories of assets".
- The financing of renovation measures for buildings secured by residential real estate is included only in the row "of which, house renovation loans" to avoid double counting.

Local and regional authorities

- Financing of local and regional authorities is included in the numerator for KPIs only when it finances specific identified activities. General-purpose financing
- is included in the row for central governments and supranational issuers only in the gross carrying amount column, which means that by definition it cannot be included in the numerator of the eligibility KPI or GAR, though it is included in the denominator of both indicators.

Assets of Bank Funds

Non-marketable assets of Bank funds may be allocated pro rata to the relevant rows of the Statement 1 template in line with the composition of the relevant fund (i.e. the underlying assets in the fund). The distribution is determined by analysing the underlying assets in the funds individually (Look-through method). However, in view of the volume concerned, the approach was deemed immaterial and the Bank did not apply it.

Significant information for the creation of templates for Statements under the Climate Delegated Act:

- The Bank's portfolio does not include financing for specific, identified activities related to the nuclear and fossil gas sectors falling under Commission Delegated Regulation (EU) 2022/1214. The relevant tables are therefore completed with reference to the KPI indicators disclosed by the relevant counterparties (namely energy companies subject to the CSRD or banks or insurance companies directly exposed to such energy companies) in their reports prepared in accordance with the requirements of the EU taxonomy.
- The additional reporting on specific and general purpose financing of specific activities in the nuclear and fossil gas sectors covers all taxonomy KPIs applicable to credit institutions (GAR stock and flow, FinGuar stock and flow), on both a turnover basis and a CapEx basis.

DISCLOSURE UNDER ARTICLE 8 OF THE EU TAXONOMY REGULATION

Summary of KPIs to be disclosed by credit institutions under Article 8 of the EU Taxonomy Regulation

		Total environmentally sustainable assets (Million EUR)		KPI[4]	KPI[5]	% coverage (over total assets) [3]	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	**Green asset ratio (GAR) stock**	**192**	**272**	**0.91%**	**1.29%**	**78.95%**	**19.83%**	**21.05%**

		Total environmentally sustainable assets (Million EUR)		KPI	KPI	% coverage (over total assets) [3]	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	*GAR (flow)*	85	86	2.08%	2.09%	85.31%	30.02%	14.69%
	Trading book[1]							
	Financial guarantees	*0*	*0*	*0.78%*	*2.09%*			
	Asset under management							
	Fees and commissions income[2]							

[1] For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR.

[2] Fees and commissions income from services other than lending and AuM

Institutions shall disclose forward-looking information for these KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

[3] % of assets covered by the KPI over banks' total assets.

[4] Based on the Turnover KPI of the counterparty.

[5] Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.

Assets for the calculation of GAR Stock (Turnover View)

	Million EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2024													
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**15 804**	**12 052**	**192**	**0**	**62**	**114**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	Financial undertakings	619	189	6	0	1	2	3	0	0	0	0	0	0	0
3	Credit institutions	362	84	4	0	0	1	0	0	0	0	0	0	0	0
4	Loans and advances	14	1	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including UoP	335	82	4	0	0	1	0	0	0	0	0	0	0	0
6	Equity instruments	13	0	0	0	0	0	0	0		0	0	0		0
7	Other financial corporations	257	105	2	0	0	1	2	0	0	0	0	0	0	0
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
12	of which management companies	3	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	3	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
16	of which insurance undertakings	8	0	0	0	0	0	2	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	8	0	0		0	0	2	0		0	0	0		0
20	Non-financial undertakings	1 299	435	185	0	61	113	0	0	0	0	0	0	0	0
21	Loans and advances	1 198	427	181	0	61	109	0	0	0	0	0	0	0	0
22	Debt securities, including UoP	39	5	4	0	0	4	0	0	0	0	0	0	0	0
23	Equity instruments	63	3	0		0	0	0	0		0	0	0		0
24	Households	13 519	11 215	0	0	0	0	0	0	0	0	0	0	0	0
25	of which loans collateralised by residential immovable property	10 854	10 852	0	0	0	0	0	0	0	0				
26	of which building renovation loans	363	363	0	0	0	0	0	0	0	0				
27	Of which motor vehicle loans	2	0	0	0	0	0								
28	Local governments financing	367	213	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local government financing	367	213	0	0	0	0	0	0	0	0	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**5 302**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings	4 549													
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations	4 530													
35	Loans and advances	4 434													
36	of which loans collateralised by commercial immovable property	1 904													
37	of which building renovation loans	0													
38	Debt securities	89													
39	Equity instruments	8													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	19													

	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	31 December 2024													
Million EUR	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41 Loans and advances	12													
42 Debt securities	8													
43 Equity instruments	0													
44 Derivatives	33													
45 On demand interbank loans	18													
46 Cash and cash-related assets	420													
47 Other categories of assets (e.g. Goodwill, commodities etc.)	282													
48 Total GAR assets	**21 106**	**12 052**	**192**	**0**	**62**	**114**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
49 Assets not covered for GAR calculation	**5 629**													
50 Central governments and Supranational issuers	4 030													
51 Central banks exposure	1 551													
52 Trading book	48													
53 Total assets	**26 734**	**12 052**	**192**	**0**	**62**	**114**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations														
54 Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55 Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56 Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57 Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	Million EUR	o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2024											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	Financial undertakings	0	0	0	0	0	0	0	0	0	0	0	0
3	Credit institutions	0	0	0	0	0	0	0	0	0	0	0	0
4	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
6	Equity instruments	0	0		0	0	0		0	0	0		0
7	Other financial corporations	0	0	0	0	0	0	0	0	0	0	0	0
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	0	0		0	0	0		0	0	0		0
12	of which management companies	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0		0	0	0		0	0	0		0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0		0	0	0		0	0	0		0
20	Non-financial undertakings	0	0	0	0	0	0	0	0	0	0	0	0
21	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
22	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
23	Equity instruments	0	0		0	0	0		0	0	0		0
24	Households	0	0	0	0	0	0	0	0	0	0	0	0
25	of which loans collateralised by residential immovable property	0	0	0	0								
26	of which building renovation loans	0	0	0	0								
27	Of which motor vehicle loans												
28	Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings												
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations												
35	Loans and advances												
36	of which loans collateralised by commercial immovable property												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure obligations												

		o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2024											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Million EUR	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets (e.g. Goodwill, commodities etc.)												
48	**Total GAR assets**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
49	**Assets not covered for GAR calculation**												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	**Total assets**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0

	Million EUR	aa	ab	ac	ad	ae
		31 December 2024				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR – Covered assets in both numerator and denominator					
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**12 055**	**192**	**0**	**62**	**114**
2	Financial undertakings	191	7	0	1	2
3	Credit institutions	84	4	0	0	1
4	Loans and advances	1	0	0	0	0
5	Debt securities, including UoP	82	4	0	0	1
6	Equity instruments	0	0		0	0
7	Other financial corporations	108	2	0	0	1
8	of which investment firms	0	0	0	0	0
9	Loans and advances	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0
11	Equity instruments	0	0		0	0
12	of which management companies	0	0	0	0	0
13	Loans and advances	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0
15	Equity instruments	0	0		0	0
16	of which insurance undertakings	3	0	0	0	0
17	Loans and advances	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0
19	Equity instruments	3	0		0	0
20	Non-financial undertakings	435	185	0	61	113
21	Loans and advances	427	181	0	61	109
22	Debt securities, including UoP	5	4	0	0	4
23	Equity instruments	3	0		0	0
24	Households	11 215	0	0	0	0
25	of which loans collateralised by residential immovable property	10 852	0	0	0	0
26	of which building renovation loans	363	0	0	0	0
27	Of which motor vehicle loans	0	0	0	0	0
28	Local governments financing	213	0	0	0	0
29	Housing financing	0	0	0	0	0
30	Other local government financing	213	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings					
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations					
35	Loans and advances					
36	of which loans collateralised by commercial immovable property					
37	of which building renovation loans					
38	Debt securities					
39	Equity instruments					
40	Non-EU country counterparties not subject to NFRD disclosure obligations					

Million EUR		aa	ab	ac	ad	ae
		31 December 2024				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
41	Loans and advances					
42	Debt securities					
43	Equity instruments					
44	Derivatives					
45	On demand interbank loans					
46	Cash and cash-related assets					
47	Other categories of assets (e.g. Goodwill, commodities etc.)					
48	**Total GAR assets**	**12 055**	**192**	**0**	**62**	**114**
49	**Assets not covered for GAR calculation**					
50	Central governments and Supranational issuers					
51	Central banks exposure					
52	Trading book					
53	**Total assets**	**12 055**	**192**	**0**	**62**	**114**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations						
54	Financial guarantees	0	0	0	0	0
55	Assets under management	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2023													
	Million EUR	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**														
2	Financial undertakings														
3	Credit institutions														
4	Loans and advances														
5	Debt securities, including UoP														
6	Equity instruments														
7	Other financial corporations														
8	of which investment firms														
9	Loans and advances														
10	Debt securities, including UoP														
11	Equity instruments														
12	of which management companies														
13	Loans and advances														
14	Debt securities, including UoP														
15	Equity instruments														
16	of which insurance undertakings														
17	Loans and advances														
18	Debt securities, including UoP														
19	Equity instruments														
20	Non-financial undertakings														
21	Loans and advances														
22	Debt securities, including UoP														
23	Equity instruments														
24	Households														
25	of which loans collateralised by residential immovable property														
26	of which building renovation loans														
27	Of which motor vehicle loans														
28	Local governments financing														
29	Housing financing														
30	Other local government financing														
31	**Collateral obtained by taking possession: residential and commercial immovable properties**														
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**														
33	Financial and Non-financial undertakings														
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations														
35	Loans and advances														
36	of which loans collateralised by commercial immovable property														
37	of which building renovation loans														
38	Debt securities														
39	Equity instruments														
40	Non-EU country counterparties not subject to NFRD disclosure obligations														

	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	31 December 2023													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
Million EUR	Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41 Loans and advances														
42 Debt securities														
43 Equity instruments														
44 Derivatives														
45 On demand interbank loans														
46 Cash and cash-related assets														
47 Other categories of assets (e.g. Goodwill, commodities etc.)														
48 Total GAR assets														
49 Assets not covered for GAR calculation														
50 Central governments and Supranational issuers														
51 Central banks exposure														
52 Trading book														
53 Total assets														
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations														
54 Financial guarantees														
55 Assets under management														
56 Of which debt securities														
57 Of which equity instruments														

		o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2023											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Million EUR	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**												
2	Financial undertakings												
3	Credit institutions												
4	Loans and advances												
5	Debt securities, including UoP												
6	Equity instruments												
7	Other financial corporations												
8	of which investment firms												
9	Loans and advances												
10	Debt securities, including UoP												
11	Equity instruments												
12	of which management companies												
13	Loans and advances												
14	Debt securities, including UoP												
15	Equity instruments												
16	of which insurance undertakings												
17	Loans and advances												
18	Debt securities, including UoP												
19	Equity instruments												
20	Non-financial undertakings												
21	Loans and advances												
22	Debt securities, including UoP												
23	Equity instruments												
24	Households												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	Of which motor vehicle loans												
28	Local governments financing												
29	Housing financing												
30	Other local government financing												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**												
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)												
33	Financial and Non-financial undertakings												
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations												
35	Loans and advances												
36	of which loans collateralised by commercial immovable property												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure obligations												

	Million EUR	o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2023											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets (e.g. Goodwill, commodities etc.)												
48	**Total GAR assets**												
49	**Assets not covered for GAR calculation**												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	**Total assets**												
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees												
55	Assets under management												
56	Of which debt securities												
57	Of which equity instruments												

	Million EUR	aa	ab	ac	ad	ae
		31 December 2023				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR – Covered assets in both numerator and denominator					
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**					
2	Financial undertakings					
3	Credit institutions					
4	Loans and advances					
5	Debt securities, including UoP					
6	Equity instruments					
7	Other financial corporations					
8	of which investment firms					
9	Loans and advances					
10	Debt securities, including UoP					
11	Equity instruments					
12	of which management companies					
13	Loans and advances					
14	Debt securities, including UoP					
15	Equity instruments					
16	of which insurance undertakings					
17	Loans and advances					
18	Debt securities, including UoP					
19	Equity instruments					
20	Non-financial undertakings					
21	Loans and advances					
22	Debt securities, including UoP					
23	Equity instruments					
24	Households					
25	of which loans collateralised by residential immovable property					
26	of which building renovation loans					
27	Of which motor vehicle loans					
28	Local governments financing					
29	Housing financing					
30	Other local government financing					
31	**Collateral obtained by taking possession: residential and commercial immovable properties**					
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**					
33	Financial and Non-financial undertakings					
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations					
35	Loans and advances					
36	of which loans collateralised by commercial immovable property					
37	of which building renovation loans					
38	Debt securities					
39	Equity instruments					
40	Non-EU country counterparties not subject to NFRD disclosure obligations					

Million EUR	aa	ab	ac	ad	ae
	31 December 2023				
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling
41 Loans and advances					
42 Debt securities					
43 Equity instruments					
44 Derivatives					
45 On demand interbank loans					
46 Cash and cash-related assets					
47 Other categories of assets (e.g. Goodwill, commodities etc.)					
48 Total GAR assets					
49 Assets not covered for GAR calculation					
50 Central governments and Supranational issuers					
51 Central banks exposure					
52 Trading book					
53 Total assets					
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations					
54 Financial guarantees					
55 Assets under management					
56 Of which debt securities					
57 Of which equity instruments					

Assets for the calculation of GAR Flow (Turnover View)

	Million EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2024													
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**2 660**	**1 546**	**85**	**0**	**13**	**72**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	Financial undertakings	208	68	2	0	0	1	0	0	0	0	0	0	0	0
3	Credit institutions	113	40	1	0	0	0	0	0	0	0	0	0	0	0
4	Loans and advances	14	1	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including UoP	98	38	1	0	0	0	0	0	0	0	0	0	0	0
6	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
7	Other financial corporations	95	28	1	0	0	1	0	0	0	0	0	0	0	0
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
12	of which management companies	3	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	3	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
20	Non-financial undertakings	298	131	83	0	12	71	0	0	0	0	0	0	0	0
21	Loans and advances	298	131	83	0	12	71	0	0	0	0	0	0	0	0
22	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
24	Households	2 133	1 343	0	0	0	0	0	0	0	0	0	0	0	0
25	of which loans collateralised by residential immovable property	1 282	1 281	0	0	0	0	0	0	0	0				
26	of which building renovation loans	61	61	0	0	0	0	0	0	0	0				
27	Of which motor vehicle loans	1	0	0	0	0	0								
28	Local governments financing	22	4	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local government financing	22	4	0	0	0	0	0	0	0	0	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**1 444**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings	1 444													
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations	1 440													
35	Loans and advances	1 437													
36	of which loans collateralised by commercial immovable property	471													
37	of which building renovation loans	0													
38	Debt securities	0													
39	Equity instruments	4													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	4													

Million EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	31 December 2024													
	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible			
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41 Loans and advances	4													
42 Debt securities	0													
43 Equity instruments	0													
44 Derivatives	0													
45 On demand interbank loans	0													
46 Cash and cash-related assets	0													
47 Other categories of assets (e.g. Goodwill, commodities etc.)	0													
48 Total GAR assets	**4 104**	**1 546**	**85**	**0**	**13**	**72**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
49 Assets not covered for GAR calculation	**707**													
50 Central governments and Supranational issuers	707													
51 Central banks exposure	0													
52 Trading book	0													
53 Total assets	**4 811**	**1 546**	**85**	**0**	**13**	**72**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations														
54 Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55 Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56 Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57 Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0

		o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2024											
		Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Million EUR	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	Financial undertakings	0	0	0	0	0	0	0	0	0	0	0	0
3	Credit institutions	0	0	0	0	0	0	0	0	0	0	0	0
4	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
6	Equity instruments	0	0		0	0	0		0	0	0		0
7	Other financial corporations	0	0	0	0	0	0	0	0	0	0	0	0
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	0	0		0	0	0		0	0	0		0
12	of which management companies	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0		0	0	0		0	0	0		0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0		0	0	0		0	0	0		0
20	Non-financial undertakings	0	0	0	0	0	0	0	0	0	0	0	0
21	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
22	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
23	Equity instruments	0	0		0	0	0		0	0	0		0
24	Households	0	0	0	0	0	0	0	0	0	0	0	0
25	of which loans collateralised by residential immovable property	0	0	0	0								
26	of which building renovation loans	0	0	0	0								
27	Of which motor vehicle loans												
28	Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings												
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations												
35	Loans and advances												
36	of which loans collateralised by commercial immovable property												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure obligations												

		o	p	q	r	s	t	u	v	w	x	y	z
	Million EUR	31 December 2024											
		Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets (e.g. Goodwill, commodities etc.)												
48	**Total GAR assets**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
49	**Assets not covered for GAR calculation**												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	**Total assets**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0

	Million EUR	aa	ab	ac	ad	ae
		31 December 2024				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR – Covered assets in both numerator and denominator					
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**1 547**	**85**	**0**	**13**	**72**
2	Financial undertakings	68	2	0	0	1
3	Credit institutions	40	1	0	0	0
4	Loans and advances	1	0	0	0	0
5	Debt securities, including UoP	39	1	0	0	0
6	Equity instruments	0	0		0	0
7	Other financial corporations	28	1	0	0	1
8	of which investment firms	0	0	0	0	0
9	Loans and advances	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0
11	Equity instruments	0	0		0	0
12	of which management companies	0	0	0	0	0
13	Loans and advances	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0
15	Equity instruments	0	0		0	0
16	of which insurance undertakings	0	0	0	0	0
17	Loans and advances	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0
19	Equity instruments	0	0		0	0
20	Non-financial undertakings	132	84	0	12	71
21	Loans and advances	132	84	0	12	71
22	Debt securities, including UoP	0	0	0	0	0
23	Equity instruments	0	0		0	0
24	Households	1 343	0	0	0	0
25	of which loans collateralised by residential immovable property	1 281	0	0	0	0
26	of which building renovation loans	61	0	0	0	0
27	Of which motor vehicle loans	0	0	0	0	0
28	Local governments financing	4	0	0	0	0
29	Housing financing	0	0	0	0	0
30	Other local government financing	4	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings					
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations					
35	Loans and advances					
36	of which loans collateralised by commercial immovable property					
37	of which building renovation loans					
38	Debt securities					
39	Equity instruments					
40	Non-EU country counterparties not subject to NFRD disclosure obligations					

	Million EUR	aa	ab	ac	ad	ae
		31 December 2024				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
41	Loans and advances					
42	Debt securities					
43	Equity instruments					
44	Derivatives					
45	On demand interbank loans					
46	Cash and cash-related assets					
47	Other categories of assets (e.g. Goodwill, commodities etc.)					
48	**Total GAR assets**	**1 547**	**85**	**0**	**13**	**72**
49	**Assets not covered for GAR calculation**					
50	Central governments and Supranational issuers					
51	Central banks exposure					
52	Trading book					
53	**Total assets**	**1 547**	**85**	**0**	**13**	**72**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations						
54	Financial guarantees	0	0	0	0	0
55	Assets under management	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2023													
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	Million EUR	Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**														
2	Financial undertakings														
3	Credit institutions														
4	Loans and advances														
5	Debt securities, including UoP														
6	Equity instruments														
7	Other financial corporations														
8	of which investment firms														
9	Loans and advances														
10	Debt securities, including UoP														
11	Equity instruments														
12	of which management companies														
13	Loans and advances														
14	Debt securities, including UoP														
15	Equity instruments														
16	of which insurance undertakings														
17	Loans and advances														
18	Debt securities, including UoP														
19	Equity instruments														
20	Non-financial undertakings														
21	Loans and advances														
22	Debt securities, including UoP														
23	Equity instruments														
24	Households														
25	of which loans collateralised by residential immovable property														
26	of which building renovation loans														
27	Of which motor vehicle loans														
28	Local governments financing														
29	Housing financing														
30	Other local government financing														
31	**Collateral obtained by taking possession: residential and commercial immovable properties**														
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**														
33	Financial and Non-financial undertakings														
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations														
35	Loans and advances														
36	of which loans collateralised by commercial immovable property														
37	of which building renovation loans														
38	Debt securities														
39	Equity instruments														
40	Non-EU country counterparties not subject to NFRD disclosure obligations														

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2023													
	Million EUR	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances														
42	Debt securities														
43	Equity instruments														
44	Derivatives														
45	On demand interbank loans														
46	Cash and cash-related assets														
47	Other categories of assets (e.g. Goodwill, commodities etc.)														
48	**Total GAR assets**														
49	**Assets not covered for GAR calculation**														
50	Central governments and Supranational issuers														
51	Central banks exposure														
52	Trading book														
53	**Total assets**														
54	Financial guarantees														
55	Assets under management														
56	Of which debt securities														
57	Of which equity instruments														

		o	p	q	r	s	t	u	v	w	x	y	z
	Million EUR	31 December 2023											
		Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**												
2	Financial undertakings												
3	Credit institutions												
4	Loans and advances												
5	Debt securities, including UoP												
6	Equity instruments												
7	Other financial corporations												
8	of which investment firms												
9	Loans and advances												
10	Debt securities, including UoP												
11	Equity instruments												
12	of which management companies												
13	Loans and advances												
14	Debt securities, including UoP												
15	Equity instruments												
16	of which insurance undertakings												
17	Loans and advances												
18	Debt securities, including UoP												
19	Equity instruments												
20	Non-financial undertakings												
21	Loans and advances												
22	Debt securities, including UoP												
23	Equity instruments												
24	Households												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	Of which motor vehicle loans												
28	Local governments financing												
29	Housing financing												
30	Other local government financing												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**												
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**												
33	Financial and Non-financial undertakings												
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations												
35	Loans and advances												
36	of which loans collateralised by commercial immovable property												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure obligations												

	Million EUR	o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2023											
		Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets (e.g. Goodwill, commodities etc.)												
48	**Total GAR assets**												
49	**Assets not covered for GAR calculation**												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	**Total assets**												
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees												
55	Assets under management												
56	Of which debt securities												
57	Of which equity instruments												

	Million EUR	aa	ab	ac	ad	ae
		31 December 2023				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR – Covered assets in both numerator and denominator					
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**					
2	Financial undertakings					
3	Credit institutions					
4	Loans and advances					
5	Debt securities, including UoP					
6	Equity instruments					
7	Other financial corporations					
8	of which investment firms					
9	Loans and advances					
10	Debt securities, including UoP					
11	Equity instruments					
12	of which management companies					
13	Loans and advances					
14	Debt securities, including UoP					
15	Equity instruments					
16	of which insurance undertakings					
17	Loans and advances					
18	Debt securities, including UoP					
19	Equity instruments					
20	Non-financial undertakings					
21	Loans and advances					
22	Debt securities, including UoP					
23	Equity instruments					
24	Households					
25	of which loans collateralised by residential immovable property					
26	of which building renovation loans					
27	Of which motor vehicle loans					
28	Local governments financing					
29	Housing financing					
30	Other local government financing					
31	**Collateral obtained by taking possession: residential and commercial immovable properties**					
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)					
33	Financial and Non-financial undertakings					
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations					
35	Loans and advances					
36	of which loans collateralised by commercial immovable property					
37	of which building renovation loans					
38	Debt securities					
39	Equity instruments					
40	Non-EU country counterparties not subject to NFRD disclosure obligations					

Million EUR		aa	ab	ac	ad	ae
		31 December 2023				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
41	Loans and advances					
42	Debt securities					
43	Equity instruments					
44	Derivatives					
45	On demand interbank loans					
46	Cash and cash-related assets					
47	Other categories of assets (e.g. Goodwill, commodities etc.)					
48	**Total GAR assets**					
49	**Assets not covered for GAR calculation**					
50	Central governments and Supranational issuers					
51	Central banks exposure					
52	Trading book					
53	**Total assets**					
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations						
54	Financial guarantees					
55	Assets under management					
56	Of which debt securities					
57	Of which equity instruments					

We note that the flow perspective is understood as a filter on actual new business originated in the reporting period 2024. This means that it focuses on new loans and advances, debt securities, shareholdings. As assets for calculating the flow percentages, we use the gross carrying amounts of these identified new businesses as of 31 December 2024.

GAR Stock sector information (Turnover View)

	a	b	c	e	f	g	h	i	j
	Breakdown by sector – NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)			
		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)
1	C 20.59 Manufacture of other chemical products n.e.c.	1	0			0	0		
2	C 22.29 Manufacture of other plastic products	1	0			0	0		
3	C 23.20 Manufacture of refractory products	3	3			0	0		
4	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	12	0			0	0		
5	C 24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	12	10			0	0		
6	C 25.61 Treatment and coating of metals	7	0			0	0		
7	C 29.10 Manufacture of motor vehicles	2	0			0	0		
8	C 29.32 Manufacture of other parts and accessories for motor vehicles	13	1			0	0		
9	C 30.20 Manufacture of railway locomotives and rolling stock	80	80			0	0		
10	D 35.11 Production of electricity	53	53			0	0		
11	D 35.12 Transmission of electricity	11	11			0	0		
12	D 35.13 Distribution of electricity	3	3			0	0		
13	D 35.22 Distribution of gaseous fuels through mains	2	1			0	0		
14	D 35.30 Steam and air conditioning supply	22	3			0	0		
15	F 42.11 Construction of roads and motorways	1	0			0	0		
16	G 46.18 Agents specialised in the sale of other particular products	1	0			0	0		
17	G 46.72 Wholesale of metals and metal ores	1	0			0	0		
18	G 46.76 Wholesale of other intermediate products	1	0			0	0		
19	G 46.77 Wholesale of waste and scrap	6	6			0	0		
20	H 49.10 Passenger rail transport, interurban	6	0			0	0		
21	H 49.20 Freight rail transport	11	9			0	0		
22	H 50.40 Inland freight water transport	9	0			0	0		
23	H 52.21 Service activities incidental to land transportation	102	0			0	0		
24	H 52.29 Other transportation support activities	4	0			0	0		
25	L 68.20 Rental and operating of own or leased real estate	59	0			0	0		
26	L 68.31 Real estate agencies	4	0			0	0		
27	L 68.32 Management of real estate on a fee or contract basis	1	1			0	0		
28	M 70.22 Business and other management consultancy activities	2	0			0	0		
29	M 71.12 Engineering activities and related technical consultancy	1	1			0	0		
30	N 82.99 Other business support service activities n.e.c.	1	0			0	0		
31	Other	4	1			0	0		

a		k	l	m	n	o	p	q	r
Breakdown by sector – NACE 4 digits level (code and label)		Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)
1	C 20.59 Manufacture of other chemical products n.e.c.	0	0			0	0		
2	C 22.29 Manufacture of other plastic products	0	0			0	0		
3	C 23.20 Manufacture of refractory products	0	0			0	0		
4	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	0	0			0	0		
5	C 24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0	0			0	0		
6	C 25.61 Treatment and coating of metals	0	0			0	0		
7	C 29.10 Manufacture of motor vehicles	0	0			0	0		
8	C 29.32 Manufacture of other parts and accessories for motor vehicles	0	0			0	0		
9	C 30.20 Manufacture of railway locomotives and rolling stock	0	0			0	0		
10	D 35.11 Production of electricity	0	0			0	0		
11	D 35.12 Transmission of electricity	0	0			0	0		
12	D 35.13 Distribution of electricity	0	0			0	0		
13	D 35.22 Distribution of gaseous fuels through mains	0	0			0	0		
14	D 35.30 Steam and air conditioning supply	0	0			0	0		
15	F 42.11 Construction of roads and motorways	0	0			0	0		
16	G 46.18 Agents specialised in the sale of other particular products	0	0			0	0		
17	G 46.72 Wholesale of metals and metal ores	0	0			0	0		
18	G 46.76 Wholesale of other intermediate products	0	0			0	0		
19	G 46.77 Wholesale of waste and scrap	0	0			0	0		
20	H 49.10 Passenger rail transport, interurban	0	0			0	0		
21	H 49.20 Freight rail transport	0	0			0	0		
22	H 50.40 Inland freight water transport	0	0			0	0		
23	H 52.21 Service activities incidental to land transportation	0	0			0	0		
24	H 52.29 Other transportation support activities	0	0			0	0		
25	L 68.20 Rental and operating of own or leased real estate	0	0			0	0		
26	L 68.31 Real estate agencies	0	0			0	0		
27	L 68.32 Management of real estate on a fee or contract basis	0	0			0	0		
28	M 70.22 Business and other management consultancy activities	0	0			0	0		
29	M 71.12 Engineering activities and related technical consultancy	0	0			0	0		
30	N 82.99 Other business support service activities n.e.c.	0	0			0	0		
31	Other	0	0			0	0		

	a	s	t	u	v	w	x	y	z
	Breakdown by sector – NACE 4 digits level (code and label)	Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)
1	C 20.59 Manufacture of other chemical products n.e.c.	0	0			0	0		
2	C 22.29 Manufacture of other plastic products	0	0			0	0		
3	C 23.20 Manufacture of refractory products	0	0			0	0		
4	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	0	0			0	0		
5	C 24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0	0			0	0		
6	C 25.61 Treatment and coating of metals	0	0			0	0		
7	C 29.10 Manufacture of motor vehicles	0	0			0	0		
8	C 29.32 Manufacture of other parts and accessories for motor vehicles	0	0			0	0		
9	C 30.20 Manufacture of railway locomotives and rolling stock	0	0			0	0		
10	D 35.11 Production of electricity	0	0			0	0		
11	D 35.12 Transmission of electricity	0	0			0	0		
12	D 35.13 Distribution of electricity	0	0			0	0		
13	D 35.22 Distribution of gaseous fuels through mains	0	0			0	0		
14	D 35.30 Steam and air conditioning supply	0	0			0	0		
15	F 42.11 Construction of roads and motorways	0	0			0	0		
16	G 46.18 Agents specialised in the sale of other particular products	0	0			0	0		
17	G 46.72 Wholesale of metals and metal ores	0	0			0	0		
18	G 46.76 Wholesale of other intermediate products	0	0			0	0		
19	G 46.77 Wholesale of waste and scrap	0	0			0	0		
20	H 49.10 Passenger rail transport, interurban	0	0			0	0		
21	H 49.20 Freight rail transport	0	0			0	0		
22	H 50.40 Inland freight water transport	0	0			0	0		
23	H 52.21 Service activities incidental to land transportation	0	0			0	0		
24	H 52.29 Other transportation support activities	0	0			0	0		
25	L 68.20 Rental and operating of own or leased real estate	0	0			0	0		
26	L 68.31 Real estate agencies	0	0			0	0		
27	L 68.32 Management of real estate on a fee or contract basis	0	0			0	0		
28	M 70.22 Business and other management consultancy activities	0	0			0	0		
29	M 71.12 Engineering activities and related technical consultancy	0	0			0	0		
30	N 82.99 Other business support service activities n.e.c.	0	0			0	0		
31	Other	0	0			0	0		

	a	aa	ab	ac	ad
	Breakdown by sector – NACE 4 digits level (code and label)	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	C 20.59 Manufacture of other chemical products n.e.c.	1	0		
2	C 22.29 Manufacture of other plastic products	1	0		
3	C 23.20 Manufacture of refractory products	3	3		
4	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	12	0		
5	C 24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	12	10		
6	C 25.61 Treatment and coating of metals	7	0		
7	C 29.10 Manufacture of motor vehicles	2	0		
8	C 29.32 Manufacture of other parts and accessories for motor vehicles	13	1		
9	C 30.20 Manufacture of railway locomotives and rolling stock	80	80		
10	D 35.11 Production of electricity	53	53		
11	D 35.12 Transmission of electricity	11	11		
12	D 35.13 Distribution of electricity	3	3		
13	D 35.22 Distribution of gaseous fuels through mains	2	1		
14	D 35.30 Steam and air conditioning supply	22	3		
15	F 42.11 Construction of roads and motorways	1	0		
16	G 46.18 Agents specialised in the sale of other particular products	1	0		
17	G 46.72 Wholesale of metals and metal ores	1	0		
18	G 46.76 Wholesale of other intermediate products	1	0		
19	G 46.77 Wholesale of waste and scrap	6	6		
20	H 49.10 Passenger rail transport, interurban	6	0		
21	H 49.20 Freight rail transport	11	9		
22	H 50.40 Inland freight water transport	9	0		
23	H 52.21 Service activities incidental to land transportation	102	0		
24	H 52.29 Other transportation support activities	4	0		
25	L 68.20 Rental and operating of own or leased real estate	59	0		
26	L 68.31 Real estate agencies	4	0		
27	L 68.32 Management of real estate on a fee or contract basis	1	1		
28	M 70.22 Business and other management consultancy activities	2	0		
29	M 71.12 Engineering activities and related technical consultancy	1	1		
30	N 82.99 Other business support service activities n.e.c.	1	0		
31	Other	4	1		

GAR KPI Stock (Turnover View)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		31 December 2024												
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	% (compared to total covered assets in the denominator)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**76.26%**	**1.21%**	**0%**	**0.39%**	**0.72%**	**0.02%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
2	Financial undertakings	30.49%	1.00%	0%	0.09%	0.27%	0.41%	0.07%	0%	0%	0%	0%	0%	0%
3	Credit institutions	23.07%	1.22%	0%	0.08%	0.22%	0.04%	0.01%	0%	0%	0%	0%	0%	0%
4	Loans and advances	9.52%	0.16%	0%	0.04%	0.05%	0%	0%	0%	0%	0%	0%	0%	0%
5	Debt securities, including UoP	24.52%	1.31%	0%	0.09%	0.24%	0.05%	0.01%	0%	0%	0%	0%	0%	0%
6	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
7	Other financial corporations	40.94%	0.70%	0%	0.09%	0.34%	0.94%	0.14%	0%	0%	0%	0%	0%	0%
8	of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
12	of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
16	of which insurance undertaking	2.03%	0.33%	0%	0.01%	0.06%	28.65%	4.42%	0%	0%	0%	0%	0%	0%
17	Loans and advances	2.75%	0.36%	0%	0.01%	0.06%	28.12%	4.34%	0%	0%	0%	0%	0%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Equity instruments	2.03%	0.33%		0.01%	0.06%	28.65%	4.42%		0%	0%	0%		0%
20	Non-financial undertakings	33.49%	14.27%	0%	4.73%	8.67%	0.02%	0%	0%	0%	0%	0%	0%	0%
21	Loans and advances	35.65%	15.13%	0%	5.13%	9.07%	0.02%	0%	0%	0%	0%	0%	0%	0%
22	Debt securities, including UoP	13.13%	10.67%	0%	0.05%	10.09%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	4.78%	0.08%		0.02%	0.02%	0%	0%		0%	0%	0%		0%
24	Households	82.96%	0%	0%	0%	0%	0%	0%	0%	0%				
25	of which loans collateralised by residential immovable property	99.98%	0%	0%	0%	0%	0%	0%	0%	0%				
26	of which building renovation loans	100%	0%	0%	0%	0%	0%	0%	0%	0%				
27	of which motor vehicle loans	3.45%	0%	0%	0%	0%								
28	Local governments financing	58.17%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	58.17%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**57.10%**	**0.91%**	**0%**	**0.29%**	**0.54%**	**0.01%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

		n	o	p	q	r	s	t	u	v	w	x	y
		31 December 2024											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and ecosystems (BIO)			
	% (compared to total covered assets in the denominator)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
2	Financial undertakings	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3	Credit institutions	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
6	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
7	Other financial corporations	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
8	of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
12	of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
16	of which insurance undertaking	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
17	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
20	Non-financial undertakings	0,02%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
21	Loans and advances	0,02%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
24	Households	0%	0%	0%	0%								
25	of which loans collateralised by residential immovable property	0%	0%	0%	0%								
26	of which building renovation loans	0%	0%	0%	0%								
27	of which motor vehicle loans												
28	Local governments financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

	% (compared to total covered assets in the denominator)	z	aa	ab	ac	ad	ae
		31 December 2024					
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator						
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**76.28%**	**1.22%**	**0%**	**0.39%**	**0.72%**	**59.11%**
2	Financial undertakings	30.90%	1.07%	0%	0.09%	0.27%	2.32%
3	Credit institutions	23.11%	1.23%	0%	0.08%	0.22%	1.35%
4	Loans and advances	9.52%	0.16%	0%	0.04%	0.05%	0.05%
5	Debt securities, including UoP	24.56%	1.32%	0%	0.09%	0.24%	1.25%
6	Equity instruments	0%	0%		0%	0%	0.05%
7	Other financial corporations	41.88%	0.85%	0%	0.09%	0.34%	0.96%
8	of which investment firms	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%
12	of which management companies	0%	0%	0%	0%	0%	0.01%
13	Loans and advances	0%	0%	0%	0%	0%	0.01%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%
16	of which insurance undertaking	30.68%	4.75%	0%	0.01%	0.07%	0.03%
17	Loans and advances	30.87%	4.70%	0%	0.01%	0.06%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
19	Equity instruments	30.68%	4.75%		0.01%	0.07%	0.03%
20	Non-financial undertakings	33.53%	14.27%	0%	4.73%	8.67%	4.86%
21	Loans and advances	35.69%	15.13%	0%	5.13%	9.07%	4.48%
22	Debt securities, including UoP	13.13%	10.67%	0%	0.05%	10.09%	0.14%
23	Equity instruments	4.78%	0.08%		0.02%	0.02%	0.23%
24	Households	82.96%	0%	0%	0%	0%	50.57%
25	of which loans collateralised by residential immovable property	99.98%	0%	0%	0%	0%	40.60%
26	of which building renovation loans	100%	0%	0%	0%	0%	1.36%
27	of which motor vehicle loans						
28	Local governments financing	58.17%	0%	0%	0%	0%	1.37%
29	Housing financing	0%	0%	0%	0%	0%	0%
30	Other local government financing	58.17%	0%	0%	0%	0%	1.37%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**57.12%**	**0.91%**	**0%**	**0.29%**	**0.54%**	**59.11%**

	% (compared to total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		31 December 2023												
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**													
2	Financial undertakings													
3	Credit institutions													
4	Loans and advances													
5	Debt securities, including UoP													
6	Equity instruments													
7	Other financial corporations													
8	of which investment firms													
9	Loans and advances													
10	Debt securities, including UoP													
11	Equity instruments													
12	of which management companies													
13	Loans and advances													
14	Debt securities, including UoP													
15	Equity instruments													
16	of which insurance undertaking													
17	Loans and advances													
18	Debt securities, including UoP													
19	Equity instruments													
20	Non-financial undertakings													
21	Loans and advances													
22	Debt securities, including UoP													
23	Equity instruments													
24	Households													
25	of which loans collateralised by residential immovable property													
26	of which building renovation loans													
27	of which motor vehicle loans													
28	Local governments financing													
29	Housing financing													
30	Other local government financing													
31	**Collateral obtained by taking possession: residential and commercial immovable properties**													
32	**Total GAR assets**													

	% (compared to total covered assets in the denominator)	n	o	p	q	r	s	t	u	v	w	x	y
		31 December 2023											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and ecosystems (BIO)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**												
2	Financial undertakings												
3	Credit institutions												
4	Loans and advances												
5	Debt securities, including UoP												
6	Equity instruments												
7	Other financial corporations												
8	of which investment firms												
9	Loans and advances												
10	Debt securities, including UoP												
11	Equity instruments												
12	of which management companies												
13	Loans and advances												
14	Debt securities, including UoP												
15	Equity instruments												
16	of which insurance undertaking												
17	Loans and advances												
18	Debt securities, including UoP												
19	Equity instruments												
20	Non-financial undertakings												
21	Loans and advances												
22	Debt securities, including UoP												
23	Equity instruments												
24	Households												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	of which motor vehicle loans												
28	Local governments financing												
29	Housing financing												
30	Other local government financing												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**												
32	**Total GAR assets**												

	% (compared to total covered assets in the denominator)	z	aa	ab	ac	ad	ae
		31 December 2023					
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator						
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**						
2	Financial undertakings						
3	Credit institutions						
4	Loans and advances						
5	Debt securities, including UoP						
6	Equity instruments						
7	Other financial corporations						
8	of which investment firms						
9	Loans and advances						
10	Debt securities, including UoP						
11	Equity instruments						
12	of which management companies						
13	Loans and advances						
14	Debt securities, including UoP						
15	Equity instruments						
16	of which insurance undertaking						
17	Loans and advances						
18	Debt securities, including UoP						
19	Equity instruments						
20	Non-financial undertakings						
21	Loans and advances						
22	Debt securities, including UoP						
23	Equity instruments						
24	Households						
25	of which loans collateralised by residential immovable property						
26	of which building renovation loans						
27	of which motor vehicle loans						
28	Local governments financing						
29	Housing financing						
30	Other local government financing						
31	**Collateral obtained by taking possession: residential and commercial immovable properties**						
32	**Total GAR assets**						

GAR KPI Flow (Turnover View)

	% (compared to flow of total eligible assets)	a	b	c	d	e	j	k	l	m	j	k	l	m
		31 December 2024												
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**58.14%**	**3.21%**	**0%**	**0.48%**	**2.70%**	**0.01%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
2	Financial undertakings	32.82%	0.91%	0%	0.11%	0.35%	0.03%	0.01%	0%	0%	0%	0%	0%	0%
3	Credit institutions	35.37%	0.74%	0%	0.07%	0.16%	0.05%	0.01%	0%	0%	0%	0%	0%	0%
4	Loans and advances	9.48%	0.16%	0%	0.04%	0.05%	0%	0%	0%	0%	0%	0%	0%	0%
5	Debt securities, including UoP	39.15%	0.83%	0%	0.08%	0.18%	0.06%	0.01%	0%	0%	0%	0%	0%	0%
6	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
7	Other financial corporations	29.81%	1.11%	0%	0.16%	0.57%	0%	0%	0%	0%	0%	0%	0%	0%
8	of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
12	of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
16	of which insurance undertaking	2.03%	0.33%	0%	0.01%	0.06%	28.65%	4.42%	0%	0%	0%	0%	0%	0%
17	Loans and advances	2.03%	0.33%	0%	0.01%	0.06%	28.65%	4.42%	0%	0%	0%	0%	0%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
20	Non-financial undertakings	44.11%	28.05%	0%	4.17%	23.84%	0.03%	0.01%	0%	0%	0%	0%	0%	0%
21	Loans and advances	44.11%	28.05%	0%	4.17%	23.84%	0.03%	0.01%	0%	0%	0%	0%	0%	0%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
24	Households	62.96%	0%	0%	0%	0%	0%	0%	0%	0%				
25	of which loans collateralised by residential immovable property	99.97%	0%	0%	0%	0%	0%	0%	0%	0%				
26	of which building renovation loans	100%	0%	0%	0%	0%	0%	0%	0%	0%				
27	of which motor vehicle loans	0%	0%	0%	0%	0%								
28	Local governments financing	19.41%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	19.41%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**37.68%**	**2.08%**	**0%**	**0.31%**	**1.75%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

	% (compared to flow of total eligible assets)	n	o	p	q	r	s	t	u	v	w	x	y
		31 December 2024											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**0,01%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
2	Financial undertakings	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3	Credit institutions	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
6	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
7	Other financial corporations	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
8	of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
12	of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
16	of which insurance undertaking	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
17	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
20	Non-financial undertakings	0.05%	0%	0%	0%	0,01%	0%	0%	0%	0%	0%	0%	0%
21	Loans and advances	0.05%	0%	0%	0%	0,01%	0%	0%	0%	0%	0%	0%	0%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
24	Households	0%	0%	0%	0%								
25	of which loans collateralised by residential immovable property	0%	0%	0%	0%								
26	of which building renovation loans	0%	0%	0%	0%								
27	of which motor vehicle loans												
28	Local governments financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

	% (compared to flow of total eligible assets)	z	aa	ab	ac	ad	ae
		31 December 2024					
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator						
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**58.15%**	**3.21%**	**0%**	**0.48%**	**2.70%**	**55.28%**
2	Financial undertakings	32.85%	0.92%	0%	0.11%	0.35%	4.32%
3	Credit institutions	35.42%	0.76%	0%	0.07%	0.16%	2.34%
4	Loans and advances	9.48%	0.16%	0%	0.04%	0.05%	0.30%
5	Debt securities, including UoP	39.21%	0.84%	0%	0.08%	0.18%	2.04%
6	Equity instruments	0%	0%		0%	0%	0%
7	Other financial corporations	29.82%	1.11%	0%	0.16%	0.57%	1.98%
8	of which investment firms	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%
12	of which management companies	0%	0%	0%	0%	0%	0.05%
13	Loans and advances	0%	0%	0%	0%	0%	0.05%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%
16	of which insurance undertaking	30.68%	4.75%	0%	0.01%	0.07%	0%
17	Loans and advances	30.68%	4.75%	0%	0.01%	0.07%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
19	Equity instruments	0%	0%		0%	0%	0%
20	Non-financial undertakings	44.20%	28.05%	0%	4.17%	23.84%	6.19%
21	Loans and advances	44.20%	28.05%	0%	4.17%	23.84%	6.19%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%		0%	0%	0%
24	Households	62.96%	0%	0%	0%	0%	44.33%
25	of which loans collateralised by residential immovable property	99.97%	0%	0%	0%	0%	26.64%
26	of which building renovation loans	100%	0%	0%	0%	0%	1.28%
27	of which motor vehicle loans						
28	Local governments financing	19.41%	0%	0%	0%	0%	0.45%
29	Housing financing	0%	0%	0%	0%	0%	0%
30	Other local government financing	19.41%	0%	0%	0%	0%	0.45%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**37.69%**	**2.08%**	**0%**	**0.31%**	**1.75%**	**55.28%**

KPI Stock off-balance sheet exposures (Turnover View)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
% (compared to total eligible off-balance sheet assets)		31 December 2024																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	23.22%	0.77%	0%	0.49%	0.22%	0.05%	0.01%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2	Assets under management (AuM KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

		r	s	t	u	v	w	x	y	z	aa	ab	ac	ad
% (compared to total eligible off-balance sheet assets)		31 December 2024												
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0%	0%	0%	0%	0%	0%	0%	0%	23.27%	0.78%	0%	0.49%	0.22%
2	Assets under management (AuM KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

KPI Flow off-balance sheet exposures (Turnover View)

% (compared to total eligible off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	31 December 2024																
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1 Financial guarantees (FinGuar KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2 Assets under management (AuM KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

% (compared to total eligible off-balance sheet assets)	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad
	31 December 2024												
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1 Financial guarantees (FinGuar KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2 Assets under management (AuM KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Assets for the calculations of GAR Stock (CapEx View)

Million EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	31 December 2024													
	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
GAR – Covered assets in both numerator and denominator														
1 **Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**15 804**	**12 247**	**271**	**0**	**82**	**142**	**3**	**1**	**0**	**0**	**0**	**0**	**0**	**0**
2 Financial undertakings	619	208	15	0	1	5	3	0	0	0	0	0	0	0
3 Credit institutions	362	84	6	0	0	1	0	0	0	0	0	0	0	0
4 Loans and advances	14	1	0	0	0	0	0	0	0	0	0	0	0	0
5 Debt securities, including UoP	335	82	5	0	0	1	0	0	0	0	0	0	0	0
6 Equity instruments	13	0	0		0	0	0	0		0	0	0		0
7 Other financial corporations	257	125	10	0	0	3	2	0	0	0	0	0	0	0
8 of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Equity instruments	0	0	0		0	0	0	0		0	0	0		0
12 of which management companies	3	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Loans and advances	3	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Equity instruments	0	0	0		0	0	0	0		0	0	0		0
16 of which insurance undertakings	8	0	0	0	0	0	2	0	0	0	0	0	0	0
17 Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Equity instruments	8	0	0		0	0	2	0		0	0	0		0
20 Non-financial undertakings	1 299	610	256	0	81	138	1	0	0	0	0	0	0	0
21 Loans and advances	1 198	583	240	0	81	124	1	0	0	0	0	0	0	0
22 Debt securities, including UoP	39	24	16	0	0	14	0	0	0	0	0	0	0	0
23 Equity instruments	63	3	0		0	0	0	0		0	0	0		0
24 Households	13 519	11 215	0	0	0	0	0	0	0	0	0	0	0	0
25 of which loans collateralised by residential immovable property	10 854	10 852	0	0	0	0	0	0	0	0				
26 of which building renovation loans	363	363	0	0	0	0	0	0	0	0				
27 Of which motor vehicle loans	2	0	0	0	0	0								
28 Local governments financing	367	213	0	0	0	0	0	0	0	0	0	0	0	0
29 Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 Other local government financing	367	213	0	0	0	0	0	0	0	0	0	0	0	0
31 **Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
32 **Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**5 302**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
33 Financial and Non-financial undertakings	4 549													
34 SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations	4 530													
35 Loans and advances	4 434													
36 of which loans collateralised by commercial immovable property	1 904													
37 of which building renovation loans	0													
38 Debt securities	89													
39 Equity instruments	8													
40 Non-EU country counterparties not subject to NFRD disclosure obligations	19													

Million EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	31 December 2024													
	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41 Loans and advances	12													
42 Debt securities	8													
43 Equity instruments	0													
44 Derivatives	33													
45 On demand interbank loans	18													
46 Cash and cash-related assets	420													
47 Other categories of assets (e.g. Goodwill, commodities etc.)	282													
48 Total GAR assets	**21 106**	**12 247**	**271**	**0**	**82**	**142**	**3**	**1**	**0**	**0**	**0**	**0**	**0**	**0**
49 Assets not covered for GAR calculation	**5 629**													
50 Central governments and Supranational issuers	4 030													
51 Central banks exposure	1 551													
52 Trading book	48													
53 Total assets	**26 734**	**12 247**	**271**	**0**	**82**	**142**	**3**	**1**	**0**	**0**	**0**	**0**	**0**	**0**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations														
54 Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55 Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56 Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57 Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0

		o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2024											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Million EUR	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	Financial undertakings	0	0	0	0	0	0	0	0	0	0	0	0
3	Credit institutions	0	0	0	0	0	0	0	0	0	0	0	0
4	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
6	Equity instruments	0	0		0	0	0		0	0	0		0
7	Other financial corporations	0	0	0	0	0	0	0	0	0	0	0	0
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	0	0		0	0	0		0	0	0		0
12	of which management companies	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0		0	0	0		0	0	0		0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0		0	0	0		0	0	0		0
20	Non-financial undertakings	0	0	0	0	0	0	0	0	0	0	0	0
21	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
22	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
23	Equity instruments	0	0		0	0	0		0	0	0		0
24	Households	0	0	0	0	0	0	0	0	0	0	0	0
25	of which loans collateralised by residential immovable property	0	0	0	0								
26	of which building renovation loans	0	0	0	0								
27	Of which motor vehicle loans												
28	Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings												
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations												
35	Loans and advances												
36	of which loans collateralised by commercial immovable property												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure obligations												

	Million EUR	o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2024											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets (e.g. Goodwill, commodities etc.)												
48	**Total GAR assets**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
49	**Assets not covered for GAR calculation**												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	**Total assets**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0

	Million EUR	aa	ab	ac	ad	ae
		31 December 2024				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR – Covered assets in both numerator and denominator					
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**12 251**	**272**	**0**	**82**	**142**
2	Financial undertakings	211	16	0	1	5
3	Credit institutions	84	6	0	0	1
4	Loans and advances	1	0	0	0	0
5	Debt securities, including UoP	83	6	0	0	1
6	Equity instruments	0	0		0	0
7	Other financial corporations	127	10	0	0	3
8	of which investment firms	0	0	0	0	0
9	Loans and advances	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0
11	Equity instruments	0	0		0	0
12	of which management companies	0	0	0	0	0
13	Loans and advances	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0
15	Equity instruments	0	0		0	0
16	of which insurance undertakings	3	0	0	0	0
17	Loans and advances	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0
19	Equity instruments	3	0		0	0
20	Non-financial undertakings	611	256	0	81	138
21	Loans and advances	584	240	0	81	124
22	Debt securities, including UoP	24	16	0	0	14
23	Equity instruments	3	0		0	0
24	Households	11 215	0	0	0	0
25	of which loans collateralised by residential immovable property	10 852	0	0	0	0
26	of which building renovation loans	363	0	0	0	0
27	Of which motor vehicle loans	0	0	0	0	0
28	Local governments financing	213	0	0	0	0
29	Housing financing	0	0	0	0	0
30	Other local government financing	213	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings					
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations					
35	Loans and advances					
36	of which loans collateralised by commercial immovable property					
37	of which building renovation loans					
38	Debt securities					
39	Equity instruments					
40	Non-EU country counterparties not subject to NFRD disclosure obligations					

Million EUR		aa	ab	ac	ad	ae
		31 December 2024				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
41	Loans and advances					
42	Debt securities					
43	Equity instruments					
44	Derivatives					
45	On demand interbank loans					
46	Cash and cash-related assets					
47	Other categories of assets (e.g. Goodwill, commodities etc.)					
48	**Total GAR assets**	**12 251**	**272**	**0**	**82**	**142**
49	**Assets not covered for GAR calculation**					
50	Central governments and Supranational issuers					
51	Central banks exposure					
52	Trading book					
53	**Total assets**	**12 251**	**272**	**0**	**82**	**142**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations						
54	Financial guarantees	0	0	0	0	0
55	Assets under management	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0

	Million EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2023													
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**														
2	Financial undertakings														
3	Credit institutions														
4	Loans and advances														
5	Debt securities, including UoP														
6	Equity instruments														
7	Other financial corporations														
8	of which investment firms														
9	Loans and advances														
10	Debt securities, including UoP														
11	Equity instruments														
12	of which management companies														
13	Loans and advances														
14	Debt securities, including UoP														
15	Equity instruments														
16	of which insurance undertakings														
17	Loans and advances														
18	Debt securities, including UoP														
19	Equity instruments														
20	Non-financial undertakings														
21	Loans and advances														
22	Debt securities, including UoP														
23	Equity instruments														
24	Households														
25	of which loans collateralised by residential immovable property														
26	of which building renovation loans														
27	Of which motor vehicle loans														
28	Local governments financing														
29	Housing financing														
30	Other local government financing														
31	**Collateral obtained by taking possession: residential and commercial immovable properties**														
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)														
33	Financial and Non-financial undertakings														
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations														
35	Loans and advances														
36	of which loans collateralised by commercial immovable property														
37	of which building renovation loans														
38	Debt securities														
39	Equity instruments														
40	Non-EU country counterparties not subject to NFRD disclosure obligations														

	Million EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2023													
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances														
42	Debt securities														
43	Equity instruments														
44	Derivatives														
45	On demand interbank loans														
46	Cash and cash-related assets														
47	Other categories of assets (e.g. Goodwill, commodities etc.)														
48	**Total GAR assets**														
49	**Assets not covered for GAR calculation**														
50	Central governments and Supranational issuers														
51	Central banks exposure														
52	Trading book														
53	**Total assets**														
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations															
54	Financial guarantees														
55	Assets under management														
56	Of which debt securities														
57	Of which equity instruments														

		o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2023											
	Million EUR	Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**												
2	Financial undertakings												
3	Credit institutions												
4	Loans and advances												
5	Debt securities, including UoP												
6	Equity instruments												
7	Other financial corporations												
8	of which investment firms												
9	Loans and advances												
10	Debt securities, including UoP												
11	Equity instruments												
12	of which management companies												
13	Loans and advances												
14	Debt securities, including UoP												
15	Equity instruments												
16	of which insurance undertakings												
17	Loans and advances												
18	Debt securities, including UoP												
19	Equity instruments												
20	Non-financial undertakings												
21	Loans and advances												
22	Debt securities, including UoP												
23	Equity instruments												
24	Households												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	Of which motor vehicle loans												
28	Local governments financing												
29	Housing financing												
30	Other local government financing												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**												
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)												
33	Financial and Non-financial undertakings												
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations												
35	Loans and advances												
36	of which loans collateralised by commercial immovable property												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure obligations												

		o	p	q	r	s	t	u	v	w	x	y	z
	Million EUR	31 December 2023											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets (e.g. Goodwill, commodities etc.)												
48	**Total GAR assets**												
49	**Assets not covered for GAR calculation**												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	**Total assets**												
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees												
55	Assets under management												
56	Of which debt securities												
57	Of which equity instruments												

	Million EUR	aa	ab	ac	ad	ae
		31 December 2023				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR – Covered assets in both numerator and denominator					
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**					
2	Financial undertakings					
3	Credit institutions					
4	Loans and advances					
5	Debt securities, including UoP					
6	Equity instruments					
7	Other financial corporations					
8	of which investment firms					
9	Loans and advances					
10	Debt securities, including UoP					
11	Equity instruments					
12	of which management companies					
13	Loans and advances					
14	Debt securities, including UoP					
15	Equity instruments					
16	of which insurance undertakings					
17	Loans and advances					
18	Debt securities, including UoP					
19	Equity instruments					
20	Non-financial undertakings					
21	Loans and advances					
22	Debt securities, including UoP					
23	Equity instruments					
24	Households					
25	of which loans collateralised by residential immovable property					
26	of which building renovation loans					
27	Of which motor vehicle loans					
28	Local governments financing					
29	Housing financing					
30	Other local government financing					
31	**Collateral obtained by taking possession: residential and commercial immovable properties**					
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**					
33	Financial and Non-financial undertakings					
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations					
35	Loans and advances					
36	of which loans collateralised by commercial immovable property					
37	of which building renovation loans					
38	Debt securities					
39	Equity instruments					
40	Non-EU country counterparties not subject to NFRD disclosure obligations					

	Million EUR	aa	ab	ac	ad	ae
		31 December 2023				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling
41	Loans and advances					
42	Debt securities					
43	Equity instruments					
44	Derivatives					
45	On demand interbank loans					
46	Cash and cash-related assets					
47	Other categories of assets (e.g. Goodwill, commodities etc.)					
48	**Total GAR assets**					
49	**Assets not covered for GAR calculation**					
50	Central governments and Supranational issuers					
51	Central banks exposure					
52	Trading book					
53	**Total assets**					
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations						
54	Financial guarantees					
55	Assets under management					
56	Of which debt securities					
57	Of which equity instruments					

Assets for the calculation of GAR Flow (CapEx View)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2024													
	Million EUR	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**2 660**	**1 564**	**86**	**0**	**11**	**66**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	Financial undertakings	208	81	7	0	0	2	0	0	0	0	0	0	0	0
3	Credit institutions	113	40	1	0	0	0	0	0	0	0	0	0	0	0
4	Loans and advances	14	1	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including UoP	98	39	1	0	0	0	0	0	0	0	0	0	0	0
6	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
7	Other financial corporations	95	41	6	0	0	2	0	0	0	0	0	0	0	0
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
12	of which management companies	3	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	3	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
20	Non-financial undertakings	298	137	78	0	11	64	0	0	0	0	0	0	0	0
21	Loans and advances	298	137	78	0	11	64	0	0	0	0	0	0	0	0
22	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Equity instruments	0	0	0		0	0	0	0		0	0	0		0
24	Households	2 133	1 343	0	0	0	0	0	0	0	0	0	0	0	0
25	of which loans collateralised by residential immovable property	1 282	1 281	0	0	0	0	0	0	0	0				
26	of which building renovation loans	61	61	0	0	0	0	0	0	0	0				
27	Of which motor vehicle loans	1	0	0	0	0	0								
28	Local governments financing	22	4	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local government financing	22	4	0	0	0	0	0	0	0	0	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**1 444**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings	1 444													
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations	1 440													
35	Loans and advances	1 437													
36	of which loans collateralised by commercial immovable property	471													
37	of which building renovation loans	0													
38	Debt securities	0													
39	Equity instruments	4													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	4													

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2024													
	Million EUR	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances	4													
42	Debt securities	0													
43	Equity instruments	0													
44	Derivatives	0													
45	On demand interbank loans	0													
46	Cash and cash-related assets	0													
47	Other categories of assets(e.g. Goodwill, commodities etc.)	0													
48	**Total GAR assets**	**4 104**	**1 564**	**86**	**0**	**11**	**66**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
49	**Assets not covered for GAR calculation**	**707**													
50	Central governments and Supranational issuers	707													
51	Central banks exposure	0													
52	Trading book	0													
53	**Total assets**	**4 811**	**1 564**	**86**	**0**	**11**	**66**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations															
54	Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	Million EUR	o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2024											
		Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	Financial undertakings	0	0	0	0	0	0	0	0	0	0	0	0
3	Credit institutions	0	0	0	0	0	0	0	0	0	0	0	0
4	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
6	Equity instruments	0	0		0	0	0		0	0	0		0
7	Other financial corporations	0	0	0	0	0	0	0	0	0	0	0	0
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	0	0		0	0	0		0	0	0		0
12	of which management companies	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0		0	0	0		0	0	0		0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0		0	0	0		0	0	0		0
20	Non-financial undertakings	0	0	0	0	0	0	0	0	0	0	0	0
21	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
22	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0
23	Equity instruments	0	0		0	0	0		0	0	0		0
24	Households	0	0	0	0	0	0	0	0	0	0	0	0
25	of which loans collateralised by residential immovable property	0	0	0	0								
26	of which building renovation loans	0	0	0	0								
27	Of which motor vehicle loans												
28	Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
33	Financial and Non-financial undertakings												
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations												
35	Loans and advances												
36	of which loans collateralised by commercial immovable property												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure obligations												

	Million EUR	o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2024											
		Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets(e.g. Goodwill, commodities etc.)												
48	**Total GAR assets**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
49	**Assets not covered for GAR calculation**												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	**Total assets**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0

	Million EUR	aa	ab	ac	ad	ae
		31 December 2024				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR – Covered assets in both numerator and denominator					
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**	**1 565**	**86**	**0**	**11**	**66**
2	Financial undertakings	81	7	0	0	2
3	Credit institutions	40	1	0	0	0
4	Loans and advances	1	0	0	0	0
5	Debt securities, including UoP	39	1	0	0	0
6	Equity instruments	0	0		0	0
7	Other financial corporations	41	6	0	0	2
8	of which investment firms	0	0	0	0	0
9	Loans and advances	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0
11	Equity instruments	0	0		0	0
12	of which management companies	0	0	0	0	0
13	Loans and advances	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0
15	Equity instruments	0	0		0	0
16	of which insurance undertakings	0	0	0	0	0
17	Loans and advances	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0
19	Equity instruments	0	0		0	0
20	Non-financial undertakings	137	79	0	11	64
21	Loans and advances	137	79	0	11	64
22	Debt securities, including UoP	0	0	0	0	0
23	Equity instruments	0	0		0	0
24	Households	1 343	0	0	0	0
25	of which loans collateralised by residential immovable property	1 281	0	0	0	0
26	of which building renovation loans	61	0	0	0	0
27	Of which motor vehicle loans	0	0	0	0	0
28	Local governments financing	4	0	0	0	0
29	Housing financing	0	0	0	0	0
30	Other local government financing	4	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0**	**0**	**0**	**0**	**0**
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	0	0	0	0	0
33	Financial and Non-financial undertakings					
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations					
35	Loans and advances					
36	of which loans collateralised by commercial immovable property					
37	of which building renovation loans					
38	Debt securities					
39	Equity instruments					
40	Non-EU country counterparties not subject to NFRD disclosure obligations					

	Million EUR	aa	ab	ac	ad	ae
		31 December 2024				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
41	Loans and advances					
42	Debt securities					
43	Equity instruments					
44	Derivatives					
45	On demand interbank loans					
46	Cash and cash-related assets					
47	Other categories of assets(e.g. Goodwill, commodities etc.)					
48	**Total GAR assets**	**1 565**	**86**	**0**	**11**	**66**
49	**Assets not covered for GAR calculation**					
50	Central governments and Supranational issuers					
51	Central banks exposure					
52	Trading book					
53	**Total assets**	**1 565**	**86**	**0**	**11**	**66**
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations						
54	Financial guarantees	0	0	0	0	0
55	Assets under management	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31 December 2023													
	Million EUR	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**														
2	Financial undertakings														
3	Credit institutions														
4	Loans and advances														
5	Debt securities, including UoP														
6	Equity instruments														
7	Other financial corporations														
8	of which investment firms														
9	Loans and advances														
10	Debt securities, including UoP														
11	Equity instruments														
12	of which management companies														
13	Loans and advances														
14	Debt securities, including UoP														
15	Equity instruments														
16	of which insurance undertakings														
17	Loans and advances														
18	Debt securities, including UoP														
19	Equity instruments														
20	Non-financial undertakings														
21	Loans and advances														
22	Debt securities, including UoP														
23	Equity instruments														
24	Households														
25	of which loans collateralised by residential immovable property														
26	of which building renovation loans														
27	Of which motor vehicle loans														
28	Local governments financing														
29	Housing financing														
30	Other local government financing														
31	**Collateral obtained by taking possession: residential and commercial immovable properties**														
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)														
33	Financial and Non-financial undertakings														
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations														
35	Loans and advances														
36	of which loans collateralised by commercial immovable property														
37	of which building renovation loans														
38	Debt securities														
39	Equity instruments														
40	Non-EU country counterparties not subject to NFRD disclosure obligations														

	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	31 December 2023													
Million EUR	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible		
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)	
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41 Loans and advances														
42 Debt securities														
43 Equity instruments														
44 Derivatives														
45 On demand interbank loans														
46 Cash and cash-related assets														
47 Other categories of assets(e.g. Goodwill, commodities etc.)														
48 Total GAR assets														
49 Assets not covered for GAR calculation														
50 Central governments and Supranational issuers														
51 Central banks exposure														
52 Trading book														
53 Total assets														
54 Financial guarantees														
55 Assets under management														
56 Of which debt securities														
57 Of which equity instruments														

		o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2023											
		Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Million EUR	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**												
2	Financial undertakings												
3	Credit institutions												
4	Loans and advances												
5	Debt securities, including UoP												
6	Equity instruments												
7	Other financial corporations												
8	of which investment firms												
9	Loans and advances												
10	Debt securities, including UoP												
11	Equity instruments												
12	of which management companies												
13	Loans and advances												
14	Debt securities, including UoP												
15	Equity instruments												
16	of which insurance undertakings												
17	Loans and advances												
18	Debt securities, including UoP												
19	Equity instruments												
20	Non-financial undertakings												
21	Loans and advances												
22	Debt securities, including UoP												
23	Equity instruments												
24	Households												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	Of which motor vehicle loans												
28	Local governments financing												
29	Housing financing												
30	Other local government financing												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**												
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)												
33	Financial and Non-financial undertakings												
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations												
35	Loans and advances												
36	of which loans collateralised by commercial immovable property												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure obligations												

	Million EUR	o	p	q	r	s	t	u	v	w	x	y	z
		31 December 2023											
		Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets(e.g. Goodwill, commodities etc.)												
48	**Total GAR assets**												
49	**Assets not covered for GAR calculation**												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	**Total assets**												
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees												
55	Assets under management												
56	Of which debt securities												
57	Of which equity instruments												

	Million EUR	aa	ab	ac	ad	ae
		31 December 2023				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR – Covered assets in both numerator and denominator					
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculations**					
2	Financial undertakings					
3	Credit institutions					
4	Loans and advances					
5	Debt securities, including UoP					
6	Equity instruments					
7	Other financial corporations					
8	of which investment firms					
9	Loans and advances					
10	Debt securities, including UoP					
11	Equity instruments					
12	of which management companies					
13	Loans and advances					
14	Debt securities, including UoP					
15	Equity instruments					
16	of which insurance undertakings					
17	Loans and advances					
18	Debt securities, including UoP					
19	Equity instruments					
20	Non-financial undertakings					
21	Loans and advances					
22	Debt securities, including UoP					
23	Equity instruments					
24	Households					
25	of which loans collateralised by residential immovable property					
26	of which building renovation loans					
27	Of which motor vehicle loans					
28	Local governments financing					
29	Housing financing					
30	Other local government financing					
31	**Collateral obtained by taking possession: residential and commercial immovable properties**					
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**					
33	Financial and Non-financial undertakings					
34	SME and NFCs (other than SMEs) not subject to NFRD disclosure obligations					
35	Loans and advances					
36	of which loans collateralised by commercial immovable property					
37	of which building renovation loans					
38	Debt securities					
39	Equity instruments					
40	Non-EU country counterparties not subject to NFRD disclosure obligations					

Million EUR		aa	ab	ac	ad	ae
		31 December 2023				
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling
41	Loans and advances					
42	Debt securities					
43	Equity instruments					
44	Derivatives					
45	On demand interbank loans					
46	Cash and cash-related assets					
47	Other categories of assets(e.g. Goodwill, commodities etc.)					
48	**Total GAR assets**					
49	**Assets not covered for GAR calculation**					
50	Central governments and Supranational issuers					
51	Central banks exposure					
52	Trading book					
53	**Total assets**					
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations						
54	Financial guarantees					
55	Assets under management					
56	Of which debt securities					
57	Of which equity instruments					

We note that the flow perspective is understood as a filter on actual new business originated in the reporting period 2024. This means that it focuses on new loans and advances, debt securities, shareholdings. As assets for calculating the flow percentages, we use the gross carrying amounts of these identified new businesses as of 31 December 2024.

GAR sector information stock (CapEx View)

	a	b	c	e	f	g	h	i	j
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)			
		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD	
	Breakdown by sector – NACE 4 digits level (code and label)	Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)
1	C 10.72 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	81	0			0	0		
2	C 18.12 Other printing	1	0			0	0		
3	C 20.59 Manufacture of other chemical products n.e.c.	1	0			0	0		
4	C 22.29 Manufacture of other plastic products	1	0			0	0		
5	C 23.20 Manufacture of refractory products	3	3			0	0		
6	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	14	0			0	0		
7	C 24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	11	9			0	0		
8	C 25.40 Manufacture of weapons and ammunition	3	2			0	0		
9	C 25.61 Treatment and coating of metals	8	0			0	0		
10	C 28.15 Manufacture of bearings, gears, gearing and driving elements	1	0			0	0		
11	C 29.10 Manufacture of motor vehicles	2	0			0	0		
12	C 29.32 Manufacture of other parts and accessories for motor vehicles	24	3			0	0		
13	C 30.20 Manufacture of railway locomotives and rolling stock	69	68			0	0		
14	D 35.11 Production of electricity	65	65			0	0		
15	D 35.12 Transmission of electricity	40	40			0	0		
16	D 35.13 Distribution of electricity	12	12			0	0		
17	D 35.22 Distribution of gaseous fuels through mains	4	3			0	0		
18	D 35.30 Steam and air conditioning supply	30	19			0	0		
19	G 46.18 Agents specialised in the sale of other particular products	1	0			0	0		
20	G 46.72 Wholesale of metals and metal ores	1	0			0	0		
21	G 46.76 Wholesale of other intermediate products	2	1			0	0		
22	G 46.77 Wholesale of waste and scrap	5	5			1	0		
23	G 47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	8	0			0	0		
24	G 47.52 Retail sale of hardware, paints and glass in specialised stores	2	1			0	0		
25	H 49.10 Passenger rail transport, interurban	6	0			0	0		
26	H 49.20 Freight rail transport	9	9			0	0		
27	H 50.40 Inland freight water transport	9	0			0	0		
28	H 52.21 Service activities incidental to land transportation	102	0			0	0		
29	H 52.23 Service activities incidental to air transportation	2	1			0	0		
30	H 52.29 Other transportation support activities	16	4			0	0		
31	J 62.09 Other information technology and computer service activities	1	0			0	0		
32	L 68.20 Rental and operating of own or leased real estate	59	0			0	0		
33	L 68.31 Real estate agencies	4	0			0	0		
34	L 68.32 Management of real estate on a fee or contract basis	4	4			0	0		
35	M 70.22 Business and other management consultancy activities	2	0			0	0		
36	M 71.12 Engineering activities and related technical consultancy	3	3			0	0		
37	M 72.19 Other research and experimental development on natural sciences and engineering	1	0			0	0		
38	N 82.99 Other business support service activities n.e.c.	1	0			0	0		
39	Other	5	2			0	0		

	a	k	l	m	n	o	p	q	r
	Breakdown by sector – NACE 4 digits level (code and label)	Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)
1	C 10.72 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	0	0			0	0		
2	C 18.12 Other printing	0	0			0	0		
3	C 20.59 Manufacture of other chemical products n.e.c.	0	0			0	0		
4	C 22.29 Manufacture of other plastic products	0	0			0	0		
5	C 23.20 Manufacture of refractory products	0	0			0	0		
6	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	0	0			0	0		
7	C 24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0	0			0	0		
8	C 25.40 Manufacture of weapons and ammunition	0	0			0	0		
9	C 25.61 Treatment and coating of metals	0	0			0	0		
10	C 28.15 Manufacture of bearings, gears, gearing and driving elements	0	0			0	0		
11	C 29.10 Manufacture of motor vehicles	0	0			0	0		
12	C 29.32 Manufacture of other parts and accessories for motor vehicles	0	0			0	0		
13	C 30.20 Manufacture of railway locomotives and rolling stock	0	0			0	0		
14	D 35.11 Production of electricity	0	0			0	0		
15	D 35.12 Transmission of electricity	0	0			0	0		
16	D 35.13 Distribution of electricity	0	0			0	0		
17	D 35.22 Distribution of gaseous fuels through mains	0	0			0	0		
18	D 35.30 Steam and air conditioning supply	0	0			0	0		
19	G 46.18 Agents specialised in the sale of other particular products	0	0			0	0		
20	G 46.72 Wholesale of metals and metal ores	0	0			0	0		
21	G 46.76 Wholesale of other intermediate products	0	0			0	0		
22	G 46.77 Wholesale of waste and scrap	0	0			0	0		
23	G 47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	0	0			0	0		
24	G 47.52 Retail sale of hardware, paints and glass in specialised stores	0	0			0	0		
25	H 49.10 Passenger rail transport, interurban	0	0			0	0		
26	H 49.20 Freight rail transport	0	0			0	0		
27	H 50.40 Inland freight water transport	0	0			0	0		
28	H 52.21 Service activities incidental to land transportation	0	0			0	0		
29	H 52.23 Service activities incidental to air transportation	0	0			0	0		
30	H 52.29 Other transportation support activities	0	0			0	0		
31	J 62.09 Other information technology and computer service activities	0	0			0	0		
32	L 68.20 Rental and operating of own or leased real estate	0	0			0	0		
33	L 68.31 Real estate agencies	0	0			0	0		
34	L 68.32 Management of real estate on a fee or contract basis	0	0			0	0		
35	M 70.22 Business and other management consultancy activities	0	0			0	0		
36	M 71.12 Engineering activities and related technical consultancy	0	0			0	0		
37	M 72.19 Other research and experimental development on natural sciences and engineering	0	0			0	0		
38	N 82.99 Other business support service activities n.e.c.	0	0			0	0		
39	Other	0	0			0	0		

	a	s	t	u	v	w	x	y	z
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD	
	Breakdown by sector – NACE 4 digits level (code and label)	Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)
1	C 10.72 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	0	0			0	0		
2	C 18.12 Other printing	0	0			0	0		
3	C 20.59 Manufacture of other chemical products n.e.c.	0	0			0	0		
4	C 22.29 Manufacture of other plastic products	0	0			0	0		
5	C 23.20 Manufacture of refractory products	0	0			0	0		
6	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	0	0			0	0		
7	C 24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0	0			0	0		
8	C 25.40 Manufacture of weapons and ammunition	0	0			0	0		
9	C 25.61 Treatment and coating of metals	0	0			0	0		
10	C 28.15 Manufacture of bearings, gears, gearing and driving elements	0	0			0	0		
11	C 29.10 Manufacture of motor vehicles	0	0			0	0		
12	C 29.32 Manufacture of other parts and accessories for motor vehicles	0	0			0	0		
13	C 30.20 Manufacture of railway locomotives and rolling stock	0	0			0	0		
14	D 35.11 Production of electricity	0	0			0	0		
15	D 35.12 Transmission of electricity	0	0			0	0		
16	D 35.13 Distribution of electricity	0	0			0	0		
17	D 35.22 Distribution of gaseous fuels through mains	0	0			0	0		
18	D 35.30 Steam and air conditioning supply	0	0			0	0		
19	G 46.18 Agents specialised in the sale of other particular products	0	0			0	0		
20	G 46.72 Wholesale of metals and metal ores	0	0			0	0		
21	G 46.76 Wholesale of other intermediate products	0	0			0	0		
22	G 46.77 Wholesale of waste and scrap	0	0			0	0		
23	G 47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	0	0			0	0		
24	G 47.52 Retail sale of hardware, paints and glass in specialised stores	0	0			0	0		
25	H 49.10 Passenger rail transport, interurban	0	0			0	0		
26	H 49.20 Freight rail transport	0	0			0	0		
27	H 50.40 Inland freight water transport	0	0			0	0		
28	H 52.21 Service activities incidental to land transportation	0	0			0	0		
29	H 52.23 Service activities incidental to air transportation	0	0			0	0		
30	H 52.29 Other transportation support activities	0	0			0	0		
31	J 62.09 Other information technology and computer service activities	0	0			0	0		
32	L 68.20 Rental and operating of own or leased real estate	0	0			0	0		
33	L 68.31 Real estate agencies	0	0			0	0		
34	L 68.32 Management of real estate on a fee or contract basis	0	0			0	0		
35	M 70.22 Business and other management consultancy activities	0	0			0	0		
36	M 71.12 Engineering activities and related technical consultancy	0	0			0	0		
37	M 72.19 Other research and experimental development on natural sciences and engineering	0	0			0	0		
38	N 82.99 Other business support service activities n.e.c.	0	0			0	0		
39	Other	0	0			0	0		

	a	aa	ab	ac	ad
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SME and other NFC not subject to NFRD	
		Gross carrying amount		Gross carrying amount	
	Breakdown by sector – NACE 4 digits level (code and label)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	C 10.72 Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	81	0		
2	C 18.12 Other printing	1	0		
3	C 20.59 Manufacture of other chemical products n.e.c.	1	0		
4	C 22.29 Manufacture of other plastic products	1	0		
5	C 23.20 Manufacture of refractory products	3	3		
6	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	14	0		
7	C 24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	11	9		
8	C 25.40 Manufacture of weapons and ammunition	3	2		
9	C 25.61 Treatment and coating of metals	8	0		
10	C 28.15 Manufacture of bearings, gears, gearing and driving elements	1	0		
11	C 29.10 Manufacture of motor vehicles	2	0		
12	C 29.32 Manufacture of other parts and accessories for motor vehicles	24	3		
13	C 30.20 Manufacture of railway locomotives and rolling stock	69	68		
14	D 35.11 Production of electricity	65	65		
15	D 35.12 Transmission of electricity	40	40		
16	D 35.13 Distribution of electricity	12	12		
17	D 35.22 Distribution of gaseous fuels through mains	4	3		
18	D 35.30 Steam and air conditioning supply	30	19		
19	G 46.18 Agents specialised in the sale of other particular products	1	0		
20	G 46.72 Wholesale of metals and metal ores	1	0		
21	G 46.76 Wholesale of other intermediate products	2	1		
22	G 46.77 Wholesale of waste and scrap	6	5		
23	G 47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	8	0		
24	G 47.52 Retail sale of hardware, paints and glass in specialised stores	2	1		
25	H 49.10 Passenger rail transport, interurban	6	0		
26	H 49.20 Freight rail transport	9	9		
27	H 50.40 Inland freight water transport	9	0		
28	H 52.21 Service activities incidental to land transportation	102	0		
29	H 52.23 Service activities incidental to air transportation	2	1		
30	H 52.29 Other transportation support activities	16	4		
31	J 62.09 Other information technology and computer service activities	1	0		
32	L 68.20 Rental and operating of own or leased real estate	59	0		
33	L 68.31 Real estate agencies	4	0		
34	L 68.32 Management of real estate on a fee or contract basis	4	4		
35	M 70.22 Business and other management consultancy activities	2	0		
36	M 71.12 Engineering activities and related technical consultancy	3	3		
37	M 72.19 Other research and experimental development on natural sciences and engineering	1	0		
38	N 82.99 Other business support service activities n.e.c.	1	0		
39	Other	5	2		

GAR KPI stock (CapEx View)

	% (compared to total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		31 December 2024												
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**77.44%**	**1.71%**	**0%**	**0.52%**	**0.90%**	**0.02%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
2	Financial undertakings	33.67%	2.48%	0%	0.09%	0.75%	0.42%	0.07%	0%	0%	0%	0%	0%	0%
3	Credit institutions	23.13%	1.53%	0%	0.09%	0.41%	0.04%	0.01%	0%	0%	0%	0%	0%	0%
4	Loans and advances	9.63%	0.23%	0%	0.02%	0.08%	0%	0%	0%	0%	0%	0%	0%	0%
5	Debt securities, including UoP	24.58%	1.64%	0%	0.09%	0.44%	0.05%	0.02%	0%	0%	0%	0%	0%	0%
6	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
7	Other financial corporations	48.51%	3.84%	0%	0.10%	1.24%	0.94%	0.15%	0%	0%	0%	0%	0%	0%
8	of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
12	of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
16	of which insurance undertaking	2.11%	0.43%	0%	0.02%	0.09%	28.67%	4.43%	0%	0%	0%	0%	0%	0%
17	Loans and advances	2.84%	0.42%	0%	0.02%	0.09%	28.15%	4.35%	0%	0%	0%	0%	0%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Equity instruments	2.11%	0.43%		0.02%	0.09%	28.67%	4.43%		0%	0%	0%		0%
20	Non-financial undertakings	46.97%	19.67%	0%	6.24%	10.60%	0.06%	0.02%	0%	0%	0%	0%	0%	0%
21	Loans and advances	48.67%	20.03%	0%	6.77%	10.36%	0.06%	0.02%	0%	0%	0%	0%	0%	0%
22	Debt securities, including UoP	62.62%	40.16%	0%	0%	34.97%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	4.84%	0.11%		0.01%	0.04%	0%	0%		0%	0%	0%		0%
24	Households	82.96%	0%	0%	0%	0%	0%	0%	0%	0%				
25	of which loans collateralised by residential immovable property	99.98%	0%	0%	0%	0%	0%	0%	0%	0%				
26	of which building renovation loans	100%	0%	0%	0%	0%	0%	0%	0%	0%				
27	of which motor vehicle loans	3.45%	0%	0%	0%	0%								
28	Local governments financing	58.17%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	58.17%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**58.03%**	**1.28%**	**0%**	**0.39%**	**0.67%**	**0.02%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

	% (compared to total covered assets in the denominator)	n	o	p	q	r	s	t	u	v	w	x	y
		31 December 2024											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and ecosystems (BIO)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
2	Financial undertakings	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3	Credit institutions	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
6	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
7	Other financial corporations	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
8	of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
12	of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
16	of which insurance undertaking	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
17	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
20	Non-financial undertakings	0.02%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
21	Loans and advances	0.02%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
24	Households	0%	0%	0%	0%								
25	of which loans collateralised by residential immovable property	0%	0%	0%	0%								
26	of which building renovation loans	0%	0%	0%	0%								
27	of which motor vehicle loans												
28	Local governments financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

% (compared to total covered assets in the denominator)		z	aa	ab	ac	ad	ae
		31 December 2024					
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator						
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**77.52%**	**1.72%**	**0%**	**0.52%**	**0.90%**	**59.11%**
2	Financial undertakings	34.09%	2.55%	0%	0.09%	0.75%	2.32%
3	Credit institutions	23.17%	1.54%	0%	0.09%	0.41%	1.35%
4	Loans and advances	9.63%	0.23%	0%	0.02%	0.08%	0.05%
5	Debt securities, including UoP	24.63%	1.65%	0%	0.09%	0.44%	1.25%
6	Equity instruments	0%	0%		0%	0%	0.05%
7	Other financial corporations	49.45%	3.98%	0%	0.10%	1.24%	0.96%
8	of which investment firms	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%
12	of which management companies	0%	0%	0%	0%	0%	0.01%
13	Loans and advances	0%	0%	0%	0%	0%	0.01%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%
16	of which insurance undertaking	30.78%	4.85%	0%	0.02%	0.09%	0.03%
17	Loans and advances	30.99%	4.77%	0%	0.02%	0.09%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
19	Equity instruments	30.78%	4.85%		0.02%	0.09%	0.03%
20	Non-financial undertakings	47.05%	19.69%	0%	6.24%	10.60%	4.86%
21	Loans and advances	48.75%	20.05%	0%	6.77%	10.36%	4.48%
22	Debt securities, including UoP	62.62%	40.16%	0%	0%	34.97%	0.14%
23	Equity instruments	4.84%	0.11%		0.01%	0.04%	0.23%
24	Households	82.96%	0%	0%	0%	0%	50.57%
25	of which loans collateralised by residential immovable property	99.98%	0%	0%	0%	0%	40.60%
26	of which building renovation loans	100%	0%	0%	0%	0%	1.36%
27	of which motor vehicle loans						
28	Local governments financing	58.17%	0%	0%	0%	0%	1.37%
29	Housing financing	0%	0%	0%	0%	0%	0%
30	Other local government financing	58.17%	0%	0%	0%	0%	1.37%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**58.04%**	**1.29%**	**0%**	**0.39%**	**0.67%**	**59.11%**

		a	b	c	d	e	f	g	h	i	j	k	l	m
		31 December 2023												
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	% (compared to total covered assets in the denominator)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**													
2	Financial undertakings													
3	Credit institutions													
4	Loans and advances													
5	Debt securities, including UoP													
6	Equity instruments													
7	Other financial corporations													
8	of which investment firms													
9	Loans and advances													
10	Debt securities, including UoP													
11	Equity instruments													
12	of which management companies													
13	Loans and advances													
14	Debt securities, including UoP													
15	Equity instruments													
16	of which insurance undertaking													
17	Loans and advances													
18	Debt securities, including UoP													
19	Equity instruments													
20	Non-financial undertakings													
21	Loans and advances													
22	Debt securities, including UoP													
23	Equity instruments													
24	Households													
25	of which loans collateralised by residential immovable property													
26	of which building renovation loans													
27	of which motor vehicle loans													
28	Local governments financing													
29	Housing financing													
30	Other local government financing													
31	**Collateral obtained by taking possession: residential and commercial immovable properties**													
32	**Total GAR assets**													

	% (compared to total covered assets in the denominator)	n	o	p	q	r	s	t	u	v	w	x	y
		31 December 2023											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and ecosystems (BIO)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**												
2	Financial undertakings												
3	Credit institutions												
4	Loans and advances												
5	Debt securities, including UoP												
6	Equity instruments												
7	Other financial corporations												
8	of which investment firms												
9	Loans and advances												
10	Debt securities, including UoP												
11	Equity instruments												
12	of which management companies												
13	Loans and advances												
14	Debt securities, including UoP												
15	Equity instruments												
16	of which insurance undertaking												
17	Loans and advances												
18	Debt securities, including UoP												
19	Equity instruments												
20	Non-financial undertakings												
21	Loans and advances												
22	Debt securities, including UoP												
23	Equity instruments												
24	Households												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	of which motor vehicle loans												
28	Local governments financing												
29	Housing financing												
30	Other local government financing												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**												
32	**Total GAR assets**												

	% (compared to total covered assets in the denominator)	z	aa	ab	ac	ad	ae
		31 December 2023					
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator						
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**						
2	Financial undertakings						
3	Credit institutions						
4	Loans and advances						
5	Debt securities, including UoP						
6	Equity instruments						
7	Other financial corporations						
8	of which investment firms						
9	Loans and advances						
10	Debt securities, including UoP						
11	Equity instruments						
12	of which management companies						
13	Loans and advances						
14	Debt securities, including UoP						
15	Equity instruments						
16	of which insurance undertaking						
17	Loans and advances						
18	Debt securities, including UoP						
19	Equity instruments						
20	Non-financial undertakings						
21	Loans and advances						
22	Debt securities, including UoP						
23	Equity instruments						
24	Households						
25	of which loans collateralised by residential immovable property						
26	of which building renovation loans						
27	of which motor vehicle loans						
28	Local governments financing						
29	Housing financing						
30	Other local government financing						
31	**Collateral obtained by taking possession: residential and commercial immovable properties**						
32	**Total GAR assets**						

GAR KPI Flow (CapEx View)

	% (compared to flow of total eligible assets)	a	b	c	d	e	j	k	l	m	j	k	l	m
		31 December 2024												
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**58.80%**	**3.22%**	**0%**	**0.43%**	**2.48%**	**0.02%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
2	Financial undertakings	38.75%	3.46%	0%	0.13%	1.10%	0.03%	0.01%	0%	0%	0%	0%	0%	0%
3	Credit institutions	35.46%	0.94%	0%	0.09%	0.27%	0.05%	0.01%	0%	0%	0%	0%	0%	0%
4	Loans and advances	9.59%	0.22%	0%	0.02%	0.08%	0%	0%	0%	0%	0%	0%	0%	0%
5	Debt securities, including UoP	39.23%	1.05%	0%	0.10%	0.29%	0.06%	0.02%	0%	0%	0%	0%	0%	0%
6	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
7	Other financial corporations	42.66%	6.43%	0%	0.17%	2.08%	0.01%	0%	0%	0%	0%	0%	0%	0%
8	of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
12	of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
16	of which insurance undertaking	2.11%	0.43%	0%	0.02%	0.09%	28.67%	4.43%	0%	0%	0%	0%	0%	0%
17	Loans and advances	2.11%	0.43%	0%	0.02%	0.09%	28.67%	4.43%	0%	0%	0%	0%	0%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
20	Non-financial undertakings	45.89%	26.37%	0%	3.75%	21.37%	0.12%	0.03%	0%	0%	0%	0%	0%	0%
21	Loans and advances	45.89%	26.37%	0%	3.75%	21.37%	0.12%	0.03%	0%	0%	0%	0%	0%	0%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%
24	Households	62.96%	0%	0%	0%	0%	0%	0%	0%	0%				
25	of which loans collateralised by residential immovable property	99.97%	0%	0%	0%	0%	0%	0%	0%	0%				
26	of which building renovation loans	100%	0%	0%	0%	0%	0%	0%	0%	0%				
27	of which motor vehicle loans	0%	0%	0%	0%	0%								
28	Local governments financing	19.41%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	19.41%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**38.11%**	**2.09%**	**0%**	**0.28%**	**1.61%**	**0.01%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

	% (compared to flow of total eligible assets)	n	o	p	q	r	s	t	u	v	w	x	y
		31 December 2024											
		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**0.01%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
2	Financial undertakings	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3	Credit institutions	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
6	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
7	Other financial corporations	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
8	of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
12	of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
16	of which insurance undertaking	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
17	Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
20	Non-financial undertakings	0.05%	0%	0%	0%	0.01%	0%	0%	0%	0%	0%	0%	0%
21	Loans and advances	0.05%	0%	0%	0%	0.01%	0%	0%	0%	0%	0%	0%	0%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%		0%	0%	0%		0%	0%	0%		0%
24	Households	0%	0%	0%	0%								
25	of which loans collateralised by residential immovable property	0%	0%	0%	0%								
26	of which building renovation loans	0%	0%	0%	0%								
27	of which motor vehicle loans												
28	Local governments financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	**Total GAR assets**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

	% (compared to flow of total eligible assets)	z	aa	ab	ac	ad	ae
		31 December 2024					
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator						
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**58.83%**	**3.23%**	**0%**	**0.43%**	**2.48%**	**55.28%**
2	Financial undertakings	38.79%	3.46%	0%	0.13%	1.10%	4.32%
3	Credit institutions	35.51%	0.96%	0%	0.09%	0.27%	2.34%
4	Loans and advances	9.59%	0.22%	0%	0.02%	0.08%	0.30%
5	Debt securities, including UoP	39.29%	1.07%	0%	0.10%	0.29%	2.04%
6	Equity instruments	0%	0%		0%	0%	0%
7	Other financial corporations	42.67%	6.43%	0%	0.17%	2.08%	1.98%
8	of which investment firms	0%	0%	0%	0%	0%	0%
9	Loans and advances	0%	0%	0%	0%	0%	0%
10	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
11	Equity instruments	0%	0%		0%	0%	0%
12	of which management companies	0%	0%	0%	0%	0%	0.05%
13	Loans and advances	0%	0%	0%	0%	0%	0.05%
14	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
15	Equity instruments	0%	0%		0%	0%	0%
16	of which insurance undertaking	30.78%	4.85%	0%	0.02%	0.09%	0%
17	Loans and advances	30.78%	4.85%	0%	0.02%	0.09%	0%
18	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
19	Equity instruments	0%	0%		0%	0%	0%
20	Non-financial undertakings	46.08%	26.41%	0%	3.75%	21.37%	6.19%
21	Loans and advances	46.08%	26.41%	0%	3.75%	21.37%	6.19%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%		0%	0%	0%
24	Households	62.96%	0%	0%	0%	0%	44.33%
25	of which loans collateralised by residential immovable property	99.97%	0%	0%	0%	0%	26.64%
26	of which building renovation loans	100%	0%	0%	0%	0%	1.28%
27	of which motor vehicle loans						
28	Local governments financing	19.41%	0%	0%	0%	0%	0.45%
29	Housing financing	0%	0%	0%	0%	0%	0%
30	Other local government financing	19.41%	0%	0%	0%	0%	0.45%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
32	Total GAR assets	38.12%	2.09%	0%	0.28%	1.61%	55.28%

KPI Stock off-balance sheet exposures (CapEx View)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		31 December 2024																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	24.42%	1.63%	0%	0.85%	0.38%	0.11%	0.03%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2	Assets under management (AuM KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

		r	s	t	u	v	w	x	y	z	aa	ab	ac	ad
		31 December 2024												
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0%	0%	0%	0%	0%	0%	0%	0%	24.53%	1.66%	0%	0.85%	0.38%
2	Assets under management (AuM KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

KPI Flow off-balance sheet exposures (CapEx View)

% (compared to total eligible off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	31 December 2024																
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
1 Financial guarantees (FinGuar KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2 Assets under management (AuM KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

% (compared to total eligible off-balance sheet assets)	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad
	31 December 2024												
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1 Financial guarantees (FinGuar KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2 Assets under management (AuM KPI)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

ADDITIONAL DISCLOSURES ADDRESSING DIRECT AND INDIRECT FINANCING OF SPECIFIC ACTIVITIES IN THE NUCLEAR AND FOSSIL GAS SECTORS

This subchapter discloses, as applicable, all the related additionally required EU Taxonomy reporting templates, as laid out in Appendix XII of the Delegated Regulation (EU) 2021/2178, for each applicable taxonomy KPI of bank, namely GAR Stock and Flow and FinGuar KPI Stock and Flow. For each of the mentioned applicable taxonomy KPI, Templates 2-5 are each distinctly presented in both the turnover and the CapEx view.

There are no use of proceeds known financings in bank portfolios of lending products, securities investments or financial guarantee products that are specifically related to the relevant activities in the areas of nuclear energy and fossil gas. The filling of the relevant tables is therefore based on the KPIs published by the respective counterparties in the corresponding tables. Related counterparties' Nuclear & Gas KPIs as published in their respective Template 2 were factored into the calculation of the below disclosed amounts in both Template 2 and Template 3 of each set of templates, as attributable to each of the above mentioned applicable KPIs.

All absolute values in this section are expressed in EUR million.

Template 1 Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Template 2 Taxonomy-aligned economic activities (denominator) stock (Turnover View)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	43	0.21%	43	0.21%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**149**	**0.70%**	**148**	**0.70%**	**463**	**0%**
8	**Total applicable KPI**	**192**	**0.91%**	**192**	**0.91%**	**463**	**0%**

Template 3 Taxonomy-aligned economic activities (numerator) stock (Turnover View)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	43	22.56%	43	22.62%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**149**	**77.44%**	**148**	**77.38%**	**0**	**100%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**192**	**100%**	**192**	**100%**	**0**	**100%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities stock (Turnover View)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4	0.02%	4	0.02%	0	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**11 858**	**56.18%**	**11 856**	**56.17%**	**2**	**0.01%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**11 863**	**56.21%**	**11 861**	**56.20%**	**2**	**0.01%**

Template 5 Taxonomy non-eligible economic activities stock (Turnover View)

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**9 049**	**42.88%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**9 051**	**42.88%**

Template 2 Taxonomy-aligned economic activities (denominator) flow (Turnover View)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**85**	**2.08%**	**85**	**2.08%**	**0**	**0%**
8	**Total applicable KPI**	**85**	**2.08%**	**85**	**2.08%**	**0**	**0%**

Template 3 Taxonomy-aligned economic activities (numerator) flow (Turnover View)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.14%	0	0.14%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**85**	**99.86%**	**85**	**99.86%**	**0**	**100%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**85**	**100%**	**85**	**100%**	**0**	**100%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities flow (Turnover View)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.01%	0	0.01%	0	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**1 461**	**35.60%**	**1 461**	**35.59%**	**0**	**0%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1 461**	**35.60%**	**1 461**	**35.60%**	**0**	**0%**

Template 5 Taxonomy non-eligible economic activities flow (Turnover View)

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.01%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**2 557**	**62.30%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**2 557**	**62.31%**

Template 2 Taxonomy-aligned economic activities (denominator) stock (CapEx View)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	65	0.31%	65	0.31%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**206**	**0.98%**	**206**	**0.97%**	**1**	**0%**
8	**Total applicable KPI**	**272**	**1.29%**	**272**	**1.28%**	**1**	**0%**

Template 3 Taxonomy-aligned economic activities (numerator) stock (CapEx View)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.11%	0	0.11%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	65	23.98%	65	24.03%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.02%	0	0.02%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**206**	**75.93%**	**206**	**75.87%**	**1**	**100%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**272**	**100%**	**271**	**100%**	**1**	**100%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities stock (CapEx View)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.01%	1	0.01%	0	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5	0.02%	5	0.02%	0	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**11 972**	**56.73%**	**11 970**	**56.71%**	**3**	**0.01%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**11 979**	**56.76%**	**11 976**	**56.74%**	**3**	**0.01%**

Template 5 Taxonomy non-eligible economic activities stock (CapEx View)

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**8 855**	**41.96%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**8 855**	**41.96%**

Template 2 Taxonomy-aligned economic activities (denominator) flow (CapEx View)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**86**	**2.09%**	**86**	**2.08%**	**0**	**0%**
8	**Total applicable KPI**	**86**	**2.09%**	**86**	**2.09%**	**0**	**0%**

Template 3 Taxonomy-aligned economic activities (numerator) flow (CapEx View)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.02%	0	0.02%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.17%	0	0.17%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**86**	**99.81%**	**86**	**99.81%**	**0**	**100%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**86**	**100%**	**86**	**100%**	**0**	**100%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities flow (CapEx View)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.01%	0	0.01%	0	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**1 478**	**36.02%**	**1 478**	**36.01%**	**0**	**0.01%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1 479**	**36.03%**	**1 478**	**36.02%**	**0**	**0.01%**

Template 5 Taxonomy non-eligible economic activities flow (CapEx View)

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**2 540**	**61.88%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**2 540**	**61.88%**

Template 2 Taxonomy-aligned economic activities (denominator) stock (Turnover View) - FinGuar

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.02%	0	0.02%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0.76%**	**0**	**0.75%**	**0**	**0.01%**
8	**Total applicable KPI**	**0**	**0.78%**	**0**	**0.77%**	**0**	**0.01%**

Template 3 Taxonomy-aligned economic activities (numerator) stock (Turnover View) - FinGuar

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	2.56%	0	2.60%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**0**	**97.44%**	**0**	**97.40%**	**0**	**100%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**0**	**100%**	**0**	**100%**	**0**	**100%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities stock (Turnover View) -FinGuar

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.01%	0	0.01%	0	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.01%	0	0.01%	0	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**22.47%**	**0**	**22.43%**	**0**	**0.04%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**0**	**22.49%**	**0**	**22.45%**	**0**	**0.04%**

Template 5 Taxonomy non-eligible economic activities stock (Turnover View) - FinGuar

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.01%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**76.72%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**0**	**76.73%**

Template 2 Taxonomy-aligned economic activities (denominator) flow (Turnover View) - FinGuar

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8	**Total applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**

Template 3 Taxonomy-aligned economic activities (numerator) flow (Turnover View) - FinGuar

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities flow (Turnover View) - FinGuar

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**

Template 5 Taxonomy non-eligible economic activities flow (Turnover View) - FinGuar

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**0**	**0%**

Template 2 Taxonomy-aligned economic activities (denominator) stock (CapEx View) - FinGuar

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.03%	0	0.03%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**1.63%**	**0**	**1.60%**	**0**	**0.03%**
8	**Total applicable KPI**	**0**	**1.66%**	**0**	**1.63%**	**0**	**0.03%**

Template 3 Taxonomy-aligned economic activities (numerator) stock (CapEx View) - FinGuar

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	1.81%	0	1.84%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**0**	**98.19%**	**0**	**98.16%**	**0**	**100%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**0**	**100%**	**0**	**100%**	**0**	**100%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities stock (CapEx View) - FinGuar

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**22.87%**	**0**	**22.79%**	**0**	**0.08%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**0**	**22.87%**	**0**	**22.79%**	**0**	**0.08%**

Template 5 Taxonomy non-eligible economic activities stock (CapEx View) - FinGuar

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**75.47%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**0**	**75.47%**

Template 2 Taxonomy-aligned economic activities (denominator) flow (CapEx View) - FinGuar

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8	**Total applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**

Template 3 Taxonomy-aligned economic activities (numerator) flow (CapEx View) - FinGuar

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amount and as percentages					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities flow (CapEx View) - FinGuar

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaption (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**

Template 5 Taxonomy non-eligible economic activities flow (CapEX View) - FinGuar

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**0**	**0%**

SOCIAL INFORMATION

OWN WORKFORCE (ESRS S1)

Table 27: Material impacts, risks, and opportunities concerning own workforce

IRO ID	Sustainability matter	Type IRO	IRO description	Time horizon
IRO S1-01-02	Secure employment	Negative impact	Contributing to unemployment and job losses in some regions due to branch closures, automation and digital transformation	Medium term
IRO S1-01-07	Secure employment	Risk	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	Medium term
IRO S1-02-01	Working time	Positive impact	Support for a better work-life balance by setting working time to 37.5 hours, providing flexible work arrangements and paid time off	Long term
IRO S1-02-07	Working time	Risk	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	Long term
IRO S1-02-10	Working time	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	Medium term
IRO S1-03-01	Adequate wages	Positive impact	Support for sustainable financial health through fair and adequate remuneration and a system of non-discriminatory benefits for all	Long term
IRO S1-03-05	Adequate wages	Risk	Increase in the employer's personnel costs and brand-related costs due to organisational change, changes in remuneration and benefits and other measures	Long term
IRO S1-03-07	Adequate wages	Risk	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	Medium term
IRO S1-03-10	Adequate wages	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent.	Medium term
IRO S1-05-01	Freedom of association, existence of work councils and the information, consultation and participation	Positive impact	Support for freedom of association, engagement and mapping of employees' needs through employee groups and communities	Long term
IRO S1-05-10	Freedom of association, existence of work councils and the information, consultation and participation	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent.	Medium term
IRO S1-06-01	Collective bargaining, including the rate of undertaking's workforce covered by collective agreement	Positive impact	Support for employee participation and involvement in decision-making in matters affecting employees through collective bargaining	Long term
IRO S1-06-05	Collective bargaining, including the rate of undertaking's workforce covered by collective agreement	Risk	Increase in the employer's personnel costs and brand-related costs due to organisational change, changes in remuneration and benefits and other measures	Long term
IRO S1-06-09	Collective bargaining, including the rate of undertaking's workforce covered by collective agreement	Risk	Civil disputes, complaints and administrative proceedings for breaches of internal directives and/or labour law	Medium term
IRO S1-06-10	Collective bargaining, including the rate of undertaking's workforce covered by collective agreement	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	Medium term
IRO S1-09-02	Gender equality and equal pay for work of equal value	Negative impact	Contribution to the country's unadjusted gender pay gap due to the under-representation of women in management and highly skilled jobs (e.g. IT)	Medium term
IRO S1-09-07	Gender equality and equal pay for work of equal value	Risk	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles.	Medium term
IRO S1-13-01	Diversity	Positive impact	Promotion of an open, respectful and safe working culture and zero tolerance for harmful behaviour as a contribution to a fairer society.	Medium term
IRO S1-13-10	Diversity	Opportunity	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent.	Medium term

Table 28: Affected employees and non-employees

IRO ID	IRO description	Description of employee and non-employee groups
IRO S1-01-02	Contributing to unemployment and job losses in some regions due to branch closures, automation and digital transformation	This impact primarily concerns branch network employees and, secondarily, all Bank employees. This impact does not apply to non-employees. These groups that may be negatively affected were identified by the Bank primarily through data from less developed regions (e.g., unemployment rate, job availability, etc.) as well as through analysis of jobs that may be negatively impacted by automation and digitalisation.
IRO S1-02-01	Support for a better work-life balance by setting working time to 37.5 hours, providing flexible work arrangements and paid time off	This impact applies to all employees. However, it specifically targets caregivers of (own) children, family members and communities as well as young employees and students. This impact does not apply to non-employees.
IRO S1-03-01	Support for sustainable financial health through fair and adequate remuneration and a system of non-discriminatory benefits for all	This impact applies equally to all employees and non-employees.
IRO S1-05-01	Support for freedom of association, engagement and mapping of employees' needs through employee groups and communities	This impact applies to all employees, specifically to vulnerable groups such as women, youth, religious individuals, and LGBTI persons. This impact does not apply to non-employees.
IRO S1-06-01	Support for employee participation and involvement in decision-making in matters affecting employees through collective bargaining	This impact primarily applies to employees who are trade union members. Secondary to all Bank employees. This impact does not apply to non-employees.
IRO S1-09-02	Contribution to the country's unadjusted gender pay gap due to the under-representation of women in management and highly skilled jobs (e.g. IT)	This impact primarily concerns female employees and female non-employees, and secondarily all employees and non-employees. These groups that may be negatively affected were identified by the Bank primarily by considering the gender aspect of the impact.
IRO S1-13-01	Promotion of an open, respectful and safe working culture and zero tolerance for harmful behaviour as a contribution to a fairer society.	This impact applies to all employees and non-employees, specifically to vulnerable employee groups such as women, youth, religious individuals, and LGBTI persons.
IRO S1-01-07	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	This risk concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-02-07	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	This risk concerns all employees and workers who are not employees of the Bank and is not associated with any specific group of employees or workers who are not employees of the Bank.
IRO S1-03-07	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	This risk concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-09-07	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles	This risk concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-03-05	Increase in the employer's personnel costs and brand-related costs due to organisational change, changes in remuneration and benefits and other measures	This risk concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-06-05	Increase in the employer's personnel costs and brand-related costs due to organisational change, changes in remuneration and benefits and other measures	This risk concerns all employees and workers who are not employees of the Bank and is not associated with any specific group of employees or workers who are not employees of the Bank.
IRO S1-06-09	Civil disputes, complaints and administrative proceedings for breaches of internal directives and/or labour law	This risk concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-02-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	This opportunity concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-03-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	This opportunity concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-05-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	This opportunity concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-06-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	This opportunity concerns all employees and non-employees and is not associated with any specific group of employees or non-employees.
IRO S1-13-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent	This opportunity concerns all employees and non-employees of the Bank and is not associated with any specific group of employees or non-employees.

Table 29: Commitments arising from the disclosure of sustainability-related information concerning own workforce

Topic	Commitment description
Respect for Human Rights and Freedoms	The Bank commits to adopting an ethical code, at a minimum in the scope of the Erste Group Code of Conduct, in the form of an internal company directive by the end of 2025.
Respect for Human Rights and Freedoms	The Bank commits to adopting an internal policy that includes a commitment to uphold fundamental human rights and freedoms in accordance with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations (UN) Guiding Principles on Business and Human Rights, and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises by the end of 2025.
Support for Diversity and Inclusion	The Bank commits to expanding its existing diversity and inclusion goals by incorporating additional relevant objectives related to employee care, in line with the findings of the DMA, by the end of 2025.

Topic	Commitment description
Employee engagement	The Bank commits to involving employee representatives in the process of setting employee care targets and identifying improvements arising from their implementation, starting in 2025.
Employee characteristics	The Bank commits to establishing a transparent and accessible system for reporting disability status by the end of 2025.

POLICIES RELATING TO OWN WORKFORCE (S1-1)

In managing sustainability aspects related to its own workforce, the Bank primarily adheres to the policies, directives, and strategies, including Collective Agreement of Slovenská sporiteľňa listed below. Unless stated otherwise, these policies and strategies are available via the intranet portal and apply to all Bank employees, regardless of the scope and duration of their employment. This does not apply to employees of consolidated companies, whose employment and employee care are governed by separate internal directives adopted by the respective consolidated company. The differences between consolidated companies and Slovenská sporiteľňa, a. s. in terms of working conditions and employee care are negligible; for this reason, the Bank does not provide an overview of the policies of consolidated companies. The policies, directives, and strategies listed below provide a comprehensive overview of the regulation of working conditions and employee rights within the Bank. None of the policies, directives, or strategies listed below commit the Bank to adhere to third-party standards.

Table 30: Policies and commitments concerning employees

IRO ID	IRO	IRO type	Policies
IRO S1-01-02	Contributing to unemployment and job losses in some regions due to branch closures, automation and digital transformation	Negative impact	Collective Agreement of Slovenská sporiteľňa Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis
IRO S1-02-01	Support for a better work-life balance by setting working time to 37.5 hours, providing flexible work arrangements and paid time off	Positive impact	Collective Agreement of Slovenská sporiteľňa Lucky Time (Employee Leave) Directive Sabbatical Directive Home Office Directive Directive on Working Time Arrangement, On-Call Duty, and Overtime Work People and Culture Strategy – Quo Vadis
IRO S1-03-01	Support for sustainable financial health through fair and adequate remuneration and a system of non-discriminatory benefits for all	Positive impact	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Employee Benefits in the Field of Social Care Directive Principles for Allocating Contributions from the Social Fund Directive People and Culture Strategy – Quo Vadis
IRO S1-06-01	Support for employee participation and involvement in decision-making in matters affecting employees through collective bargaining	Positive impact	Collective Agreement of Slovenská sporiteľňa People and Culture Hub Strategy – Quo Vadis
IRO S1-13-01	Promotion of an open, respectful and safe working culture and zero tolerance for harmful behaviour as a contribution to a fairer society.	Positive impact	Collective Agreement of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Reporting Operational Risk Events
IRO S1-01-07	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles.	Risk	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa Suitability and Succession Policy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa
IRO S1-02-07	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles.	Risk	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa Suitability and Succession Policy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa
IRO S1-03-07	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles.	Risk	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa Suitability and Succession Policy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa

IRO ID	IRO	IRO type	Policies
IRO S1-09-07	Poor media coverage at the national level leading to problems in attracting and retaining talent, especially in more difficult-to-fill positions or key roles.	Risk	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa Suitability and Succession Policy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa
IRO S1-03-05	Increase in the employer's personnel costs and brand-related costs due to organisational change, changes in remuneration and benefits and other measures	Risk	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Employee Benefits in the Field of Social Care Directive Principles for Allocating Contributions from the Social Fund Directive Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis
IRO S1-06-05	Increase in the employer's personnel costs and brand-related costs due to organisational change, changes in remuneration and benefits and other measures	Risk	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Employee Benefits in the Field of Social Care Directive Principles for Allocating Contributions from the Social Fund Directive Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis
IRO S1-06-09	Civil disputes, complaints and administrative proceedings for breaches of internal directives and/or labour law	Risk	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa Suitability and Succession Policy of Slovenská sporiteľňa Reporting Operational Risk Events
IRO S1-02-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent.	Opportunity	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Employee Benefits in the Field of Social Care Directive Lucky Time (Employee Leave) Directive) Sabbatical Directive Home Office Directive Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa
IRO S1-03-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent.	Opportunity	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Employee Benefits in the Field of Social Care Directive Lucky Time (Employee Leave) Directive Sabbatical Directive Home Office Directive Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa
IRO S1-05-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent.	Opportunity	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Employee Benefits in the Field of Social Care Directive Lucky Time (Employee Leave) Sabbatical Directive Home Office Directive Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa People and Culture Hub Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa

IRO ID	IRO	IRO type	Policies
IRO S1-06-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent.	Opportunity	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Employee Benefits in the Field of Social Care Directive Lucky Time" (Employee Leave) Sabbatical Directive Home Office Directive Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa
IRO S1-13-10	Improvement of the employer's brand, work culture and engagement and its advancement in the labour market for better attraction and retention of talent.	Opportunity	Collective Agreement of Slovenská sporiteľňa Employee Remuneration Directive Remuneration Policy of Slovenská sporiteľňa Employee Benefits in the Field of Social Care Directive Lucky Time (Employee Leave) Sabbatical Directive Home Office Directive Bank Strategy of Slovenská sporiteľňa Branch Network Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa People and Culture Strategy – Quo Vadis Employer Brand Strategy of Slovenská sporiteľňa
IRO S1-09-02	Contribution to the country's unadjusted gender pay gap due to the under-representation of women in management and highly skilled jobs (e.g. IT)	Negative impact	Diversity and Inclusion Policy of Slovenská sporiteľňa Diversity and Inclusion Strategy of Slovenská sporiteľňa Suitability and Succession Policy of Slovenská sporiteľňa

Collective Agreement of Slovenská sporiteľňa

Collective Agreement of Slovenská sporiteľňa (hereinafter Collective Agreement) is a contract concluded between the Bank and its trade union organisation, aimed at creating appropriate working conditions and employment conditions that respect employees' fundamental rights while striving to provide a favourable and pleasant work environment.

Collective Agreement primarily regulates collective bargaining and other forms of employee participation, procedures for organisational changes, employee remuneration and wage conditions, working hours and leave, as well as employee benefits and perks.

For more details on the Collective Agreement, see the section Employee engagement through representatives.

Remuneration Policy of Slovenská sporiteľňa and Employee Remuneration Directive

Remuneration Policy of Slovenská sporiteľňa and the Employee Remuneration Directive are the fundamental internal company regulations governing employee remuneration. Their content primarily covers salary structure, fixed and variable components, allowances, bonuses, wage compensation, including payroll administration. The remuneration policy also establishes a Remuneration Committee.

These internal directives apply not only to all Bank employees but also to members of the Supervisory Board. The person responsible for the proper implementation of this internal directive is the Director of the People and Culture Division.

Employee Benefits in the Field of Social Care Directive

Employee Benefits in the Field of Social Care Directive regulates part of the Bank's employee social care system. It primarily covers supplementary pension insurance, catering, healthcare, and social assistance. Within these areas, it defines employer contributions, their amounts, and the conditions for using them.

The person responsible for the proper implementation of this internal directive is the Director of the People and Culture Division.

Directive on Principles for Allocating Contributions from the Social Fund

The Principles for Allocating Contributions from the Social Fund Directive regulates part of the Bank's employee social care system. It primarily covers the utilisation of the social fund for contributions related to childbirth, catering, social assistance, and other benefits and measures.

The person responsible for the proper implementation of this internal directive is the Director of the People and Culture Division.

Lucky Time (Employee Leave) Directive and Sabbatical Directive

Lucky Time and Sabbatical directives regulate the possibilities for employees to take paid leave, depending on their job classification.

Lucky Time is an internal Bank tool designed to enhance employee satisfaction, excluding employees in managerial positions. Its purpose is to provide employees with additional time beyond standard conditions to address personal matters or situations requiring their absence from work.

Sabbatical is an internal Bank tool aimed at increasing the satisfaction and loyalty of employees in managerial positions. It is a planned, strategic career break as compensation for high performance and the responsibilities associated with a managerial role, as well as a tool to prevent burnout among key employees of the Bank.

The Director of the People and Culture HUB Division is responsible for the proper implementation of these internal directives.

Home Office Directive

Home Office Directive regulates the conditions and rules for remote work. It defines the types of work that can be performed from home, the different forms of remote work, the technical requirements, and compliance with occupational health and safety regulations.

The person responsible for the proper implementation of this internal directive is the Director of the People and Culture HUB Division.

Directive on Working Time Arrangement, On-Call Duty, and Overtime Work

Directive on Working Time Arrangement, On-Call Duty, and Overtime Work regulates working hours (including overtime), their scheduling, and recording at various Bank branches.

The person responsible for the proper implementation of this internal directive is Director of the People and Culture HUB Division.

Bank Strategy of Slovenská sporiteľňa

Bank Strategy of Slovenská sporiteľňa is the Bank's primary strategy, describing its long-term strategic priorities, defining its long-term vision and direction, with each strategic priority paired with measurable sub-goals. The content and further specifications of this strategy form a trade secret of the Bank. The banking strategy applies to all employees, including members of the Board of Directors.

The individuals responsible for the proper implementation of this strategy are the Board of Directors, together with the Supervisory Board.

Branch Network Strategy of Slovenská sporiteľňa

The Branch Network Strategy of Slovenská sporiteľňa is the fundamental strategy defining the vision, direction, and action steps for the development of the branch network. The content and further specifications of this strategy form a trade secret of the Bank.

The person responsible for the proper implementation of this strategy is the Director of the Branch Network Management Division.

Diversity and Inclusion Policy & Diversity and Inclusion Strategy of Slovenská sporiteľňa

Diversity and Inclusion Policy is the fundamental internal directive for managing diversity and inclusion at the Bank. It includes measures aimed at promoting gender equality, non-discrimination, and equal opportunities. The policy defines accountability relationships and objectives. For more details on the Diversity and Inclusion Policy as well as the Diversity and Inclusion Strategy of Slovenská sporiteľňa, see the section **Fostering Diversity and Inclusion**.

The person responsible for the proper implementation of this policy is the Bank's CEO. Director of Strategy and Customer Experience Division is responsible for the proper implementation of the strategy.

Suitability and Succession Policy of Slovenská sporiteľňa

Suitability and Succession Policy of Slovenská sporiteľňa is an internal directive that establishes the criteria and processes for selecting members of the Board of Directors, Supervisory Board, and key position holders. It implements the relevant guidelines of the European Banking Authority. Additionally, it includes a succession programme for members of the Board of Directors, defining the process and criteria for selecting their successors.

The Director of the People and Culture Division is responsible for the proper implementation of this internal directive.

People and Culture Strategy – Quo Vadis

People and Culture Strategy – Quo Vadis is the fundamental strategic document for the People and Culture HUB Division, outlining its strategic priorities, vision, and direction in employee care. The content and further specifications of this strategy form a trade secret of the Bank.

The Director of the People and Culture HUB Division is responsible for the proper implementation of this strategy.

Employer Brand Strategy of Slovenská Sporiteľňa

Employer Brand Strategy of Slovenská sporiteľňa is one of the strategic documents of the Brand HUB Division, focusing on communication with the job market as well as internal employees. It includes strategic priorities, vision, and direction for the Bank as an employer. The content and further specifications of this strategy form a trade secret of the Bank.

Director of the Brand HUB Division is responsible for the implementation of this strategy.

Operational Risk Event Reporting Directive

Operational Risk Event Reporting Directive is an internal directive governing the identification, reporting, and resolution of incidents representing operational risk. This policy includes the categorisation of operational risk events, the rights and responsibilities related to reporting, accountability structures, and the process for recording information and data associated with operational risk reporting.

Director of the Compliance & Operational Risk Management Division is responsible for the proper implementation of this internal directive.

Respect for human rights

In accordance with Regulatory Compliance Policy, the Bank ensures that its internal directives, procedures, client interactions, and systems comply with the applicable legal regulations of the Slovak Republic, the European Union, and international treaties binding upon the Slovak Republic, including those governing human rights protection.

The Bank has also adopted the Erste Group Code of Conduct, in which it has explicitly committed to respecting human rights and adhering to the ten principles of the UN Global Compact, an initiative under the auspices of the United Nations (UN). However, this document has not been formally adopted as an internal directive or policy.

Commitments and measures:

The Bank commits to adopting an ethical code, at a minimum in the scope of the Erste Group Code of Conduct, in the form of an internal company directive by the end of 2025.

Currently, the Bank does not have a binding document that explicitly defines its obligations and commitments in preventing child and forced labour or that directly obliges it to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. However, it can be stated that parts of the UN Guiding Principles on Business and Human Rights and certain provisions of the OECD Guidelines for Multinational Enterprises are incorporated into the ten principles of the *UN Global Compact*, to which the Bank has publicly committed by making the Erste Group Code of Conduct available on its website. Furthermore, the Bank declares that none of its operations, business activities, or other activities related to its own workforce are exposed to an increased risk of forced labour or child labour.

In employment practices and the enforcement of all employee rights, the Bank adheres to the Regulatory Compliance Policy and therefore complies with the Labour Code, the Anti-Discrimination Act, and related regulations. These legal regulations fully reflect the standards adopted by the International Labour Organization (ILO). Additionally, the Bank actively strengthens employee rights protection and promotes equal treatment principles through the Collective Agreement and Diversity and Inclusion Policy of Slovenská sporiteľňa.

Commitments and measures:

The Bank commits to adopting an internal policy that includes a commitment to uphold fundamental human rights and freedoms in accordance with the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises by the end of 2025.

For information on channels and processes for reporting human rights violations or other legitimate employee concerns, including channels for third parties, see the section Remediation and resolution of negative impacts on employees.

Fostering diversity and inclusion

To promote diversity, inclusion, and equal treatment, the Bank has adopted a dedicated Diversity and Inclusion Policy of Slovenská sporiteľňa. This policy regulates measures for preventing discrimination and includes the Bank's commitment to supporting the inclusion of vulnerable groups – particularly the participation of women in the Bank's leadership – while defining responsibility for fulfilling this commitment and gender targets to be achieved by the end of 2028 as follows:

- Proportion of women on the Board of Directors: 30%
- Proportion of women on the Supervisory Board: 30%
- Proportion of women at B-1 management level: 33%

For details, see the section Target values for management of material IROs (S1-5).

The effective implementation of this policy across responsible departments is ensured through the Diversity and Inclusion Strategy of Slovenská sporiteľňa, which expands the Bank's commitment to the inclusion of vulnerable groups by also supporting the inclusion of people with disabilities.

To ensure a strategic approach to fostering diversity and inclusion, the Bank has established the role of a Diversity and Inclusion Manager, who is responsible for the effective implementation and coordination of measures aimed at promoting various aspects of diversity, inclusion, and equal treatment.

Other measures in this area include the "Shoulder to cry on" initiative, the Woman Spirit women's conference, the celebration of various awareness days (in 2024, particularly Father's Day, Diversity Day, and Mental Health Day), as well as various audits and surveys.

The Bank raises employee awareness of its commitments through targeted internal and external communication. Internal communication primarily includes contributions to the intranet portal, TV/LCD displays in the headquarters building, employee PC screens, and online broadcasts. External communication mainly consists of posts on the LinkedIn social network and support for external events (e.g. Equal Pay Day).

As part of its inclusive talent development strategy, the Bank has created several programmes aimed at developing employees' skills and supporting their career growth. These programmes include a development programme for future managers, the SHEgrows development programme for women, and the Profesia LAB internship programme for young people with disabilities.

Access to education in soft and digital skills for all employees without distinction is ensured through the learning catalogue, which provides employees with access to various educational programmes and training sessions.

A specific procedure for creating a diverse pool of successors, aimed at ensuring continuity at the Board of Directors level, is the succession programme established by the Suitability and Succession Policy of Slovenská sporiteľňa. In selecting candidates for the succession programme, the Bank is committed to creating a gender-balanced succession structure through annual succession discussions.

In the field of education and prevention, the Bank has made the "Unconscious Bias" e-learning course available to all employees and regularly provides specialised training on discrimination prevention for senior managers and those enrolled in the "Shoulder to cry on" programme.

Health and safety

The Bank ensures the management of incident prevention in the field of occupational health and safety through Physical Security Policy and the Occupational Health and Safety Rules Directive. These documents regulate procedures for workplace injuries, requirements for safe workplaces and work equipment, preventive and protective services, as well as training and education in occupational health and safety.

PROCESSES FOR ENGAGING WITH OWN WORKERS AND WORKERS' REPRESENTATIVES IN RELATION TO IMPACTS (S1-2)

Employee opinions, their participation in the Bank's direction, and the exercise of their rights are important to the Bank. It engages its employees in various ways, including representation in the Bank's highest supervisory body – the Supervisory Board, trade union activities, participation in surveys and discussion groups, or membership in employee groups.

Employee engagement in managing potential and actual impacts

When making decisions regarding its strategic priorities, policies, and implemented measures aimed at managing potential and actual impacts, the Bank relies on employee data as well as their beliefs and opinions, which it regularly collects through various surveys. In 2024, the Bank conducted Survey on Work Culture and Employee Engagement Survey. Employees are informed about the results of these surveys, as well as the Bank's decisions regarding the management of potential and actual impacts, through managers, the intranet portal, online broadcasts, or email service.

Employee engagement through representatives

The Bank involves employees in decision-making on matters affecting their rights and obligations through the Enterprise Committee of the Trade Union of Banks and Insurance Companies (hereinafter referred to as "the trade union").

In accordance with the Collective Agreement of Slovens, the Bank creates suitable conditions for the proper operation and functioning of the trade union and involves it in activities that allow it to raise awareness of its work among employees, attract new members, and organise its activities.

Through trade union membership, employees can exercise their right to co-determination, consultation, and collective bargaining. The trade union represents all employees in annual collective bargaining, which results in the conclusion of a collective agreement between the Bank and the trade union. The People and Culture HUB Division, in accordance with the Organisational Code of Slovenská sporiteľňa, is responsible for overseeing collective bargaining on behalf of the Bank. The Director of People and Culture Division represents the Bank in collective bargaining and is responsible for the proper execution of the rights and obligations arising from the negotiation process. At present, the Bank does not have mechanisms or systems in place to assess the effectiveness of employee engagement, whether through representatives (trade unions) or directly through other institutes.

Engagement of vulnerable groups

In addition to regular anonymous surveys, in which the Bank considers factors such as gender, age, education, and job position when evaluating responses, it also engages vulnerable employee groups through employee networks. These include Women's Voices (the women's employee network), Student Hub (the student employee network), and Erste Colours SK (the LGBTI+ employee network).

PROCESSES FOR REMEDYING NEGATIVE IMPACTS AND CHANNELS FOR EMPLOYEES TO EXPRESS CONCERNS (S1-3)

Remediation and resolution of negative impacts on employees

As part of its DMA, the Bank has identified IRO S1-01-02 and IRO S1-09-02 as material negative impacts on its employees. However, no specific measures have been adopted to ensure compensation for these impacts. Instead, the Bank applies a general procedure for reporting violations of rights and other incidents that may pose operational risks. In the event that the above-mentioned negative impacts materialise, employees may request compensation for any harm suffered through one of the designated reporting channels of their choice. All reporting channels listed below are considered equal and are governed by the relevant policies and directives. When addressing employee concerns, the Bank ensures that all reports are duly and promptly investigated and assessed in relation to the established facts, relevant policies and directives, and any other pertinent circumstances. Regardless of the chosen reporting channel, method, or outcome of the investigation, the employee submitting the complaint is properly heard and informed about the results and subsequent actions taken by the Bank. The Bank has not adopted specific procedures or metrics to evaluate the effectiveness and interaction of the various reporting and grievance resolution channels. Instead, their effectiveness is assessed separately by the responsible departments – People and Culture Division, Compliance and Operational Risk Management Division – based on a predefined schedule, typically once a year. Should any deficiencies be identified, the relevant division director decides on the appropriate corrective actions.]

The Bank has established multiple channels through which employees can submit complaints. These channels include: [S1-3_02]

- filing a complaint with a line manager
- filing a complaint with the People and Culture Division via the internal banking system
- filing a complaint through the EMUS system of the Compliance and Operational Risk Management Division (hereinafter the "EMUS system")
- filing a complaint with trusted persons
- filing a complaint with the trade union through designated contact persons for the headquarters and branch network

All the above channels available to employees are internal mechanisms embedded in the Bank's internal policies. The Bank ensures their accessibility by providing financial resources and maintaining the necessary technical capacity.

EMUS system

The EMUS system is the primary system for receiving complaints from employees. If an employee decides to submit a complaint through this system, the process is governed by the directive "Reporting of Operational Risk Events". Through this system, employees can also report violations of human rights related to employment (e.g., the right to equal treatment, the right to favourable working conditions, the right to health and safety at work, etc.); discrimination, bullying, and other forms of inappropriate behaviour; as well as complaints and concerns related to the materialisation of negative impacts (IRO S1-01-02 and IRO S1-09-02).

The process of reporting and resolving incidents in the EMUS system is a two-component process that requires approval at both the first and second levels. The incident administrator at the first level, upon receiving a new incident report, assesses the incident's classification as an operational risk event based on the correctness of the event evaluation and decides on its acceptance and investigation. Once an investigation order is issued, an inquiry is conducted, and a report is compiled. The event is then submitted for approval at the second level. The incident administrator at the second level verifies the accuracy of the entered data and supplements the damage assessment.

Through the EMUS system, complaints can only be submitted in written form; however, employees have the option to do so anonymously, regardless of the type of violation or materialisation of a negative impact they are contesting.

All employees are informed about the options for submitting a complaint or reporting an event upon joining the company as part of the onboarding programme, during which representatives from the Compliance and Operational Risk Management Division introduce the various types of events and the reporting process. Additionally, employees are required to complete a regular e-learning training, where they learn how to submit a complaint or report an event in the EMUS system.

The EMUS system collects data on all incidents reported by employees, which are used to generate automated quarterly reports submitted to the Operational Risk Management and Compliance Committee. The Bank verifies the credibility of complaint reporting in the EMUS system, as well as through other channels, by conducting anonymous surveys. The most recent such survey was conducted in 2022 as part of the diversity and inclusion survey.

Trusted Persons

In addition to the EMUS system, the Bank has established a supplementary complaint-handling system, introducing the role of trusted persons who address complaints in accordance with the Agreement between the Employer, Slovenská sporiteľňa, and the Corporate Committee of the SLSP Trade Union. Complaints under this mechanism are not anonymous; however, requests may also be submitted orally. Employees are free to approach any trusted person, regardless of their trade union membership.

Currently, the Bank has two trusted persons: one operates within the People and Culture Division, while the other is a member of the trade union. Through this mechanism, employees can primarily report discrimination, bullying, harassment (including sexual harassment), and other forms of inappropriate behaviour.

Under this agreement, the Bank also commits to preventing discrimination and unequal treatment based on gender, marital and family status, race, skin colour, language, age, adverse health condition or disability, belief and religion, political or other opinion, trade union activity, national or social origin, nationality or ethnic group membership, property, lineage, or other status.

Other Complaint Reporting Mechanisms

At present, neither Bank employees nor third parties have access to a third party-operated mechanism through which they can submit complaints related to the Bank's negative impacts.

In cases of violations of rights and legitimate interests, including human rights of third parties, these can be reported via telephone through the Client Centre, in writing to the Bank's headquarters (addressed to the Compliance Officer), or by email at protispolocenskacinnost@slsp.sk. When addressing such violations, the Bank follows a procedure similar to that for reporting anti-social activity, in accordance with the directive "Internal System for Reporting and Investigation of Concerns about Crime and Anti-Social Activity". This directive affirms a zero-tolerance policy for retaliatory measures against whistleblowers and prohibits any restriction or obstruction of complaint submissions.

ADOPTION OF MEASURES RELATED TO MATERIAL IROS CONCERNING OWN WORKFORCE AND EFFECTIVENESS OF SUCH MEASURES (S1-4)

Action plan

The Bank has not yet adopted a specific action plan containing measures aimed at preventing and mitigating significant negative impacts or fostering the materialisation of significant positive impacts. The Bank declares that the identified significant impacts do not result from the Bank's business model. However, it provides an overview of the measures it has implemented so far to support the materialisation of significant positive impacts and to prevent the materialisation of negative impacts.

Measures aimed at preventing and mitigating material negative impacts

As part of its DMA, the Bank has identified two material negative impacts, though it does not disclose the resources allocated for implementing preventive or mitigating measures, as these constitute part of its trade secret. The entity responsible for implementing the measures outlined below is Slovenská sporiteľňa, a. s. The consolidated companies do not participate in the implementation of these measures.

In the case of IRO S1-01-02, the Bank has adapted the Branch Network Strategy of Slovenská sporiteľňa to prevent this negative impact on its employees. This has been achieved by establishing a minimum distance between branches and increasing the number of employees at individual branches to ensure a stable workforce within the branch network. If maintaining jobs is not possible and the number of employees in the branch network is reduced due to organisational changes or the implementation of rationalisation measures, the Bank has introduced a mitigation measure, under which employees who meet the criteria may apply for a social assistance contribution (see section Social protection (S1-11)). The Bank has been implementing these measures to mitigate the negative impact of IRO S1-01-02 over the long term, with a timeframe of five or more years. The effectiveness of this measure is primarily assessed by monitoring employee data, as well as tracking the client experience index and satisfaction with service at branches in the affected regions. IRO S1-01-02 represents a material negative impact affecting individual employees whose positions have been or will be eliminated, particularly in less developed regions of Slovakia.

In the case of IRO S1-09-02, the Bank believes that this negative impact is primarily caused by the distribution of job positions, career growth opportunities, and other external factors (e.g. social stereotypes, the political situation in the country). To prevent this, the Bank has thus implemented measures aimed at facilitating the return of employees from maternity and parental leave (e.g. the BACK to WORK workshop and the inclusion of parents in Bank activities). It has also begun monitoring the representation of women in leadership positions at the Board of Directors, Supervisory Board, and senior management levels, setting corresponding targets (see section Fostering diversity and inclusion). Additionally, the Bank has developed the Career Maps application to facilitate internal career mobility and support the Women's Voices employee group. To mitigate the negative impact of IRO S1-09-02, the Bank has established a succession plan at the Board of Directors level and launched the SHEgrows development programme, which focuses on skills essential for career growth in the banking sector. These measures are implemented over the long term, with a horizon of five or more years. Their effectiveness is assessed in an interconnected manner through various audits (e.g. gender participatory audit, gender pay gap audit, and career development opportunity audit). IRO S1-09-02 is a material negative impact that is systemic in nature, affecting the entire Bank and extending to the broader population of Slovakia.

If the materialisation of either IRO S1-01-02 or IRO S1-09-02 results in harm to employees' rights or legally protected interests, affected individuals may file complaints through designated channels (see section Remediation and resolution of negative impacts on employees). The Bank determines the resolution method and compensation for any harm incurred on a case-by-case basis, depending on the scope and type of harm.

The Bank is interested in ensuring that its business activities or procurement of goods and services do not contribute to the materialization or worsening of significant negative impacts on its own employees - IRO S1-01-02 and IRO S1-09-02. The Bank has not adopted a separate policy or strategy for this case, but improving the quality of life of employees is one of the priorities of the Bank's strategy. At the same time, the Bank declares that it strives to achieve individual strategic priorities in harmony with each other, in particular by effectively managing personnel costs, which meet the expectations of the Bank's sole owner and at the same time allow for the minimization of the consequences of significant negative impacts.

Measures aimed at supporting material positive impacts

As of 31 December 2024, the Bank has implemented the following measures aimed at supporting the materialisation of the aforementioned positive impacts. These represent a selection of the most important measures that the Bank has been implementing over the long term, for five or more years. The Bank does not disclose resource allocations, as it considers them part of its trade secret. Similarly to the implementation of measures aimed at preventing and mitigating material negative impacts, the implementation of measures to support material positive impacts is carried out exclusively by Slovenská sporiteľňa, a. s. The implementation of these measures by consolidated companies is voluntary.

In the case of IRO S1-02-01, the Bank has adopted several measures to ensure that employees spend the lowest possible number of hours at work while maintaining work efficiency, preventing burnout and stress, and ensuring substitutability. This is done in a way that does not negatively affect remuneration. The Bank applies a 37.5-hour workweek for most employees and provides five additional days of leave beyond the minimum statutory requirements. It has also adopted measures to encourage employees to take their annual leave to ensure maximum regeneration, regularly discussing leave policies with trade unions. Additionally, the Bank grants its employees time off for specific life events (e.g. childbirth, blood donation, experiencing domestic violence, or bereavement in the family). Likewise, the Bank is aware of the fact that, due to the work performed by employees, they may need to take extended time away from their working lives. For these purposes, employees are provided with paid leave for up to one to six months, depending on their job classification.

These measures have a significant positive impact on employees who care for minor or dependent children, support other family members, or engage in voluntary work in the field of community care and social services. The Bank monitors the effectiveness of the above-mentioned measures primarily by tracking data on the drawing of annual leave, the Lucky Time and Sabbatical programmes, as well as other paid leave provided to employees.

In the case of IRO S1-03-01, the Bank operates an adequate and fair remuneration system. Employee remuneration consists of a fixed and a variable component, with the Bank establishing a minimum banking wage that serves as the basis for remuneration according to job position. Bonuses are awarded based on the fulfilment of pre-defined and transparently set key performance indicators.

Employees are assigned to their positions in accordance with the Job Catalogue, which clearly defines the educational, skill, and experience requirements for each job position. The Catalogue classifies most job positions into three levels, specifying separate requirements (education, skills, and experience) for each. By highlighting distinctions between levels, it facilitates vertical career growth within the Bank. Information on wages as well as other forms of remuneration and benefits is publicly available through recruitment channels (e.g. the Bank's website, social media, intranet portal).

Alongside its remuneration system, the Bank has developed a supplementary employee social welfare system, under which employees who meet the eligibility criteria are entitled to financial contributions for supplementary pension insurance (Pillar III), employee shares within the Erste Group ("We Share" scheme), and social assistance. Under the social assistance scheme, employees who meet the requirements may receive various one-time or recurring financial contributions in cases of adverse life circumstances (e.g. illness, bereavement, etc.).

The above-listed measures aimed at materialising IRO S1-03-01 have a positive impact on all employees without exception.

The effectiveness of these measures is assessed in an interconnected manner. The Bank evaluates and monitors remuneration using a methodology based on comparing employee wages with predefined benchmarks and labour market standards for the given job position. The employee social welfare system is assessed based on the utilisation of the allocated budget for specific measures, as well as the number of individuals who applied for financial contributions and/or shares.

In the case of IRO S1-13-01, the Bank ensures the development of open, respectful, and safe workplaces through a comprehensively managed approach to diversity and inclusion. See section Fostering diversity and inclusion.

For IRO S1-05-01, the Bank supports the community organisation and creation of safe spaces for vulnerable groups through employee groups. Such employee groups are informal and voluntary associations of employees based on their affiliation to a vulnerable group or shared interests. The Bank hosts employee groups for women and LGBTI+ individuals, as well as a green group and sports communities.

The Bank enables these groups to participate in organising internal events and campaigns, and to contribute to the implementation of various workplace measures. Through their activities, employee groups help the Bank map the needs of vulnerable populations that might otherwise be difficult to assess through existing employee feedback mechanisms.

The above measures aimed at materialising IRO S1-13-01 and IRO S1-05-01 primarily benefit vulnerable employees and non-employees, including women, young people, older individuals, religious individuals, LGBTI+ persons, people with disabilities, and those caring for children, family members, or communities. Secondarily, these measures may also have a positive impact on other employees and non-employees.

The effectiveness of measures aimed at materializing IRO S1-13-01 and IRO S1-05-01 is assessed individually based on set objectives, as well as the presented report, annually submitted by the Diversity and Inclusion Manager to the Board of Directors and the Supervisory Board for approval.

For IRO S1-13-01, the Bank has established and maintains a robust system for reporting harmful behaviour (see section Remediation and resolution of negative impacts on employees). The reporting systems for rights violations and harmful conduct – EMUS and the activities of trusted persons are monitored and evaluated by the Bank based on data collection regarding submitted complaints and investigations.

A robust reporting system for harmful behaviour can have a particularly positive impact on employees and non-employees who have experienced or are experiencing inappropriate and harmful conduct (e.g. discrimination, harassment, or bullying), as well as those who have witnessed such behaviour. Secondarily, this measure may also benefit other employees and non-employees.

Regarding IRO S1-06-01, the Bank has not adopted any specific measures aimed at its materialisation that would go beyond those stipulated in the collective agreement (such as employing a set number of employee representatives, allocating a budget for trade unions, and providing the necessary cooperation, space, and tools for trade union activities). As a result, the Bank does not evaluate the effectiveness of this material positive impact.

Measures aimed at preventing negative impacts and supporting the materialisation of positive impacts are proposed by experts from relevant divisions (e.g. Strategy and Customer Experience, Brand HUB, People and Culture, Properties and Facility Management, Compliance and Operational Risk Management) in accordance with adopted policies and strategies. These experts base their proposals of measures on available employee data, internal audits conducted in the relevant or previous years, employee surveys/feedback, and current trends in employee care. In the case of proposing more complex or large-scale measures, the Bank establishes an informal working group to develop the approach.

The proposed measures are then submitted to the Board of Directors for approval. The director of the division that submitted the measures for approval is the guarantor and the person responsible for their proper implementation, including the adoption of appropriate internal Bank directives and the management of budget allocation released for implementing the respective measure.

Measures aimed at preventing the materialisation of significant risks

The Bank has not adopted any specific measures to prevent the materialisation of identified significant risks, primarily because, in line with the directive “Operational Risk Management Procedure”, it applies a comprehensive operational risk management approach. This approach covers financial, legal, and reputational risks related to its workforce. The Bank has determined procedures for identifying, assessing, and addressing these risks, including clearly defined responsibilities within the Bank.

Measures aimed at materialising significant opportunities

As of 31 December 2024, the Bank has implemented the following measures to support the materialisation of identified significant opportunities. These represent a selection of the most important measures that the Bank is implementing over the long term (five or more years). The Bank does not disclose resource allocations, as it considers them part of its trade secret.

For the following material opportunities – IRO S1-02-10, IRO S1-03-10, IRO S1-05-10, IRO S1-06-10, IRO S1-13-10 – the Bank has focused on adopting measures in employer branding, targeting the labour market. These efforts are particularly aimed at young people (e.g. collaboration with university and secondary school students, supporting external events and youth-focused initiatives) and at strengthening its reputation as a digital and innovative employer (e.g. implementing various digital solutions in employee care). Additionally, the Bank has expanded its presence on new platforms and social media, adjusting its communication strategy and tone accordingly. Regarding its employees, the Bank has concentrated on transforming workplace culture and increasing employee participation in the organisation’s operations (e.g. through the Ambassador Programme, support for intergenerational dialogue, and support for personalised employee care).

The Bank evaluates the effectiveness of employer branding measures cumulatively and in an interconnected manner by tracking its position in the labour market (e.g. external surveys, media presence, employer awards) in relation to resources outlaid, as well as through employee feedback (e.g. internal surveys or qualitative research results).

Transition to a greener, climate-neutral economy

The Bank has not recorded any negative impacts on its employees resulting from the adoption and implementation of measures and transition plan aimed at a greener and more climate-neutral economy. Furthermore, none of the material negative impacts identified in the DMA are a consequence of implementing the transition plan to reduce adverse environmental impacts and achieve climate neutrality and more sustainable operations.

The Bank regularly educates employees on this topic through a mandatory e-learning module, while also offering voluntary learning opportunities via external providers. Additionally, the Bank encourages employee engagement in the green group and environmental volunteer activities aimed at protecting the environment and preventing climate change (e.g. tree planting).

To effectively achieve its goals in this area and implement its transition plan towards a greener and more climate-neutral economy, the Bank has created new job positions within its organisational structure. However, the positive impact on job creation resulting from these measures and the transition plan aimed at a greener and more climate-neutral economy is not considered a material positive impact under the DMA framework.

TARGET VALUES FOR MANAGEMENT OF MATERIAL IROS (S1-5)

At present, the Bank has not adopted comprehensive targets that consider the material impacts, opportunities, and risks of its operations on its employees. As of 31 December 2024, the Bank has been evaluating the following target:

Table 31: Targets for the representation of women in top management

	% women in Board of Directors	% women in the Supervisory Board	% women in senior management (B-1)
By 31 December 2024	0%	16.67%	29.17%
2028 target	30 %	30 %	33 %

This target was developed in cooperation with the Erste Group, involving the People and Culture Division, the Strategy and Customer Experience Division, and the Board of Directors, which duly approved it in 2024. All relevant divisions were given the opportunity to provide feedback through an internal consultation process. However, employee representatives were not involved in the development of this target, its evaluation, or identification of improvements.

By pursuing this target, the Bank contributes to its parent company's gender equality goals. It is codified in Slovenská sporiteľňa's Diversity and Inclusion Policy, which the Bank implements through comprehensive diversity and inclusion management (see section Fostering diversity and inclusion).

The Bank evaluates progress toward this target annually as of 31 December, reporting the results to its parent company and through sustainability reports (since 2022). The target's performance evaluation has been integrated into the key performance indicators for members of the Board of Directors (as of 2024, applying jointly and equally to all members).

The measures taken to achieve this target contribute to the prevention of the significant negative impact IRO S1-09-02 and, secondarily, to the materialisation of the significant positive impact IRO S1-13-01.

By fulfilling this target, the Bank aims to increase the representation of women in leadership positions at all levels, fostering a more inclusive workplace culture characterised by higher employee engagement, motivation, creativity, and productivity. The Bank seeks to eliminate gender stereotypes and inequalities within its own banking environment.

Commitments and measures:

The Bank commits to expanding its existing diversity and inclusion goals by incorporating additional relevant goals related to employee care, in line with the findings of the double materiality assessment of impacts, risks, and opportunities, by the end of 2025.

The Bank commits to involving employee representatives in the process of setting employee care targets and identifying improvements arising from their implementation, starting in 2025.

CHARACTERISTICS OF THE BANK'S OWN WORKFORCE

Characteristics of employees (S1-6)

When reporting information on employee characteristics, the Bank has considered all employees whom it could directly or indirectly influence through its operations, considering all material impacts – both positive and negative – in accordance with the DMA framework.

Table 32: Number and characteristics of employees, including non-guaranteed hours employees

Area	Indicator	Value	Measure
Employees by gender in Slovak republic	**Total number of employees**	3,674	Number of persons
	Thereof women	2,445	Number of persons
	Share of women	66.54	%
	Thereof men	1,229	Number of persons
	Share of men	33.46	%
Non-guaranteed hours employees by gender in Slovak Republic	**Total number of non-guaranteed hours employees**	144	Number of persons
	Thereof women	91	Number of persons
	Share of women	63.20	%
	Thereof men	53	Number of persons
	Share of men	36.80	%
Employee turnover in Slovak republic[1]	**Total number of employees who have left the bank**	563	Number of persons
	Thereof women	393	Number of persons
	Thereof men	170	Number of persons
	Total employee turnover	15.28	%
	Thereof under 30 years of age	31.69	%
	Thereof from 30 to 50 years of age	11.16	%
	Thereof over 50 years of age	14.18	%

[1] *Employee turnover excluding non-guaranteed hours employees is only 12.75% and in the age category under 30 only 19.85%.*

Table 33: Number and characteristics of employees, excluding non-guaranteed hours employees

Area	Indicator	Value	Measure
Employees by contract and gender in Slovak republic	**Total number of temporary employees**	445	Number of persons
	Share of temporary employees	*12.6*	*%*
	Thereof women	285	Number of persons
	Share of women	*64.04*	*%*
	Thereof men	160	Number of persons
	Share of men	*35.96*	*%*
	Total number of permanent employees	3,085	Number of persons
	Share of permanent employees	*87.39*	*%*
	Thereof women	2,069	Number of persons
	Share of women	*67.07*	*%*
	Thereof men	1,016	Number of persons
	Share of men	*32.93*	*%*
Employees by working hours and gender in Slovak republic	**Total number of full-time employees**	3,405	Number of persons
	Share of full-time employees	*96.46*	*%*
	Thereof women working full-time	2,250	Number of persons
	Share of women working full-time	*66.08*	*%*
	Thereof men working full-time	1,155	Number of persons
	Share of men working full-time	*33.92*	*%*
	Total number of part-time employees	125	Number of persons
	Share of part-time employees	*3.54*	*%*
	Thereof women working part-time	104	Number of persons
	Share of women working part-time	*83.20*	*%*
	Thereof men working part-time	21	Number of persons
	Share of men working part-time	*16.80*	*%*

Characteristics of the Bank's employees (S1.6) and their reporting serve exclusively to meet the requirements of the relevant ESRS standard. When reporting information about its employees for purposes other than the ESRS standards, the Bank uses a different definition of an employee. For the purposes of reporting under the ESRS, the Bank considers all persons in an employment relationship with the bank to be employees, including persons working under agreements on work performed outside of an employment relationship (non-guaranteed hours employees).

The Bank does not report non-guaranteed hours employees only in the number of employees by contract and gender, the number of employees by working-hours and gender and persons with disabilities. This is because reporting employees with non-guaranteed hours together with employees in employment relationship in the above metrics is illogical, has no basis in national legislation and could distort the values to such an extent that they would not reflect the actual situation in the Bank.

The number of employees and their basic characteristics are obtained from the Bank's internal information systems, which store data on headcount (HC), full-time equivalent (FTE), gender, age, education, marital status (single, married), employment type, job position, relevant cost centre, and employment status (active, inactive).

Some of this data is entered into the system upon the establishment of an employment relationship based on documents provided by the employee. Employees are not required to update these details, meaning the Bank may not always have the most current information on certain employee characteristics. As a result, discrepancies may exist between the actual and recorded data. All employees of the Bank are employed in the Slovak Republic. The Bank reports only active employees, meaning it does not include employees on maternity or parental leave.

The Bank reports gender data in binary categories – male and female. For employees undergoing gender transition, the Bank takes an individual approach based on consultation with the affected employee. The Bank has not yet introduced a methodology for tracking the gender category other.

As of 2024, members of the Board of Directors have been excluded from the Bank's employee records. However, for sustainability reporting purposes, the Bank includes board members in the employee category and reports them as individuals in employment relationship to ensure credible reporting of diversity and remuneration metrics. It also included members of the Supervisory Board in the reporting of diversity metrics.

Employees who left also include individuals who retired during the reporting period. The number of full-time employees represents persons employed who work 100% of their time. The number of part-time employees represents persons employed who work on employment contract with working time between 99% and 1%.

The Bank reports data on its employees according to the recorded status in the Bank's information systems as the number of persons (HC) as of 31 December 2024. The number of employees - persons in an employment relationship with the Bank is also stated in the Consolidated Financial Statements in Note Personnel expenses. Here, the Bank states the number of employees converted to full-time equivalent without non-guaranteed hours employees.

Characteristics of non-employees (S1-7)

Non-employees are individuals who perform work for the Bank under a contract other than an employment contract governed by the Labour Code (i.e., employment contracts or agreements on work performed outside an employment relationship). This includes suppliers operating in the Bank as self-employed individuals under a trade licence or other authorisation, or those working through third-party providers.

Non-employees in the Bank primarily perform highly specialised and technical tasks, particularly in IT. These tasks include software development, IT operations, IT security, project management, and team coordination. The Bank reports data on non-employees based on the recorded status in its internal information systems, presenting figures as headcount (HC) as at 31 December 2024.

Table 34: Number of non-employees

Area	Indicator	Value	Measure
Non-employees in Slovak republic	**Total number of non-employees**	109	Number of persons
	Thereof self-employed contractors	0	Number of persons
	Thereof contractors provided by third parties	109	Number of persons

Collective bargaining coverage and social dialogue (S1-8)

The Bank has only one collective agreement, which applies within the territory of Slovakia. The Collective agreement covers 3,520 employees, representing 95.81% of the workforce. Employees not covered by the Collective agreement include those employed by consolidated companies and employees of Slovenská sporiteľňa, a. s. working under agreements on work performed outside an employment relationship (non-guaranteed hours employees). The working conditions of employees in consolidated companies are governed by the relevant policies and directives applicable to the respective company. The working conditions of employees of Slovenská sporiteľňa, a. s. working on agreements for work performed outside an employment relationship (non-guaranteed hours employees) are determined individually. Non-employee workers and the performance of their activities is not covered by the Collective agreement.

Diversity metrics (S1-9)

Table 35: Representation of women in management

Area	Indicator	Value	Measure
Supervisory Board	**Total number of persons in the Supervisory Board**	5	Number of persons
	Thereof women	1	Number of persons
	Share of women	*20*	*%*
	Thereof men	4	Number of persons
	Share of men	*80*	*%*
Board of Directors	**Total number of persons in the Board of Directors**	5	Number of persons
	Thereof women	0	Number of persons

Area	Indicator	Value	Measure
	Share of women	*0*	*%*
	Thereof men	5	Number of persons
	Share of men	*100*	*%*
Senior management (B-1)	**Total number of persons at the senior management level**	24	Number of persons
	Thereof women	7	Number of persons
	Share of women	*29.17*	*%*
	Thereof men	17	Number of persons
	Share of men	*70.83*	*%*
Other management positions	**Total number of persons at other management positions**	246	Number of persons
	Thereof women	152	Number of persons
	Share of women	*61.8*	*%*
	Thereof men	94	Number of persons
	Share of men	*38.2*	*%*

When reporting the representation of women and men, the Bank defines senior management as the Board of Directors, Supervisory Board, senior management at the level of division directors (B-1), and other management positions (including department heads, branch managers, and other supervisory personnel).

Table 36: Representation of employees in employment by age

Area	Indicator	Value	Measure
Employees under 30 years of age by gender in Slovak Republic	**Total number of persons under 30 years of age**	533	Number of persons
	Thereof women	327	Number of persons
	Thereof men	206	Number of persons
Employees from 30 to 50 years of age by gender in Slovak Republic	**Total number of persons from 30 to 50 years of age**	2,231	Number of persons
	Thereof women	1,417	Number of persons
	Thereof men	814	Number of persons
Employees over 50 years of age by gender in Slovak Republic	**Total number of persons over 50 years of age**	910	Number of persons
	Thereof women	701	Number of persons
	Thereof men	209	Number of persons

Fair wage (S1-10)

All employees of the Bank are remunerated in accordance with the Remuneration Policy of Slovenská sporiteľňa and receive a fair wage – meaning that the fixed component of their salary is equal to or higher than the minimum banking wage set by the Collective Agreement. [S1-10_03] As a result, the percentage of employees earning less than the minimum banking wage is 0%. Employee remuneration consists of a fixed and a variable salary component, along with additional financial benefits (e.g., recreation allowance, 13th salary, annual bonus). Salary levels are determined based on job classification in accordance with the Job Catalogue. The fixed salary component represents a sufficiently high proportion of total remuneration, ensuring financial independence from variable pay, even in cases where no variable component is granted. The Remuneration policy of Slovenská sporiteľňa, as well as other guidelines and policies related to the remuneration of the Bank's employees, do not apply to employees working on agreements on work performed outside the employment relationship (employees with non-guaranteed hours) or to non-employees. Their wages are determined individually so that the wages of employees working on agreements on work performed outside the employment relationship is equal to or higher than the minimum hourly wage set by law.

Social protection (S1-11)

In accordance with applicable legal regulations, the Bank pays the relevant contributions to the Social Insurance Agency on behalf of its employees and fulfils all obligations under Act No. 461/2003 Coll. on Social Insurance, as amended, thereby enabling all employees to access the corresponding benefits. The Bank affirms that, given the above, all employees are protected and have the opportunity to claim social insurance benefits in the event of incapacity for work, loss of employment (including loss of employment due to taking parental leave), occupational disease or work-related injury (e.g. disability pension), or retirement. The above does not apply to employees working on agreements on work performed outside of an employment relationship (non-guaranteed hours employees).

Sick leave

As part of its social policy, the Bank has introduced a system of social assistance through the directive Principles for Allocating Contributions from the Social Fund, which allows employees to receive financial support in various situations. Employees who are incapacitated for work for a long period (more than two months) are entitled to social assistance amounting to €150 per month. This contribution is provided by the Bank automatically, but for no longer than twelve consecutive months from the start of the incapacity for work. Additionally, the Bank grants long-term incapacitated employees a meal allowance. In cases of short-term incapacity for work, the Bank, in accordance with the Collective Agreement, provides employees with an increased income compensation of up to 80% of their daily assessment base. The above does not apply to employees working on agreements on work performed outside of an employment relationship (non-guaranteed hours employees).

Organisational changes

In accordance with the directive Employee Benefits in the Field of Social Care, employees who lose their jobs at the Bank due to organisational changes or rationalisation measures are entitled to social assistance. This contribution is not provided automatically; employees must submit a written request to receive it. The amount granted depends on the unemployment rate in the region and the fulfilment of specified criteria (e.g. spouse's unemployment, dependent child, receipt of disability pension, and other factors). The above does not apply to employees working on agreements on work performed outside of an employment relationship (non-guaranteed hours employees).

Retirement

In the event of retirement and the subsequent loss of employment at the Bank, an employee is entitled to a severance payment. The amount of this payment depends on the number of years worked at the Bank or the employee's state of health. The conditions for severance pay are determined by the Collective Agreement. The above does not apply to employees working on agreements on work performed outside of an employment relationship (non-guaranteed hours employees).

Persons with disabilities (S1-12)

Table 37: Representation of persons with disabilities

Area	Indicator	Value	Measure
Employees with disabilities in Slovakia	**Total number of persons with disabilities**	142	Number of persons
	Percentage of persons with disabilities	4.02	%

When reporting the representation of persons with disabilities, the Bank defines a person with a disability as an individual in employment relationship with the Bank who has been recognised by the Social Insurance Agency as having a work capacity reduction of more than 40%. Employees are not obliged to inform the Bank of their disability status. The degree of work capacity reduction is reported to the Bank voluntarily by employees by submitting the Social Insurance Agency's decision to the People and Culture Division. The Bank has not implemented any specific procedure for collecting this information. Consequently, the reported number of employees with disabilities may not accurately reflect the actual state.

The Bank does not monitor the status of a person with a disability for employees performing work on agreements on work performed outside of the employment relationship (employees with non-guaranteed hours), or non-employees.

Commitments and measures: The Bank commits to establishing a transparent and accessible system for reporting disability status by the end of 2025.

Remuneration Metrics (S1-16)

Table 38: Remuneration metrics

Area	Indicator	Value	Measure
Unadjusted pay gap	Gender pay gap – base salary	39.03	%
	Gender pay gap – total salary including variable part of salary	40.37	%
Remuneration ratio	Total remuneration ratio	35.90	

The Bank reported the gender pay gap as the gender pay gap, which represents the difference in the average levels of the basic annual salary and the difference in the average levels of the total annual salary (fixed and variable components) of women and men as of 31 July 2024, expressed as a percentage of the average level of remuneration for men. The Bank reported the remuneration ratio as the share of the highest achieved salary of an employee (expressed through the total annual salary - fixed and variable components of the salary) to the median salary of an employee (fixed and variable components of the salary).

Incidents, complaints, and severe human rights impacts (S1-17)

Table 39: Incidents, complaints, and severe human rights violations

Area	Indicator	Value	Measure
Incidents, complaints, and fines	Number of complaints filled thorugh channels to raise concernes	1	Number of incidents
	thereof number of incidents of discrimination	0	Number of incidents
	Number of complaints to the OECD National Contact Point for Multinational Enterprises	0	Number of incidents
	Fines, penalties and compensation in discrimination cases, including harassment	0	EUR
Human rights impacts	Severe human rights impacts	0	Number of incidents
	Thereof human rights violations within the meaning of the UN General Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises	0	Number of incidents
	Total amount of fines, penalties, and compensation for damages as a result of human rights impacts	0	EUR

Data on the number of complaints, incidents as well as fines, including their amount in euros, were reported by the Bank based on information from the EMUS system, which stores information on all operational risk incidents, including the amount of damages and costs associated with them, as of 31 December 2024. The Bank records and categorises complaints, incidents and fines related to discrimination, violations of employees' rights and other complaints filed by employees separately.

CONSUMERS AND END USERS (ESRS S4)

Table 40: Material Impacts, Risks, and Opportunities Related to Consumers

IRO ID	Sustainability matter	IRO type	IRO description	Value chain	Time horizon
IRO S4-01-01	S4 - Privacy	Positive impact	Maintaining a reliable security system, providing cutting-edge products and services to clients (e.g. mToken, online payment insurance) and raising awareness of secure banking	Own operations	Medium term
IRO S4-01-05	S4 - Privacy	Risk	Financial risk (own operations) - loss of profit due to outflow of clients (a bank run) following concerns about data security and privacy protection and/or costs for repairing damage after IT incidents (e.g. compensation of clients)	Own operations	Long term
IRO S4-01-10	S4 - Privacy	Opportunity	Reputation. To be recognised as a digital, innovative and secure bank that can keep all investments and finances safe, with high levels of client satisfaction and trust.	Own operations	Medium term
IRO S4-03-01	S4 - Access to (quality) information	Positive impact	Improvements in clients' financial literacy through high-quality information made available online or through various tools (Financial Manager, Investment Plan) that enable clients to make informed decisions about their financial health	Own operations	Medium term
IRO S4-07-01	S4 - Non-discrimination	Positive impact	Access to affordable, accessible banking products that improve financial health for any client regardless of their nationality, social status or family status	Own operations	Medium term
IRO S4-08-01	S4 - Access to products and services	Positive impact	Adoption of measures in communications, digital services and the physical environment that make banking more accessible for persons with disabilities	Own operations	Medium term

Table 41: Commitments arising from the disclosure of sustainability-related consumer information

Topic	Commitment description
Respect for Human Rights and Freedoms	The Bank commits to adopting an ethical code, at a minimum in the scope of the Erste Group Code of Conduct, in the form of an internal company directive by the end of 2025.
Respect for Human Rights and Freedoms	The Bank commits to adopting a policy that includes a commitment to uphold fundamental human rights and freedoms in accordance with the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises by the end of 2025.
The Bank's approach to client experience	The Bank commits to integrating principles of responsible communication and marketing activities, with a focus on vulnerable client groups, into its policies by the end of 2025.
Adoption of measures concerning material impacts on consumers	The Bank undertakes to determine a method for evaluating the effectiveness of measures adopted to support positive impacts and opportunities and to prevent the materialisation of risk by the end of 2025.
Target values for management of material IROs	The Bank undertakes to set appropriate SMART objectives for the purpose of achieving support for positive impacts and opportunities and preventing the materialisation of risks.

POLICIES CONCERNING CONSUMERS AND END-USERS (S4-1)

In managing sustainability aspects related to consumers, the Bank primarily adheres to the policies, guidelines, and strategies listed below. Unless stated otherwise, these policies, guidelines, and strategies are available to all Bank employees via the intranet portal. These policies, guidelines, and strategies are not available to the public (with the exception of the Erste Group Code of Conduct) and do not apply to consolidated companies where consumer services are not provided. None of the policies, directives, or strategies listed below commit the Bank to adhere to third-party standards. No significant changes occurred in the content and scope of the policies listed below during the course of 2024.

Table 42: Policies governing IROs related to end-users

IRO ID	IRO	IRO type	Policies
IRO S4-01-01	Protection of clients through a robust security system.	Positive impact Own operations	Security policy of Slovenská sporiteľna Cyber and Information Security Policy of Slovenská sporiteľna Global Compliance Code of Slovenská sporiteľňa, a.s. Personal Data Protection Policy of Slovenská sporiteľna
IRO S4-03-01	Improvement of clients' financial literacy by providing access to quality information (online) or various tools (Financial Manager, Investment Plan) to enable clients to make informed decisions about their financial health.	Positive impact Own operations	The Erste Group Code of Conduct Branch Network Strategy of Slovenská sporiteľňa Bank Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa
IRO S4-07-01	Granting of access to every client, regardless of nationality, social status, marital status, with access to affordable, accessible, accessible banking products that improve financial health.	Positive impact Own operations	The Erste Group Code of Conduct Branch Network Strategy of Slovenská sporiteľňa Bank Strategy of Slovenská sporiteľňa Diversity and Inclusion Policy of Slovenská sporiteľňa
IRO S4-08-01	Support for inclusive banking for people with disabilities.	Positive impact Own operations	The Erste Group Code of Conduct Diversity and Inclusion Policy of Slovenská sporiteľňa
IRO S4-01-05	Reduced profits due to client migration as a result of loss of confidence in the bank's security and increased costs of remediating security incidents.	Risk Own operations	Policy for Managing Reputational Risk of Slovenská sporiteľňa Policy for Managing Operational Risk of Slovenská sporiteľna
IRO S4-01-10	Gain a reputation as an innovative, digital and secure bank with an exceptional customer experience.	Opportunity Own operations	Bank Strategy of Slovenská sporiteľňa

Security policy of Slovenskej sporiteľna

The Security Policy of Slovenská sporiteľňa regulates the security principles, rules, standards, and requirements. It establishes security management, including the definition of accountability relationships and the establishment of executive bodies within the Bank for this area (e.g., committees). This policy represents a key document in the field of security and applies to all banking activities and Bank employees.

The person responsible for implementing this policy is the member of the Board of Directors in charge of the IT and Operations Stream.

Cyber and Information Security Policy of Slovenskej sporiteľna

The Cyber and Information Security Policy Slovenská sporiteľňa defines the governance framework focused on the principles of cyber and information security, as well as information security management, auditing, and reporting requirements, to ensure adequate protection of the Bank's information assets against all potential threats (internal or external, intentional, or accidental). This policy applies to all banking activities and Bank employees.

The person responsible for implementing this policy is the member of the Board of Directors in charge of the IT and Operations Stream.

Global Compliance Code of Slovenská sporiteľňa, a.s.

The Global Compliance Code of Slovenská sporiteľňa provides an overview of the rules, procedures, ethical principles, and key compliance standards. It represents the minimum standard of conduct applicable to all Bank employees and their activities.

The person responsible for implementing this code is the member of the Board of Directors in charge of risk management.

Personal Data Protection Policy of Slovenská sporiteľna

The Personal Data Protection Policy of Slovenská sporiteľna governs the processing of personal data within the Bank, clearly defining the scope of personal data processed, the legal basis for such processing, and the Bank's role in data processing. It also covers the granting of consent for data processing and the management of data protection, including accountability relationships. The policy establishes the position of a Data Protection Officer. This policy applies to all Bank employees and also concerns the processing of consumer personal data.

The person responsible for implementing this policy is the Director of the Legal Services Division.

Erste Group Code of Conduct

The Code of Conduct is a set of guidelines for the activities and behaviour of all Bank employees. It serves as a collection of binding rules that the Bank adheres to in its daily business operations. It defines what is important to the Bank, clarifies its commitments, and establishes the foundation of its actions as a socially responsible entity. The Code of Conduct emphasises that, in all aspects of its operations, the Bank must act responsibly, with respect, and without unnecessary risk.

Policy for Managing Reputational Risk of Slovenská sporiteľňa

The Policy for Managing Reputational Risk of Slovenská sporiteľňa regulates the introduction of responsibilities and a standardised process into business operations for managing reputational risk. It defines the method for identifying, assessing, monitoring, and managing risks related to the Bank's reputation.

The person responsible for implementing this policy is the member of the Board of Directors in charge of risk management.

Policy for Managing Operational Risk of Slovenská sporiteľna

The Policy for Managing Operational Risk of Slovenská sporiteľna outlines the general principles, framework, and requirements for managing operational risk at the Bank. It has been defined in alignment with the Erste Group risk strategy to support a consistent and prudent approach to operational risk management. The policy sets out the Bank's risk appetite, accountability relationships, and entities responsible for identifying, managing, and monitoring operational risks.

The person responsible for implementing this policy is the member of the Board of Directors in charge of risk management.

Bank Strategy of Slovenská sporiteľňa

For a description of this policy, see section Policies Relating To Own Workforce (S1-1).

Branch Network Strategy of Slovenská sporiteľňa

For a description of this policy, see section Policies Relating To Own Workforce (S1-1).

Diversity and Inclusion Policy of Slovenská sporiteľňa

For a description of this policy, see section Policies Relating To Own Workforce (S1-1).

Respect for Human Rights

In managing sustainability issues related to consumers and end-users (hereinafter referred to as "clients"), the Bank follows various policies, principles, and standards. At present, the Bank does not have a binding policy governing human rights obligations toward clients. Instead, it primarily adheres to the Erste Group Code of Conduct, which, in relation to clients, is not aligned with the UN Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises. The Code does not include a general commitment to respecting clients' human rights, but it does outline commitments regarding the availability of products and services, responsible product development and marketing, responsible lending, transparency, and data protection.

In cases of human rights violations under the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Declaration on Fundamental Principles and Rights at Work, the Bank has not implemented a separate compensation system distinct from the general complaints and grievance procedure (see the section on Processes to remedy negative impacts and channels for clients to raise concerns). However, this procedure may also be used to report human rights violations affecting clients in the value chain. At the same time, the Bank declares that it has not recorded any cases of human rights violations or consumer rights infringements within its operations or value chain, as defined by the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, or other relevant human rights instruments.

Client engagement

The Bank assesses client needs and experiences through various surveys and the collection of unsolicited feedback. This feedback is actively used in the development of new products and services, process improvements, and overall enhancement of the client experience. Qualitative research includes individual client interviews, focus groups, and human-centric design (HCD) interviews. For quantitative research, the Bank gathers feedback through regular surveys, questionnaires following specific events (e.g., branch visits or product purchases), or one-time surveys on specific topics. Additionally, clients can provide feedback on their own initiative via the Bank's website, by phone, in person at branches, or through third-party platforms (e.g., social media).

IMPACTS, RISKS, AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

Description of clients

When assessing its material impacts, risks, and opportunities concerning clients, the Bank considered both its own retail clients (private individuals – non-entrepreneurs) and clients within its value chain. In evaluating potential impacts, risks, and opportunities related to its value chain, the Bank took into account its market share, the structure of its credit portfolio, and its sectoral limits and constraints in accordance with the Directive on Industry Limits, Concentrations, and Maximum Credit Limits.

In 2024, the Bank's clients represented a heterogeneous group of approximately 1.9 million individuals. When assessing the materiality of its impacts, the Bank specifically considered not only active clients (nearly 1.1 million) but also clients with unmet financial health needs, children and young people, older adults, persons with disabilities, and individuals of nationalities other than Slovak. Generally speaking, the Bank's client base largely reflects the overall population of the Slovak Republic. The Bank's business model and strategies, by their nature and implementation, contribute to material positive impacts on clients. In managing its business model and strategy, the Bank prioritises its clients and their financial well-being. It strives to act as a financial partner throughout their lives and business. The Bank also takes into account the rights and legitimate interests of its clients, ensuring they are neither endangered nor violated. In addressing these needs, the Bank focuses on the following key aspects:

Availability:

The Bank aims to ensure that its products and services are accessible to all clients without discrimination, taking into account their needs, financial health, and business behaviour. For example, the Bank has adapted its branch network (e.g., number of branches, opening hours, and locations) and ATM network (e.g., services offered, such as cash deposits via recycling ATMs). It also operates the George digital banking application (providing end-to-end banking services) and a 24/7 client service centre. The Bank regularly informs clients and the public about the availability of its products and services through its website and press releases. It also continuously monitors service outages.

Accessibility:

The Bank strives to ensure the accessibility of its communication and sales channels to guarantee spatial (physical/digital) accessibility (e.g., through the use of universal design and the removal of barriers for persons with disabilities), financial accessibility (e.g., by offering free products and services, applying various discounts on fees and interest rates for selected client groups, as well as implementing other measures aimed at enhancing the financial accessibility of the Bank's products and services for vulnerable client groups), and informational accessibility (e.g., by using clear and comprehensible language in communication with clients).

Acceptability:

The Bank strives to design its products and services in a way that benefits all clients and their financial well-being without distinction. The Bank recognises that even with the creation of objectively effective products and services, some client groups may be unable to use them or build their financial well-being through them. For this reason, the Bank takes into account the individual needs of its clients by offering the possibility to customise most products and services, as well as communication channels (e.g., the option to change the loan repayment date in the George app, the user-friendly design of the George app, the ability to schedule branch visits in advance, and the availability of ATMs and the George app in multiple language versions, among others).

As part of the DMA of impacts, the Bank did not identify any material negative impact on its clients. Considering its business model, strategy, and the products and services it provides, the Bank has determined that clients who may be more exposed to potential negative impacts or face a greater risk of harm to their rights and legally protected interests include, in particular, clients with lower financial literacy (e.g., due to lower levels of education, living in marginalised communities, or being at risk of poverty and social exclusion, children and elderly individuals), and persons with limited digital and technical skills (e.g., when using the George app, making online payments, or operating ATMs).

According to the results of the DMA, IROs pertain exclusively to the Bank's clients. An overview is given in the table below.

Table 43: Description of Clients per IRO

IRO ID	IRO	IRO type	Description of clients
IRO S4-01-01	Protection of clients through a robust security system.	Positive impact Own operations	This material impact primarily concerns the group of active clients who use banking services in the online space. Secondarily, it concerns all the Bank's clients.
IRO S4-03-01	Improvement of clients' financial literacy by providing access to quality information (online) or various tools (Financial Manager, Investment Plan) to enable clients to make informed decisions about their financial health.	Positive impact Own operations	This material impact primarily concerns the group of active clients who use banking services in the online space. Secondarily, it concerns all the Bank's clients.
IRO S4-07-01	Granting of access to every client, regardless of nationality, social status, marital status, with access to affordable, accessible, accessible banking products that improve financial health.	Positive impact Own operations	This material impact primarily concerns clients with disabilities; clients whose native language is not Slovak and who use the Bank's products and services in a language other than Slovak; children and young people aged 0 to 25 years; and senior clients aged 65 and over. Secondarily, it concerns all the Bank's clients.
IRO S4-08-01	Support for inclusive banking for people with disabilities.	Positive impact Own operations	This material impact primarily concerns clients with permanent sensory disabilities (e.g., blind, or deaf individuals), physical disabilities (e.g., individuals using a wheelchair or crutches as mobility aids), or intellectual disabilities (e.g., individuals with mild intellectual disabilities). Secondarily, this impact also concerns individuals with temporary health disadvantages or illness/medical conditions.
IRO S4-01-05	Reduced profits due to client migration as a result of loss of confidence in the bank's security and increased costs of remediating security incidents.	Risk Own operations	This material risk primarily relates to groups of clients with a negative customer experience who have approached the Bank with a complaint or claim due to suspected fraud. Secondarily, this risk applies to all the Bank's clients.
IRO S4-01-10	Gain a reputation as an innovative, digital and secure bank with an exceptional customer experience.	Opportunity Own operations	This material opportunity primarily applies to all the Bank's clients. Secondarily, it concerns all potential clients within the banking sector in the Slovak Republic.

The Bank has focused on meeting high standards in the area of customer experience and protecting the rights and legitimate interests of customers in using of products and services as follows:

Table 44: The Bank's approach to client experience, protecting clients' rights and legitimate interests

Bank's area of activity	Bank's approach in terms of customer experience and protection of customers' rights and legitimate interests	Affected IROs and clients
Harmful health effects and chronic diseases	In accordance with the *Diversity and Inclusion Policy*, the Bank ensures that its products, services, and sales channels are accessible to persons with disabilities while also ensuring that they do not negatively impact clients' health. For example, the George application does not contain components that could trigger seizures in individuals with epilepsy, and materials that are not harmful to health are used in the construction or renovation of branches.	The Bank does not consider harmful health effects and chronic diseases for any material impacts, risks, or opportunities. Through its operations, products, and services, the Bank does not cause harmful health effects or chronic diseases in any clients.
Privacy and personal data protection	In accordance with the *Security Policy* and the *Data Protection Policy*, the Bank ensures a high standard of privacy and personal data protection for clients in both online environments (e.g., two-step verification when logging into the George application) and physical environments (e.g., branch layout to enhance privacy during service provision). When processing personal data, the Bank adheres to the principles of legality, fairness and transparency, accuracy, purpose limitation, data minimisation, and retention limitation. The protection of banking secrecy, entrusted assets, and privacy is governed by the *Global Compliance Code of Slovenská sporiteľňa*.	The Bank considers data protection particularly in relation to IRO S4-01-01 and IRO S4-01-05, as it processes clients' personal data and other sensitive information, including banking secrecy, when providing its products and services. The Bank's approach to data protection and related procedures applies to all clients without distinction.
Accessibility of information	All information about the Bank's products and services is available to clients and the public via the Bank's website, the Client Centre, or branch networks. The Bank provides information about its products and services transparently to support clients' financial literacy. Furthermore, the Bank strives to ensure the highest possible level of clarity and accessibility in written communication so that it is understandable, including for people with disabilities.	Information accessibility is particularly considered in relation to IRO S4-03-01, as it is a key requirement for building clients' financial health, literacy, and awareness of the tools available in the Bank. Additionally, it aligns with IRO S4-07-01, where information accessibility is essential in the context of language used, particularly to ensure comprehension for children and youth, non-native Slovak speakers, and individuals with mild intellectual disabilities.
Marketing	The Bank does not have specific policies governing its approach to the undesirable impacts of marketing campaigns on clients or policies committing it to corporate social responsibility in marketing. Instead, the Erste Group Code of Conduct is applied in this matter.	Marketing is primarily considered concerning IRO S4-01-10, with regard to the Bank's reputation. It implements its activities in the field with all clients in mind. However, the Bank places emphasis on cultural and social sensitivity, prioritising value-based communication.

Activities with material positive impact on clients

Overview of activities supporting the materialisation of significant impacts:

Table 45: Activities with material positive impact

Client group	Activities
All Bank clients	Activities aimed at raising awareness of financial health (e.g., www.buducnostjevasa.sk platform) or safe use of banking products and services.
All Bank clients	Clear communication and the use of plain Slovak in client interactions.
Children up to 15	George Junior internet banking application tailored to their age and financial health needs.
Single parents	An application providing information on state benefit options for single parents based on entered data and details.
Persons in a difficult life situation	A social banking programme focused on increasing financial literacy, debt relief, and financial health.
Foreigners and members of national minorities	Language modules in ATMs and the George application, considering product and service expansion in digital banking.
Persons with disabilities	Barrier-free branch access and a module for visually impaired users in the ATM network.

PROCESSES FOR CLIENT ENGAGEMENT IN RELATION TO IMPACTS (S4-2)

The needs and experiences of customers with its products and services are also used by the Bank to materialise significant impacts, in particular to take awareness-raising measures (e.g. on the safe use of banking services in the online space), product-improvement measures (e.g. by creating specific products for selected vulnerable groups), and measures to improve the services and processes provided (e.g. by introducing new functionalities in the George app or the ATM network).

Methods of Client Engagement

Whether the Bank engages clients directly or indirectly depends largely on the specific measure being implemented. Most often, the Bank engages clients directly by gathering information from feedback and submissions (including complaints) or by involving them in research activities. In rare cases, the Bank engages clients indirectly through trusted representatives, most commonly non-governmental organisations (e.g., in ensuring ATM accessibility for people with disabilities).

The Bank engages clients and collects necessary information and suggestions at all stages of developing a new product or service, as follows:

Table 46: Client engagement

	Before product development process begins	During product creation	During product launch
Method of client engagement	through surveys conducted internally or in cooperation with third parties	by involving a small group of clients in individual or group discussions	by soliciting feedback from clients using the product or service
Frequency of client engagement	occasionally, depending on the client need being addressed	occasionally, depending on the product prototype and its suitability	regularly, following interaction with the product, service, or bank

The selection of clients engaged at each stage is based on client insights (e.g., gender, age, income) as well as their preferences (e.g., consent to be contacted). The person responsible for engaging clients as well as evaluating their experience and feedback is the Director of Strategy and Customer Experience Division. The Bank does not have a unified system in place to regularly evaluate the effectiveness of client engagement. In some cases (e.g., complaint submissions, unsolicited feedback), the Bank monitors the time and manner in which client requests are handled. In addition to tracking response time and resolution method, it also assesses client satisfaction with the resolution process.

Vulnerable client groups

In accordance with the Erste Group Code of Conduct, the Bank is committed to the responsible engagement of vulnerable groups. The Social Bank department is primarily responsible for working with clients in difficult life situations and ensuring their engagement.

PROCESSES TO REMEDY NEGATIVE IMPACTS AND CHANNELS FOR CLIENTS TO RAISE CONCERNS (S4-3)

Clients can contact the Bank through various channels, including in person at a branch (e.g., via a personal consultant or ombudsman), by phone through the Client Centre, online via the George application (e.g., the "Messenger" function), or by email/letter to the relevant addresses. For the purposes of complaints, requests, and claims, the Bank uses exclusively its own channels. For this reason, it ensures the availability of these channels with sufficient technical and personnel capacities, regularly reviewing and expanding them as needed. In 2024, the Bank ensured the availability of these channels through approximately thirty case handlers across several different Bank departments and the Slovenská sporiteľňa ombudsman team.

The handling of submissions is supported by a robust IT system that ensures the entire process, from the submission entry to the final contact with the client, the cooperation of case handlers with other Bank departments, as well as detailed reporting. Individual case-handling teams have internally set time limits for processing, which are regularly assessed. Regular reports are also prepared on the number of submissions, the most common areas of complaints, the average resolution time, the justification, and the causes of the reported issue. A report is also sent to the Bank's Board of Directors on a semi-annual basis. The number of complaints is factored into the assessment of so-called key risk indicators (KRI), which serve as a tool for the prompt identification of potential issues.

The Bank strives to ensure that its clients are aware of the possibility of submitting a complaint or making another type of submission via the above-mentioned channels by publishing information on its website, through the work of consultants and personal advisers, and in other formats, such as marketing materials and other written documents, including accompanying letters, etc. The Bank aims to foster trust in these channels primarily through timely and transparent communication (e.g., in the event of changes to contractual terms) as well as by maintaining a high standard in the processing of client submissions and complaints. Regular updates on the state of client experience, complaints, and submissions are included in sustainability reports (for the years 2022 and 2023).

FOR THE BANK'S PROCEDURES AND POLICIES RELATED TO THE PROTECTION OF WHISTLEBLOWERS AND COMPLAINANTS, SEE GOVERNANCE INFORMATION

Business conduct (ESRS G1).

ADOPTION OF MEASURES RELATED TO MATERIAL IROS FOR CLIENTS AND APPROACHES TO MANAGING MATERIAL RISKS AND UTILISING MATERIAL OPPORTUNITIES (S4-4)

Action Plan

The Bank has not yet adopted a specific action plan containing measures aimed at preventing and mitigating significant negative impacts or fostering the materialisation of significant positive impacts. However, it provides an overview of the measures it has implemented so far to support the materialisation of significant positive impacts and to prevent the materialisation of negative impacts. The Bank presents an indicative list of measures aimed at facilitating the materialisation of significant positive impacts and opportunities, as well as preventing the occurrence of major risks in the consumer sector. Negligible or supplementary measures are not included in the list.

Measures aimed at advancing material positive impacts

The measures have been linked to specific impacts, risks, and opportunities. The Bank does not disclose resource allocations, as it considers them part of its trade secret. At present, the Bank does not assess the effectiveness of these measures in the context of fulfilling material positive impacts, risks, and opportunities.

In the case of IRO S4-01-01, the Bank has implemented advanced solutions for detecting fraudulent card transactions and online fraud within the George app. The technologies used incorporate elements of artificial intelligence, machine learning, and behavioural analysis, which identify unusual behaviour patterns in clients and their devices. The Bank ensures the operation of its robust security system through a team of security specialists and dedicated working groups focused exclusively on protecting clients' financial assets and combating fraud. Additionally, the Bank seeks to prevent failures on the client's side (e.g., due to a lack of financial literacy, digital skills, etc.) through education and awareness-raising initiatives about threats and fraud, particularly in relation to online banking and card payments. Part of this awareness campaign includes prompt and transparent communication about new types of fraud. In this context, the Bank has also introduced an online payment insurance product for clients. The above-mentioned measures target all clients without distinction, including those who do not use online banking (e.g., the George application) or engage only minimally in card payments for goods and services. These measures are reviewed as needed, usually once a year. Activities aimed at protecting the security of clients' data, information, and experience are of a long-term nature, without a set time limit.

In the case of IRO S4-03-01 and IRO S4-07-01, the Bank offers clients a wide range of tools to enhance their financial literacy. These tools primarily include the Healthy Finances application on a tablet (an application available through the branch network that analyses the client's current financial situation in the context of their goals and life circumstances), the Financial Manager tool (a tool available via the George application that enables clients to track and categorise their expenses and income, set their budget, and monitor its fulfilment), and the Investment Plan tool (a tool available in the George application that allows users to easily create their own investment portfolio tailored to their needs). To enhance the accessibility and acceptability of its products and services, the Bank conducted a linguistic audit of its written communication with clients and adopted a new manual for creating clear and comprehensible texts. Additionally, it expanded the language versions of its website, the George application, and ATMs to include more languages, including those of national minorities. The Bank also provides products specifically designed for vulnerable population groups, such as the basic banking product and the standard account for low-income groups, the George Junior application, the Pokladnička [PiggyBank] account and savings for children, and a mortgage with a preferential rate for individuals under 35 years of age.

The Bank also operates a Social Bank department, through which it provides special care for individuals in difficult life situations. These are clients who, due to various external factors (e.g. loss of breadwinner, loss of employment, illness), have lost their income and are unable to repay their obligations to the Bank and other entities in a proper and timely manner. If the Bank decides to include a borrower in the difficult life situation programme, it provides them with specialised counselling and education, assists in budgeting, consolidates their liabilities, and sets up an individual repayment schedule. In some cases, these clients have access to discounts on standard loan product rates or are exempt from fees. As part of the Social Bank department, the Bank also finances social economy entities with a positive societal impact (e.g. non-profit organisations, social enterprises, sheltered workshops, churches, etc.).

The above measures, aimed at IRO S4-03-01 and IRO S3-07-01, focus on vulnerable client groups (particularly children, young people under 35, individuals with unmet financial needs, those with lower financial literacy and education, members of national minorities, individuals in difficult life situations, or beneficiaries of social economy enterprises, such as single parents, large families, people with disabilities, and the unemployed). These measures are reviewed as needed, usually once a year. These measures are predominantly long-term in nature and are not subject to time limitations.

Table 47: Social Bank

	Indicator	Value	Indicator type
Social bank programmes	Number of education participants in 2024	1239	Number of presons
	Number of supported private clients in financial difficulties in 2024	398	Number of presons

In the case of IRO S4-08-01, the Bank has focused on removing barriers faced by people with disabilities in accessing banking services. When modifying branches and ATMs, it follows the principles of universal design and applies accessibility standards, particularly for individuals with limited mobility. In 2024, 30 branches underwent an external audit, with another 30 branches scheduled for audit in 2025. This audit aims to assess the accessibility of the physical environment of the Bank's branches for more than nine vulnerable groups with disabilities. To improve accessibility for individuals with intellectual disabilities, the Bank undertook an external linguistic audit and developed a manual for drafting texts in plain language, which is used across client communications within the Bank. Additionally, it has adjusted ATM software to enhance accessibility for persons with visual impairment. In 2025, the Bank plans to equip its branches with Resound Auracast devices to improve communication with persons with hearing impairment. The Bank has also conducted a thorough audit of the tablet used for branch services, its websites, and the George application to ensure compliance with WCAG 2.2 AA standards. In 2025, the Bank plans to provide all employees with training on the rights of persons with disabilities and launch a website on the Bank’s accessibility. These measures are aimed primarily at supporting clients with disabilities but will also benefit other client groups. The Bank reviews the adopted measures as needed, usually once a year. These measures are of a medium- to long-term nature.

Measures aimed at preventing the materialisation of significant risks

In the context of risk IRO S4-01-05, the Bank has implemented a robust security system, applies high standards in this area and innovates regularly. Each year, the level and nature of security threats to the use of banking services in the online space changes. General customer awareness of these threats is inadequate, making it difficult for the Bank to raise awareness of its customers at the pace at which changes are occurring in this area. As the number of users of banking services in the online space increases, so does the number of victims of fraud such as phishing or pharming. Defrauded customers try to recover stolen funds, but in many cases neither the bank nor law enforcement authorities can effectively help them. Measures aimed at preventing IRO S4-01-05 include, in particular, the operation of the Bank's security system in accordance with the Security Policy of Slovenská sporiteľňa, regular communication campaigns (e.g. Happy and Safe, promotion of events on cybersecurity) and education of the Bank's clients (e.g. the website Security | Slovenská sporiteľňa), as well as part of the product portfolio (e.g. insurance of online payments). Measures aimed at preventing IRO S4-01-05 are regularly reviewed by the bank, mostly on an annual basis. The target group is all customers without distinction, and the measures are of a long-term nature with no time limit. The Bank does not consider that the materialisation of this risk arises to a significant extent in relation to a narrowly specific group of customers and considers that all customers, irrespective of age, gender, social status or any other characteristic, are at risk of fraud or other security threats.

Measures aimed at materialising significant opportunities

The Bank has not identified any significant impacts or resulting risks and opportunities in relation to the value chain. In relation to its own operations, the Bank has identified impacts IRO S4-01-01, IRO S4-03-01, IRO S4-07-01 and IRO S4-08-01. In the context of IRO S4-01-05, the Bank has implemented a robust security system, applies high standards in this area and regularly innovates. Each year, the level and nature of security threats to the use of banking services in the online space changes. General customer awareness of these threats is inadequate, making it difficult for the Bank to raise awareness of its customers at the pace at which changes are occurring in this area. With the increase in users of banking services in the online space, the number of victims of fraud such as phishing or pharming is also increasing. Defrauded customers try to recover stolen funds, but in many cases neither the bank nor law enforcement authorities can effectively help them. Measures aimed at preventing IRO S4-01-05 include, in particular, the operation of the Bank's security system in accordance with the Security Policy of Slovenská sporiteľňa, regular communication campaigns (e.g. Happy and Safe, promotion of cybersecurity events) and education of the Bank's clients (e.g. the website Security | Slovenská sporiteľňa), as well as part of the product portfolio (e.g. insurance of online payments). In the context of the opportunity IRO S4-01-10, in line with its long-term strategy, seeks to bring innovative solutions and products to clients, while placing emphasis on digitisation. The aim is to improve the overall client experience, increase client loyalty and be the best financial partner for clients. A higher number of clients who consider Slovenska Sporitelna as their main bank is one of the main prerequisites for the bank's revenue growth in the future. Measures aimed at supporting the materialization of this opportunity include investments in online banking (e.g. George and George Junior app, Healthy Finance app) development of programmes for selected segments of clients (e.g. Seed Starter, Social Bank Department programmes for start-up entrepreneurs and people in difficult life situations), self-help tools to support financial health (e.g. Financial Manager, Investment Plan), accessibility measures (see section Measures to support significant positive impacts) product portfolio (e.g. mortgages at discounted rates for people under 35, savings for children Treasury, Moneyback), retention processes, sponsorship activities and value-based communication campaigns (e.g. My Everest, Finish What You Started). Measures aimed at materializing IRO S4-01-10 are regularly reviewed by the Bank, mostly on an annual basis. The target group is all clients without distinction, and the measures are of a long-term nature with no time limit. In the context of this opportunity, the Bank does not believe that their materialization arises to a significant extent in the context of a narrowly specific group of customers and considers that all customers place emphasis on their bank being safe and providing them with an exceptional customer experience also through innovation, including in the online space.

TARGET VALUES FOR MANAGEMENT OF MATERIAL IROS (S4-5)

Currently, the Bank has not adopted comprehensive targets taking into account the IROs of its own operations on consumers and end users. It has set one universal target, which constitutes a trade secret of the Bank. Below, the Bank has reported those information related to this objective that it does not consider to be a trade secret.

The objective was developed in cooperation with the Erste Group, with the involvement of the Strategy and Customer Experience department. The Bank's Board of Directors duly approved the objective. All departments concerned were given the opportunity to comment on the approval of this objective through an internal comment procedure. Neither clients nor their representatives were involved in the development of this objective.

The achievement of this objective is linked to the remuneration of the Bank's Board of Directors and employees. This objective relates exclusively to the Bank's own operations and activities in the Slovak Republic, covering the provision of products and services to retail clients as well as to micro, small and medium-sized enterprises. These are entities where the provision of the Bank's products and services is provided by the Bank's business lines (Retail banking and Corporate banking & Markets). Consolidated companies do not participate in the target. Thus, the target is not linked to their activities and operations, nor does it affect the remuneration of their management and employees.

Through this objective, the Bank aims to improve the customer experience and customer experience, and this objective is anchored in the Banking Strategy of Slovenská sporiteľňa and is linked in particular to the following IROs: S4-03-01, S4-07-01, S4-08-01, S4-01-10.

The fulfilment of this objective is monitored through the Customer Experience Index. This is an annual assessment of how customers perceive Slovenská sporiteľňa, especially in the area of satisfaction with the bank. The calculation methodology and historical values are presented in the text below. Target values set annually as a relative difference in points compared to the top 3 competitors in the banking sector. However, the bank has evaluated the target value as a trade secret and claims exemption from disclosure. The targets are proposed on the basis of the historical trend and the Bank's stated strategy in cooperation with Erste Group Customer Experience and are subject to approval by the Supervisory Board's Remuneration Committee.

Customer Experience Index (CXI)

The CXI measures client satisfaction and loyalty based on evaluations of satisfaction ratings, referrals, readiness to switch banks, client effort scores, and repurchase rates. It captures the overall customer experience and its impact on their relationship with Slovenská sporiteľňa. The CXI is calculated using the following formula:

$$CXI = \%\ of\ Advocates + \%\ of\ Loyal + \frac{\%\ of\ Simply\ satisfied}{2} - \%\ of\ Non\ engaged - \%\ of\ Dissatisfied$$

The Loyal group consists of respondents who selected at least a score of 9 on a scale from 0 to 10 when answering the question about considering a repurchase at Slovenská sporiteľňa, gave a maximum score of 1 when asked about considering switching to a competitor, and at the same time rated their satisfaction with the Bank at a level of at least 7. Subsequently, the Advocates group includes clients who also selected the highest score for both the question on recommending the Bank and the question on the complexity of the relationship with the Bank. The Simply satisfied group consists only of those clients who do not fall into the previous two groups but still expressed satisfaction with the Bank with a score of at least 7. The Not engaged and Dissatisfied groups are then formed based solely on respondents' answers to the question about satisfaction with the Bank.

Table 48: Description of client groups in the CXI calculation

	% Dissatisfied	% Not engaged	% Simply satisfied	% Loyal	% Advocates
Vs. competition	Clear competitive disadvantage	Competitive disadvantage	No advantage or disadvantage	Competitive advantage	Clear competitive advantage
Likely behaviour	Likely to change bank as soon as possible	Likely to look for better offers and change bank	Leave easily even for slightly better offer	Likely to repurchase even pays some price premium	Likely to recommend to friends and family
Target	Optimize		Neutral	Maximize	

CXI is measured through quarterly surveys (retail segment) and annual surveys (micro-enterprises and SME segments), conducted by an external market research agency. The survey is conducted exclusively in Slovakia and includes 3,200 telephone interviews annually in the retail segment, 1,500 interviews in the micro-enterprise segment, and 750 interviews with small and medium-sized enterprises. Due to the large number of input variables contributing to the CXI calculation, a limitation of this metric is its standard deviation. The methodology was designed by experts from the Group Customer Experience department of the Erste Group.

Table 49: CXI in 2023 and 2024 (difference compared to the average of the Top 3 competitors)

Retail		Micro		SME		All segments	
2023	2024	2023	2024	2023	2024	2023	2024
1.9	1.0	7.7	6.1	5.4	4.7	2.7	1.8

GOVERNANCE INFORMATION

BUSINESS CONDUCT (ESRS G1)

ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES (ESRS 2 GOV-1)

The role of administrative, management and supervisory bodies in relation to business conduct as well as their expertise in this area are described in the chapter Role of administrative, management and supervisory bodies (GOV-1).

DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (ESRS 2 IRO-1)

The processes how the Bank identified and assessed material impacts, risk and opportunities are described in the chapter Description of the processes to identify and assess material impacts, risks and opportunities.

BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE (G1-1)

Unless stated otherwise, the following policies and directives are made available through the intranet portal and apply to all employees of the Bank and their activities. None of the policies, directives, or strategies listed below commit the Bank to adhere to third-party standards. The Erste Group Code of Conduct is published on the Bank's website.

Table 50: Overview of material IROs and policies for topic G1 – Business conduct

IRO ID	Sustainability Matter	Type of IRO	IRO Description	Policies
IRO G1-01-01	Corporate culture	Positive impact	Promoting a corporate culture can empower anyone rise their voice and report unlawful or unwanted behaviour and contributing to corruption-free society.	The Erste Group Code of Conduct Global Compliance Code of Slovenská sporiteľňa, a.s. Anti-fraud Management Policy of Slovenská sporiteľňa Internal system for the reporting and investigation of concerns about crime and anti-social activity
IRO G1-01-04	Corporate culture	Negative impact	All frauds, corruption and other unlawful acts conducted by business financed by SLSP	Responsible Financing Policy Program of Slovenska sporiteľňa, a.s. against the legalization from criminal proceedings and terrorism financing
IRO G1-01-09	Corporate culture	Risk	Legal/compliance risk (own operations) - criminal (criminal proceedings concerning SLSP as a legal person) and civil (lawsuits from whisleblowers/employees), fines imposed by Office for the Protection of Whistleblowers.	The Erste Group Code of Conduct Global Compliance Code of Slovenská sporiteľňa, a.s. Anti-fraud Management Policy of Slovenská sporiteľňa
IRO G1-02-01	Protection of whistle-blowers	Positive impact	Promoting a corporate culture can empower anyone rise their voice and report unlawful or unwanted behaviour and contributing to corruption-free society.	Anti-fraud Management Policy of Slovenská sporiteľňa Reporting Operational Risk Events
IRO G1-06-01	Prevention and detection including training	Positive impact	Preventing corruption and bribery when dealing with retail and corporare clients to ensure that all clients have access to banking products and services under same objective conditions.	The Erste Group Code of Conduct Global Compliance Code of Slovenská sporiteľňa, a.s. Anti-fraud Management Policy of Slovenská sporiteľňa Reporting Operational Risk Events

The Erste Group Code of Conduct and the Global Compliance Code of Slovenská sporiteľňa, a.s.

The codes are described in the chapter Policies concerning consumers and end-users (S4-1).

Anti-fraud Management Policy of Slovenská sporiteľňa

The Anti-Fraud Policy defines fraud and types of fraud, the stages of the anti-fraud cycle and the responsibilities of employees and specific units for the protection of the bank against fraud.

It defines anti-fraud standards, principles and responsibilities and the minimum principles applicable for SLSP under the Erste Group Anti-Fraud Policy and the Erste Group Whistleblowing Policy.

The policy also defines principles and procedures whose role is to minimise or eliminate the risk of fraud and to prevent losses that the Bank could incur due to fraud. It applies to various possible cases and types of fraud which may involve a real or potential financial loss for the Bank or cause reputation risk.

The Operational Risk and Fraud Prevention Department is responsible for implementation of the policy, which is approved by the member of the Board of Directors responsible for the Risk Management Stream.

Reporting Operational Risk Events

Slovenská sporiteľňa aims to have a central database of operational risk losses and events to support effective operational risk management. Data on operational risk is collected using the EMUS web application. The policy defines standards, principles and responsibilities for the reporting of operational risk events in the EMUS database and defines the minimum standards applicable for SLSP under the Erste Group policy.

The Operational Risk and Fraud Prevention Department is responsible for implementation of the policy, which is approved by the director of the Compliance and Operational Risk Management Division.

Responsible Financing Policy

The Responsible Financing Policy is described in the chapter Policies related to climate change mitigation and adaptation (E1-2).

Program of Slovenska sporiteľňa, a.s. against the legalization from criminal proceedings and terrorism financing

Under Act No 297/2008 on preventing the legalisation of proceeds from criminal activity and terrorist financing, the Bank is obliged to implement anti-money laundering and counter-terrorist financing ("AML/CTF") actions. With the aim of reducing risks in this area as much as possible, it acts in accordance with applicable Slovak and European legislation, domestic and international standards and guidelines, and the high ethical standards applicable to the entire Erste Group.

The role of the Bank's management is to incorporate the principle of zero tolerance for money laundering and terrorist financing into the Bank's documents, control processes and the thinking of managers in relation to business decisions. It is the role of every employee to carry out their daily activities in accordance with these guidelines. The Bank has in place sufficient personnel and organisational arrangements for AML/CTF policy in line with applicable legislation and the guidelines of the European Banking Authority (EBA).

The Compliance and AML Department is responsible for implementation of the policy, which is approved by the director of the Compliance and Operational Risk Management Division.

Internal system for the reporting and investigation of concerns about crime and anti-social activity

The internal system for the reporting and investigation of concerns about crime and anti-social activity implements the requirements of Act No 54/2019 on the protection of whistleblowers and amending certain acts. The aim of these internal processes is to protect whistleblowing employees against possible retaliation from the employer if they have acted in good faith to provide information that could significantly contribute or has contributed to the exposure of anti-social activity or the identification or conviction of its perpetrator where they became aware of such information in connection with the performance of their employment, vocation, position or function or in connection with activities in the public interest. The whistleblower may be an employee or a job applicant, a former employee, a contractual partner from a contractual supplier-customer relationship or a member of a body of a legal entity.

The Operational Risk and Fraud Prevention Department is responsible for implementation of the policy, which is approved by the director of the Compliance and Operational Risk Management Division.

Corporate culture

The People and Culture Centre has primary responsibility for the development and assessment of corporate culture. The Bank's culture is not strictly defined in any official document. In general, the Bank's management promotes values such as a clear client-orientation, open communications, continuous improvement and general respect for others. From a specifically anti-fraud perspective, the Bank has defined the following principles that every employee should follow:

- Promotion of zero-tolerance of fraud
- Clear communication to employees of the consequences of committing a crime
- No acceptance of unethical behaviour that interferes with an individual's integrity
- No acceptance of undesirable employee behaviour that impacts work performance or involves the use of working time and work resources (gambling…)

Mechanisms for identifying, reporting and investigating concerns

Slovenská sporiteľňa has put in place robust mechanisms to identify, report and investigate concerns about unlawful conduct or conduct that contravenes the code of conduct or similar internal rules, and it applies the principle of zero-tolerance to such conduct. The core stages of the Bank's anti-fraud cycle are prevention, detection, reporting, investigation, referral and criminal proceedings.

Fraud prevention focuses on the application of various prevention tools such processes, system tools, monitoring, training and other activities designed to prevent fraud and fraudulent behaviour in the Bank's operations. All employees are responsible for fraud prevention.

Detection refers to the processes and activities used to identify attempted or actual fraudulent activity at the time of its occurrence or at the earliest possible stage. Resources for fraud detection include monitoring, control systems, mechanisms and set work procedures. The Bank relies on both internal and external sources of information for detecting fraud.

All detected fraud, suspicious cases, suspicious behaviour, unethical behaviour and negative information must be reported without delay. All employees are responsible for reporting any incidents where fraud is suspected without delay. The Bank uses the EMUS system as its official channel for reporting suspected fraud, but employees can also report suspected fraud to the Operational Risk and Fraud Prevention Department by e-mail, letter, phone call or in person. In case of any concerns, employees can also report them outside official channels using "whistleblowing" channels, and it is also possible to submit an anonymous report. Cases relating to anti-social activity (actions or failures to act that constitute crimes, infringements, administrative offences or other actions that have negative effects on society or are likely to endanger or undermine the public interest, and which the whistleblower becomes aware of in the course of their work) are reported either through internal channels (EMUS, in person), external channels (an e-mail to protispolocenskacinnost@slsp.sk or a letter to Slovenská sportieľňa, a.s., Compliance Officer, Tomášikova 48, 832 37 Bratislava) or through the external system of a body authorised to receive whistleblowing reports (the Office for the Protection of Whistleblowers, the competent prosecutor's office, an administrative authority, institution or agency of the European Union). The reporting of anti-social activity is included in the regular training described below.

The aim of investigation is to confirm or disprove a suspected fraudulent practice, to prevent losses, whether financial or reputational, and to detect weaknesses in the Bank's processes, systems and control mechanisms. At the end of an investigation, the Operational Risk and Fraud Prevention Department assesses the causes of fraud and the methods used to commit it, and makes recommendations for eliminating or keeping to a minimum any recurrence.

Slovenská sporiteľňa has in place principles for training on business conduct, which are prepared on the level of Erste Group. Online training regarding conflict of interest and anti-bribery and anti-corruption policy is mandatory for all employees of Slovenská sporiteľňa and must be repeated every two years. The web-based training (WBT) provides a comprehensive overview of the various types of conflicts of interest including the handling of benefits, side activities, organisational conflicts of interest, confidential conflicts of interest and conflicts of interest related to procurement or the supply chain. A mandatory test of knowledge is administered at the end of training with a minimum passing score of 80%. Slovenská sporiteľňa also provides employees with comprehensive mandatory training on fraud prevention. In this training, employees learn about common fraud schemes, preventive measures and reporting procedures, including internal fraud awareness.

In addition to basic training, the Bank provides targeted training for the Board of Directors and employees involved in sponsorship, partnerships, donations and marketing, with a risk-informed approach to selecting the target audience.

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY (G1-3)

Slovenská sporiteľňa has put in place strict procedures to prevent, detect and address allegations or incidents of corruption and bribery with a focus on ensuring compliance with financial sanctions and embargoes, securities compliance and good conduct including anti-bribery and anti-corruption. These procedures are described in detail in the Anti-Fraud Policy (see the chapter on Business conduct policies and corporate culture (G1-1)).

A separate Operational Risk and Fraud Prevention Department has been established in the Compliance and Operational Risk Management Division, which is managed by the member of the Board of Directors responsible for risk management (Chief Risk Officer). The role of the Operational Risk and Fraud Prevention Department is to ensure the prevention and detection of fraud, the investigation of suspected fraud and the submission of proposals for action. Its aim is to minimise the risk and occurrence of fraud and the financial and reputational losses from fraud. Due to its mission and the need for transparency and objectivity, it is an independent department. The head of the department and their authorised employees have the right to access all Bank systems and premises and, in justified cases, they may access any of the Bank's documents. At the end of an investigation, the department prepares a report based on its findings. Such reports include warnings of identified risks and recommendations for management regarding the elimination of risk and action to be taken, including personnel actions. These actions are binding for managers. Managers take personnel actions in cooperation with the People and Culture Centre.

The Board of Directors and the Supervisory Board receive information on a consolidated level as part of the regular half-yearly reporting.

Slovenská sporiteľňa proactively provides information to its employees on the intranet, through training and through their line managers, thus creating the basis for a shared understanding of values.

The Bank provides comprehensive training for its employees on fraud, risk and the related impacts. Training also includes anti-corruption and anti-bribery topics. Training is provided in various forms at various intervals:

- initial training for newly recruited employees
- e-learning for all employees on a biannual basis
- specific training for individual target groups in the Bank as required
- ad-hoc training for specific types of unit, workloads and occurrences of fraud

The aim of training is that all employees should be able to identify fraud, understand the importance of fighting fraud, the potential impact of fraud on specific employees and the Bank and the importance of detection and mandatory reporting by employees. At the same time, all functions-at-risk within Slovenská sporiteľňa are covered by mandatory training programs developed at the Erste Group level that builds on local training with more in-depth coverage of relevant areas. Members of the Board of Directors receive specific training prepared and presented directly by the compliance officer at least once a year.

All employees are considered to be at risk in respect of bribery and corruption so the Bank makes no distinction in this area. The extent to which anti-corruption and anti-bribery training is given to members of the Board of Directors, Supervisory Board, and employees in functions-at-risk is shown in the following table:

Table 51: Anti-corruption and bribery training in 2024

	Employees at-risk functions	Board of Directors	Supervisory Board
Training coverage (%)	97.5 %	100%	100%
Total trainings (#)	3,441	5	6

Note: due to natural turnover, it is difficult to retrain all employees during the year, therefore training coverage for employees in at-risk roles is not 100%.

CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY (G1-4)

Every incident report – whether made using the EMUS application or by any other means – is reviewed by the Operational Risk and Fraud Prevention Department. Material incidents requiring detailed investigation are identified based on defined regulations. The final report assigns responsibility and proposes corrective actions. A deadline and responsible person are set for every action. If the actions are not implemented, the situation will be escalated to a senior manager. This process is fully supported by systems in the EMUS application. The Bank is not considering any changes to these processes at present. The Bank also has preventive measures in place in the form of training (see the previous chapter).

Number of convictions for violation of anti-corruption and anti- bribery laws: 0

Amount of fines for violation of anti-corruption and anti- bribery laws: 0

The Bank has not adopted any measurable targets because it considers the measures in place to be sufficient and therefore it is not relevant to set targets for the above metrics. No action plan has been defined for the same reasons.

SUPERVISORY BOARD REPORT

The **Supervisory Board of Slovenská sporiteľňa**, in performing its activities over the course of 2024, was governed by statutory provisions applicable in the Slovak Republic. It fulfilled tasks arising from the Bank's Articles of Association, took decisions on matters falling within its competence pursuant to the Bank's competence rules, and was governed by the Supervisory Board's internal rules of procedure.

In 2024, four ordinary meetings of the Supervisory Board were held, and one decisions were adopted by circular resolution (per rollam). The Supervisory Board discussed and adopted an opinion regarding the individual and consolidated financial statements, the proposal for profit distribution and the Board of Directors' report on the company's business activities and assets. Over the year, it paid due attention to monitoring the Bank's position in risk management and controlling the security and effectiveness of the risk management system through regular quarterly reports submitted by the Board of Directors. The Supervisory Board discussed and approved the Risk Management Report, which was submitted by the Chief Risk Officer in accordance with the law, as well as the update of the Slovenská sporiteľňa's Recovery Plan. Based on the Remuneration Committee's recommendation, the Supervisory Board approved the remuneration of the members of the Bank's Board of Directors as a component of the variable part of their remuneration. It discussed the report of the Nomination Committee assessing the suitability of members of the Supervisory Board and Board of Directors. Within its competence, it approved the internal audit strategy and plans to 2027. It paid active attention to regular reports on the Bank's strategic priorities, approved planning documents for 2025 along with the Bank's strategic outlook, and discussed the Bank's diversity and inclusion strategy, IT security strategy, and cybersecurity management.

Members of the Supervisory Board were regularly briefed by the Bank's Board of Directors on its business activity, the implementation of its business plan, the balance of the company's assets, implementation of the Bank's major projects, equity investments, purchase of a part of the business and about other matters related to the company's activities and development in pursuing its licensed banking activities. Pursuant to the amendment to Act no. 483/2001 on Banks, the Supervisory Board also examined compliance with the remuneration principles and implementation of the remuneration of identified individuals that have a significant impact on the Bank's risk.

Following the opinion of the European Central Bank and in accordance with Article 8, point 12 of the Articles of Association of the Company, the Supervisory Board reappointed Mr. Norbert Hovančák to the position of member of the Management Board.

As of 30 June 2024, Mr David O'Mahony, member and Chairman of the Supervisory Board, has resigned from his position. Since 1 July, the Supervisory Board has operated under the chairmanship of its Vice-Chairman, Mr Jan Homan. The Nomination Committee approved Ms Alexandra Habeler-Drabek for the vacant position. Her election by the General Meeting is subject to a notification procedure with the European Central Bank. As the ECB's opinion had not been issued at the end of 2024, the Supervisory Board was composed of five members.

The Supervisory Board established advisory committees on audit, remuneration, nominations, risk and credit, which met regularly during 2024.

Pursuant to Act no. 423/2015 on Statutory Audit and Act no. 431/2002 on Accounting, as amended, the Audit Committee assessed reports in the area of internal control and regularly familiarised itself with the level and effectiveness of internal audit. In accordance with statutory requirements, the committee took responsibility for the procedure to select a statutory auditor and recommended that the General Meeting approve PricewaterhouseCoopers Slovensko, s.r.o. to conduct the statutory audit. Within this process the Audit Committee set a deadline for the appointed statutory auditor to submit an affidavit regarding its independence. The committee held discussions with representatives of the external auditor on the annual financial statements, including the external auditor's opinion and the auditor's recommendations contained in the letter to the management. It briefed the Bank's Supervisory Board on the outcome of the statutory audit and the procedures through which the statutory audit contributed to the integrity of the financial statements. Another important part of the agenda comprised reports on the Bank's activities in the area of compliance and operational risk management, and reports on implementation of the programme of own activity against money laundering and terrorist financing. Within the scope of its competence, the committee reviewed the suitability of provision of non-audit services and services provided by the statutory auditor and approved the procurement of non-audit services from licensed auditing companies.

At the end of the year, the Committee discussed and recommended to the Bank's AGM the appointment of an auditor to provide assurance on the reporting of sustainability information in the Sustainability Report to be prepared by the Bank as part of the 2024 Annual Report, as required by section 20d et seq. of the Accounting Act. This will contain the information necessary to understand the impact of the Bank's consolidated entity from a sustainability perspective, including how aspects of sustainability affect the development, performance and position of the consolidated entity.

In 2024, four ordinary meetings of the Committee were held and three decisions were implemented by per rollam.

In accordance with Article II, paragraph 8. 8, paragraph 8 of the Audit Committee Charter, the Committee also has extended responsibility for the subsidiary SLSP Social Finance, s.r.o. Therefore, the Committee discussed and noted the auditor's report on the results of the statutory audit and the financial statements of SLSP Social Finance, Ltd. for the year 2023 and recommended its adoption by the Company's General Meeting of Shareholders.

The Remuneration Committee considered, approved and reviewed the remuneration policies of the members of the Board of Directors and selected categories of employees taking material risks of the Bank. In particular, it focused on the mechanism for balancing all risks with the remuneration system to ensure prudent corporate governance in the long term, including risk management, liquidity and capital management, etc. It approved the basic principles and remuneration model as well as the Bank's key objectives and performance indicators for the members of the Board of Directors, reviewed and approved the updated list of persons with special influence on the Bank's risk. The Chairman of the Committee regularly reported on the progress of the monitoring of the principles of the remuneration policy as well as on other matters within the Committee's remit.

In 2024, four ordinary meetings of the Committee were held, one meeting was held in a per rollam manner.

The Nomination Committee considered and commented on the nomination of members of the Management Board and Supervisory Board for election or re-election. It assessed the members of the Board of Directors and the Supervisory Board in accordance with Guideline EBA/GL/2021/06 on the assessment of the suitability of members of the management body and persons holding key positions and the Methodological Guideline of the Financial Market Supervision Unit of the National Bank of Slovakia No. 8/2022 on the demonstration of the competence and suitability of persons proposed for positions under the Banking Act. The results of the assessment were discussed by the Committee and submitted to the Supervisory Board for information. Within its remit, the Committee approved an updated Suitability and Succession Policy, based on which a list of successors for the positions of members of the Management Board and the Supervisory Board was approved. In line with Erste Group's approved objectives and targets for gender diversity and inclusion for 2024-2028, the Committee adopted targets for the Bank, which are subsequently also reflected in the individual performance indicators of the members of the Management Board.

The Committee met three times in 2024. One resolution was adopted per rollam.

During 2024, the Risk Management Committee supported the Supervisory Board in monitoring the Bank's current and future risk appetite. It advised on capital and liquidity management strategies, taking into account all types of risks to ensure they are aligned with the Bank's business strategy, objectives, corporate culture and values. Discussed the regular update of the Slovak Savings Bank's Recovery Plan. The Chairman of the Committee regularly informed the Supervisory Board and the Committee's activities and decisions.

Four ordinary meetings of the Committee were held in 2024.

The Credit Committee of the Board of Trustees makes decisions as needed. There were no cases within its remit in 2024.

The Supervisory Board discussed the audit of the consolidated and standalone balance sheet of Slovenská sporiteľňa as well as the related profit & loss statement as of 31 December 2024. The audit was carried out and verified by PricewaterhouseCoopers Slovensko, s.r.o. in accordance with International Standards on Auditing. It confirmed that the financial statements gave a true and fair view of the Bank’s financial situation as of 31 December 2024 in all material regards and that it had no objections to them. Based on the above facts, the Supervisory Board recommended that the General Meeting approve the financial statements for 2024, as presented, including the proposal for distribution of the Bank’s profit for 2024.

Jan Homan
Vice-president of the Supervisory Board

STATEMENT OF RESPONSIBLE PERSONS

The responsible persons of Slovenská sporiteľňa, with its registered office at Tomášikova 48, 832 37 Bratislava, entered in the Commercial Register of City Court Bratislava I, section: Sa, entry: 601/B, corporate registration no.: 00151653: Ing. Peter Krutil, Chairman of the Board of Directors and CEO, and Ing. Pavel Cetkovský, Member of the Board of Directors and Deputy CEO, to the best of their knowledge hereby declare that the financial statements contained herein give a true and fair representation of assets, liabilities, financial situation and results of Slovenská sporiteľňa and companies consolidated by Slovenská sporiteľňa, and that this Corporate Governance Report and Annual Report represent a true and fair view of the development and results of Slovenská sporiteľňa's business operations and position, including the companies included in its consolidation for 2024, together with a description of the key risks and uncertainties it faces in connection with its business activities.

An event of particular significance occurred after the end of the financial year for which this Annual Report is prepared. As of 5 March 2025, the shareholder (Erste Group Bank), with the approval of the European Central Bank, appointed Alexandra Habeler-Drabek as the Chairwoman of the Supervisory Board of Slovenská sporiteľňa. She replaces David O'Mahony, who resigned as of 30 June 2024.

ANNEXES

Consolidated Financial Statements

prepared in accordance with the International Financial Reporting Standards as adopted by the European Union

for the year ended 31 December 2024

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Independent Auditor's Report

To the Shareholder, Supervisory Board, and Board of Directors of Slovenská sporiteľňa, a.s.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Slovenská sporiteľňa, a.s. (the "Bank") and its subsidiaries (together the "Group") as at 31 December 2024, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Our opinion is consistent with our additional report to the Audit Committee dated 21 February 2025.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of income for the year ended 31 December 2024;
- the consolidated statement of comprehensive income for the year ended 31 December 2024;
- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of changes in equity for the year ended 31 December 2024;
- the consolidated statement of cash flows for the year ended 31 December 2024; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of the Act No. 423/2015 on Statutory Audit and on the amendments and supplements to the Act on Accounting No. 431/2002, as amended (hereafter the "Act on Statutory Audit") that are relevant to our audit of the consolidated financial statements in the Slovak Republic. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the Act on Statutory Audit.

PricewaterhouseCoopers Slovensko, s.r.o., Karadžičova 2, 815 32 Bratislava, Slovak Republic
T: +421 259 350 111, www.pwc.com/sk/en

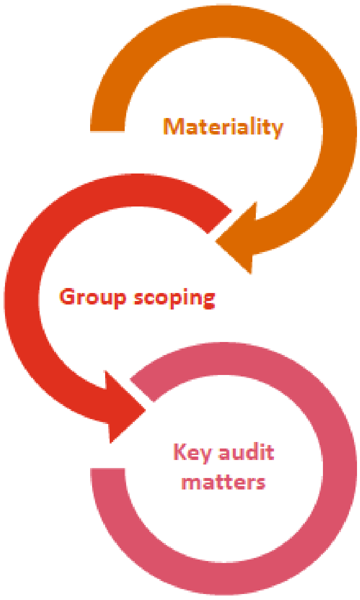
The firm's ID No.: 35 739 347. The firm is registered in the Commercial Register of Bratislava III City Court, Ref. No.: 16611/B, Section: Sro.
IČO spoločnosti je 35 739 347. Spoločnosť je zapísaná v Obchodnom registri Mestského súdu Bratislava III, pod Vložkou č.: 16611/B, Oddiel: Sro.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Bank, to its parent or to its subsidiaries within the European Union are in accordance with the applicable law and regulations in the Slovak Republic and that we have not provided non-audit services that are prohibited under Regulation (EU) No. 537/2014.

The non-audit services that we have provided to the Group, in the period from 1 January 2024 to 31 December 2024, are disclosed in Note 42 to the consolidated financial statements.

Our audit approach

Overview



Overall Group materiality is EUR 22.46 million, which represents approximately 5% of the consolidated profit before income tax (in the consolidated statement of income the line named: "Pre-tax result from continuing operations").

We focused our audit work on the Bank which is the most material consolidated reporting unit. The Bank as a standalone reporting unit represents over 99% of the Group's total assets as at 31 December 2024 and over 99% of the Group's net result for the year then ended.

The audit of the credit loss allowance estimate required our significant attention given the nature of this estimate and its significance to the consolidated financial statements.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the consolidated financial statements as a whole.

Overall Group materiality	EUR 22.46 million
How we determined it	We determined Group materiality as approximately 5% of the consolidated profit before income tax.
Rationale for the materiality benchmark applied	Performance of the Group is most commonly evaluated by the financial statements' users based on the Group's profitability. The quantitative threshold of approximately 5% was applied to consolidated profit before income tax.

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 current period. 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.

Key audit matter	How our audit addressed the key audit matter
Credit loss allowance estimate	
As explained in the Notes 14, 15 and 33 to the consolidated financial statements, management estimated total credit loss allowances for loans and advances to customers, finance lease receivables and trade and other receivables at EUR 352.5 million.	We assessed and tested the design and operating effectiveness of manual and automated controls related to the timely identification of defaulted loans. We tested design and operating effectiveness of the IT general controls, including access to programs and data, program changes and computer operations related to quantification of credit loss allowances. We verified that models used for accurate quantification of credit loss allowances are in line with the requirements of IFRS 9.

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The carrying value of loans and advances to customers, finance lease receivables and trade and other receivables measured at amortised cost may be materially misstated if individual or collective credit loss allowances are not appropriately identified and estimated. The estimates required for measuring credit loss allowances are significant estimates. The identification of significant increase in credit risk or default; the estimation of credit loss including estimates of future cash flows and valuation of collateral as well as application of comprehensive credit models are judgmental. In 2024, the Group deployed new retail LGD and PD models. Incorporation of forward-looking information in the macro models together with application of stage overlays in the ECL calculation represent a significant management judgement. In 2024, the estimate of credit loss allowances continued to be significantly influenced by the current geopolitical and macroeconomic situation. Due to the significance of the amount of the credit loss allowances and material impact of the credit loss allowances on the net result for the year, we consider the credit loss allowance estimate as a key audit matter.	A sample of loan exposures was examined in order to test accuracy of credit loss allowances calculated on an individual basis. We considered management's assumptions, including forecasts of future cash flows, by comparing them to historical performance of the customer and expected future performance. We assessed external and internal valuations of the underlying collateral and compared them to the values used by management in the expected credit loss quantification. On a sample basis, we assessed the underlying models, including the new models, reasonableness of assumptions, and completeness and accuracy of the underlying data, which were used by the Group to estimate collective credit loss allowances for loans that share similar credit risk characteristics. The underlying models and expert judgement applied by the Group in response to the current macroeconomic situation were assessed by our specialists dealing with financial risk management and modelling. The specialists assessed reasonableness of the forward-looking information considering external sources of macro predictions prepared by local and global authorities and its impact on the risk parameters and accuracy of the collective credit loss allowances. Our specialists have assessed a validation process implemented by the Group and interpreted the results of the validation report. The specialists also assessed the design and application of the models for compliance with the relevant reporting standards, including introduction of additional criteria used for identification of significant increase in credit risk. They assessed the relevance of the criteria used in application of stage overlays and tested on a sample basis that the criteria were applied appropriately.

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed. The Bank as a standalone reporting unit represents over 99% of the Group's total assets as at 31 December 2024 and over 99% of the Group's net result for the year then ended. We focused our audit work on the Bank which is the most material consolidated reporting unit. Except for the Bank, we did not identify other significant reporting units where full-scope audit procedures were required.

Reporting on other information including the Annual Report

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and separate financial statements and our auditor's reports thereon).

Our opinion on the consolidated financial statements does not cover the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above 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.

With respect to the Annual Report, excluding the requirements related to sustainability reporting, we considered whether it includes the disclosures required by the Act on Accounting No. 431/2002, as amended (hereafter the "Accounting Act").

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Annual Report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the Annual Report, excluding the requirements related to sustainability reporting, has been prepared in accordance with the Accounting Act.

In addition, in light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Annual Report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, 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.

Those charged with governance are 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 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.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 risk 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 group audit to obtain sufficient audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an 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 group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, 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.

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Report on other legal and regulatory requirements

Appointment as an independent auditor

We were first appointed as auditors of the Group on 27 March 2017. Our appointment has been renewed annually by the shareholder's resolution representing a total period of uninterrupted engagement appointment of eight years. Our appointment for the year ended 31 December 2024 was approved by the shareholder's resolution on 20 February 2024.

Independent assurance report on the compliance of the presentation of the consolidated financial statements with the requirements of the European Single Electronic Format ("ESEF")

We have been engaged by the Bank to conduct a reasonable assurance engagement to verify the compliance of the presentation of the consolidated financial statements of the Group for the year ended 31 December 2024 included in the Annual Financial Report (the "Presentation of the Consolidated Financial Statements") with the requirements of the ESEF Regulation.

Description of subject matter and applicable criteria

The Presentation of the Consolidated Financial Statements has been applied by the management to comply with the requirements of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the Presentation of the Consolidated Financial Statements are contained in the ESEF Regulation.

The requirements described in the preceding paragraph with respect to the Presentation of the Consolidated Financial Statements constitute, in our view, appropriate criteria to form a reasonable assurance conclusion.

Responsibility of the management and those charged with governance

The management is responsible for the Presentation of the Consolidated Financial Statements that complies with the requirements of the ESEF Regulation.

This responsibility includes:

- preparation of the consolidated financial statements in XHTML format;
- selection and application of appropriate markups in iXBRL using ESEF taxonomy; and
- designing, implementing and maintaining internal controls relevant for the preparation of the Presentation of the Consolidated Financial Statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the Group's financial reporting process, which also includes the preparation of the consolidated financial statements that also comply with the requirements of the ESEF Regulation.

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Our responsibility

Our responsibility is to express a reasonable assurance conclusion whether the Presentation of the Consolidated Financial Statements complies, in all material respects, with the requirements of the ESEF Regulation.

We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits and Reviews of Historical Financial Information, (the "ISAE 3000(R)"), issued by the International Auditing and Assurance Standards Board (the "IAASB"). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Presentation of the Consolidated Financial Statements complies, in all material respects, with the requirements of the ESEF Regulation.

The nature, timing, and extent of procedures performed depend on the auditor's judgment. Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance with ISAE 3000(R) always detects material non-compliance.

Our quality management and independence requirements

We apply International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Presentation of the Consolidated Financial Statements complies, in all material respects, with the requirements of the ESEF Regulation. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the electronic reporting format of the consolidated financial statements, including the preparation of the XHTML format and marking up the consolidated financial statements;
- verification whether the XHTML format was properly applied;
- evaluating the completeness of marking up the consolidated financial statements using the XBRL markup language according to the requirements of the implementation of the electronic format, as described in the ESEF Regulation;
- evaluating the appropriateness of the Group's' use of XBRL markups selected from the ESEF taxonomy and the creation of extension markups where no suitable element in the ESEF core taxonomy has been identified; and
- evaluating the appropriateness of the anchoring of the extension elements to the ESEF core taxonomy.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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Conclusion

In our opinion, based on the procedures performed, the Presentation of the Consolidated Financial Statements complies, in all material respects, with the requirements of the ESEF Regulation.

The engagement partner on the audit resulting in this independent auditor's report is Rastislav Petruška.

PricewaterhouseCoopers Slovensko, s.r.o.
SKAU licence No. 161

Mgr. Rastislav Petruška, FCCA
UDVA licence No. 1108

Slovenská komora audítorov
SKAU
Č. licencie 161
PricewaterhouseCoopers Slovensko, s.r.o.

21 February 2025, except for *Reporting on other information including the Annual Report* section of our report and except for *Independent assurance report on the compliance of the presentation of the consolidated financial statements with the requirements of the European Single Electronic Format ("ESEF")* section of our report, for which the date of our report is 25 April 2025.

Bratislava, Slovak Republic

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Content

Consolidated Statement of Income

for the year ended 31 December 2024

EUR ths.	Notes	2023	2024
Net interest income	2	523,037	568,912
Interest income		760,214	913,799
Other similar income		47,642	59,987
Interest expenses		(218,052)	(320,338)
Other similar expenses		(66,767)	(84,536)
Net fee and commission income	3	207,503	232,343
Fee and commission income		223,629	247,131
Fee and commission expenses		(16,126)	(14,788)
Dividend income	4	571	492
Net trading result	5	21,620	18,578
Net gain from financial instruments measured at fair value through profit or loss	6	2,093	6,520
Net result from equity method investments		(236)	1,122
Rental income from investment properties & other operating leases	7	458	482
Personnel expenses	8	(176,515)	(191,190)
Other administrative expenses	8	(121,287)	(128,042)
Depreciation and amortisation	8	(34,264)	(34,462)
Net gain/ (loss) from derecognition of financial assets measured at amortised cost	9	4	(10,426)
Net other loss from derecognition of financial instruments not measured at fair value through profit or loss		(147)	(24)
Net impairment loss from financial instruments	10	(15,203)	(13,050)
Other operating result	11	(8,657)	532
Levies on banking activities		(4,447)	-
Pre-tax result from continuing operations		**398,977**	**451,787**
Taxes on income	12	(90,112)	(166,321)
Net result for the period		**308,865**	**285,466**
Net result attributable to non-controlling interests		(273)	7
Net result attributable to owners of the parent		**309,138**	**285,459**

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. 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 (also see note 38 Total equity). As in the previous year no subscription and conversion rights were outstanding during the financial year. Diluted earnings per share were equal to the basic earnings per share.

		2023	2024
Net result attributable to owners of the parent	EUR ths.	309,138	285,459
Number of outstanding shares	pcs.	212,000	212,000
Basic and diluted earnings per share	**EUR**	**1,458**	**1,347**

The notes on pages 236 to 350 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2024

For a detailed split of income tax items within other comprehensive income please refer to note 12 Taxes on income.

EUR ths.	2023	2024
Net result for the period	**308,865**	**285,466**
Other comprehensive result		
Items that may not be reclassified to profit or loss	**(335)**	**(348)**
Remeasurement of defined benefit plans	(423)	(536)
Fair value reserve of equity instruments	(1)	5
Deferred taxes relating to items that may not be reclassified	89	183
Items that may be reclassified to profit or loss	**(241)**	**(175)**
Currency reserve	(241)	(175)
Gains/ (losses) during the period	(241)	(175)
Total other comprehensive result	**(576)**	**(523)**
Total comprehensive income	**308,289**	**284,943**
Total comprehensive result attributable to non-controlling interests	(273)	7
Total comprehensive income attributable to owners of the parent	**308,562**	**284,936**

The notes on pages 236 to 350 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

as at 31 December 2024

EUR ths.	Notes	31.12.2023	31.12.2024
Assets			
Cash and cash equivalents	13	3,030,858	1,988,940
Financial assets held for trading	17	60,289	48,101
Derivatives	17	60,289	48,101
Non-trading financial assets at fair value through profit or loss	18	19,438	27,358
Equity instruments	18	11,922	20,732
Debt securities	18	7,516	6,626
Financial assets at amortised cost	14	22,527,144	23,403,750
Pledged as collateral	23	4,937,680	3,217,703
Debt securities	14	4,121,181	4,471,610
Loans and advances to banks	14	10,032	10,408
Loans and advances to customers	14	18,395,931	18,921,732
Finance lease receivables	33	347,323	368,578
Hedge accounting derivatives	20	24,424	32,784
Investment properties	30	1,173	957
Investments in associates and joint ventures	40	50,583	64,503
Current tax assets	12	40	617
Trade and other receivables	15	133,614	163,691
Other assets	32	31,206	27,130
Deferred tax assets	12	70,201	83,039
Intangible assets	31	18,588	20,635
Property and equipment, right-of-use assets	30	144,648	149,341
Total assets		**26,459,529**	**26,379,424**
Liabilities and Equity			
Financial liabilities held for trading	17	56,596	45,522
Derivatives	17	56,596	45,522
Financial liabilities at amortised cost	16	23,668,712	23,617,617
Deposits from banks	16	1,247,163	205,924
Deposits from customers	16	17,580,176	18,734,723
Debt securities issued	16	4,658,119	4,622,240
Other financial liabilities	16	183,254	54,730
Lease liabilities	34	20,156	21,191
Hedge accounting derivatives	20	64,227	31,831
Current tax liabilities	12	19,746	20
Provisions	36	32,401	34,981
Other liabilities	35	133,086	123,356
Equity		2,464,605	2,504,906
Equity attributable to non-controlling interests	38	8,645	1,949
Equity attributable to owners of the parent	38	2,455,960	2,502,957
Subscribed capital	38	212,000	212,000
Legal reserve fund	38	79,795	79,795
Other funds	38	39,104	39,104
Retained earnings	38	1,645,680	1,693,233
Additional equity instruments	38	480,000	480,000
Other components of equity	38	(619)	(1,175)
Total liabilities and equity		**26,459,529**	**26,379,424**

The notes on pages 236 to 350 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

EUR ths.	Subscribed capital	Legal reserve fund	Other funds	Retained earnings	Fair value reserve	Currency reserve	Remeasurement of defined benefit pension liabilities	Additional equity instruments	Equity attributable to owners of the parent	Equity attributable to non-controlling interests	Total equity
As at 01.01.2024	**212,000**	**79,795**	**39,104**	**1,645,680**	**23**	**646**	**(1,288)**	**480,000**	**2,455,960**	**8,645**	**2,464,605**
Dividends paid / Distribution for Investment certificate	-	-	-	(244,539)	-	-	-	-	**(244,539)**	(18)	**(244,557)**
Reclassification from other comprehensive income to retained earnings	-	-	-	33	(33)	-	-	-	-	-	-
Other changes	-	-	-	6,600	-	-	-	-	**6,600**	(6,685)	**(85)**
Total comprehensive result	-	-	-	285,459	10	(175)	(358)	-	**284,936**	7	**284,943**
Net result for the period	-	-	-	285,459	-	-	-	-	**285,459**	7	**285,466**
Other comprehensive result	-	-	-	-	10	(175)	(358)	-	**(523)**	-	**(523)**
Change from remeasurement of defined benefit pension liabilities	-	-	-	-	-	-	(358)	-	**(358)**	-	**(358)**
Change in fair value reserve	-	-	-	-	10	-	-	-	**10**	-	**10**
Change in currency reserve	-	-	-	-	-	(175)	-	-	**(175)**	-	**(175)**
As at 31.12.2024	**212,000**	**79,795**	**39,104**	**1,693,233**	**-**	**471**	**(1,646)**	**480,000**	**2,502,957**	**1,949**	**2,504,906**

For more details on deferred tax please refer to note 12.

For more details on changes in equity please refer to note 38.

EUR ths.	Subscribed capital	Legal reserve fund	Other funds	Retained earnings	Fair value reserve	Currency reserve	Remeasurement of defined benefit pension liabilities	Additional equity instruments	Equity attributable to owners of the parent	Equity attributable to non-controlling interests	Total equity
As at 01.01.2023	**212,000**	**79,795**	**39,104**	**1,467,619**	**24**	**887**	**(954)**	**380,000**	**2,178,475**	**1,806**	**2,180,281**
Dividends paid / Distribution for Investment certificate	-	-	-	(123,978)	-	-	-	-	**(123,978)**	(18)	**(123,996)**
Capital increases	-	-	-	-	-	-	-	100,000	**100,000**	-	**100,000**
Other changes	-	-	-	(7,099)	-	-	-	-	**(7,099)**	7,130	**31**
Total comprehensive result	-	-	-	309,138	(1)	(241)	(334)	-	**308,562**	(273)	**308,289**
Net result for the period	-	-	-	309,138	-	-	-	-	**309,138**	(273)	**308,865**
Other comprehensive result	-	-	-	-	(1)	(241)	(334)	-	**(576)**	-	**(576)**
Change from remeasurement of defined benefit pension liabilities	-	-	-	-	-	-	(334)	-	**(334)**	-	**(334)**
Change in fair value reserve	-	-	-	-	(1)	-	-	-	**(1)**	-	**(1)**
Change in currency reserve	-	-	-	-	-	(241)	-	-	**(241)**	-	**(241)**
As at 31.12.2023	**212,000**	**79,795**	**39,104**	**1,645,680**	**23**	**646**	**(1,288)**	**480,000**	**2,455,960**	**8,645**	**2,464,605**

The notes on pages 236 to 350 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 December 2024

EUR ths.		2023	2024
Net result for the period	**Notes**	**308,865**	**285,466**
Non-cash adjustments for items in net profit/loss for the year			
Net allocation of credit loss allowances and other provisions	10	14,586	16,127
Depreciation, amortisation, impairment and reversal of impairment of assets	30, 31	32,260	33,881
Net gain/ (loss) from measurement and derecognition of financial assets and financial liabilities	6	(2,795)	3,280
Accrued interest, amortisation of discount and premium	2	66,697	14,220
Fair value adjust - hedging	20	54,423	32,188
Other adjustments		2,810	(13,166)
Cash flows from operations before changes in operating assets and liabilities			
Financial assets held for trading	17	16,850	12,188
Non-trading financial assets at fair value through profit or loss	18		
Equity instruments	18	335	(3,635)
Debt securities	18	(2)	2,453
Financial assets at amortised cost	14		
Debt securities	14	38,608	(344,314)
Loans and advances to banks	14	(10,006)	(376)
Loans and advances to customers	14	(912,789)	(549,253)
Finance lease receivables	33	(62,823)	(21,255)
Hedge accounting derivatives	20	(7,545)	(8,360)
Trade and other receivables	15	21,959	(30,077)
Other assets from operating activities	32, 12	(5,664)	3,322
Financial liabilities held for trading	17	(16,937)	(11,074)
Financial liabilities measured at amortised cost	16		
Deposits from banks	16	73,535	(1,041,239)
Deposits from customers	16	627,930	1,142,056
Other financial liabilities	16	69,464	(128,382)
Hedge accounting derivatives	20	(39,039)	(32,396)
Provisions	36	(6,298)	2,467
Other liabilities from operating activities	35, 12	13,538	(32,778)
Cash flow from operating activities		**277,962**	**(668,657)**
Dividends received from associates and other investments	4	571	493
Purchase of share in associates and joint ventures	40	(18,435)	(13,717)
Purchase of intangible assets, property and equipment	30, 31	(29,775)	(34,356)
Proceeds from sale of intangible assets, property and equipment	30, 31	2,760	844
Cash flow from investing activities		**(44,879)**	**(46,736)**
Dividends paid	38	(123,978)	(244,539)
AT1 certificate - issue	38	100,000	-
Repayment of subordinated debt	16	(4,250)	-
Issue of the bonds	16	1,610,470	266,114
Repayment of the bonds		(30,625)	(339,600)
Lease liabilities	34	(8,337)	(8,586)
Cash flow from financing activities		**1,543,280**	**(326,611)**
Cash and cash equivalents at beginning of the year	13	**1,254,543**	**3,030,858**
Cash flows from operating activities		277,962	(668,657)
Cash flow from investing activities		(44,879)	(46,736)
Cash flow from financing activities		1,543,280	(326,611)
Effect of foreign exchange rate changes on cash and cash equivalents		(48)	86
Cash and cash equivalents at end of period	13	**3,030,858**	**1,988,940**
Cash flows related to taxes, interest and dividends (included in cash flow from operating activities)		**538,394**	**403,798**
Payments for taxes on income	12	(76,968)	(199,272)
Interest paid	2	(139,965)	(331,522)
Interest received	2	754,756	934,099
Dividends received	4	571	493

Further information related to net debt reconciliation are provided in note 16.

The notes on pages 236 to 350 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

General information

The group of Slovenská sporiteľňa, a.s. (hereinafter referred to as 'the Group') consists of the parent company Slovenská sporiteľňa, a.s., (hereinafter referred to as 'the Bank') with its registered office at Tomášikova 48, 832 37 Bratislava, Slovak Republic and subsidiaries. The Bank was incorporated as a joint stock company on 15 March 1994 and registered in the Commercial Register on 1 April 1994. The identification number of the Bank is 00 151 653. The tax identification number of the Bank is 2020411536.

The Bank is a universal bank offering a wide range of banking and financial services to commercial, financial and private customers, principally in the Slovak Republic.

The Bank's sole shareholder is Erste Group Bank AG, which has its registered office at Am Belvedere 1, 1100 Vienna, and which is the ultimate 100% parent company of the Bank. Information on the shareholding structure of the ultimate parent company is disclosed in the 2024 financial statements of Erste Group Bank AG or up-to-date information is available on its homepage.

The Board of Directors of the Bank had five members as at 31 December 2024:
Ing. Peter Krutil (chairman), Ing. Pavel Cetkovský (member), RNDr. Milan Hain, PhD. (member), Mgr. Ing. Norbert Hovančák (member) and Mgr. Juraj Barta, CFA (member).

The chairman of the Board of Directors is also the Chief Executive Officer (CEO) of the Bank. Other members of the Board of Directors are the deputies of the Chief Executive Officer.

The Supervisory Board of the Bank had five members as at 31 December 2024:
Mag. Jan Homan (vice-chairman), Paul Formanko, MBA (member), JUDr. Vazil Hudák (member), Mgr. Alena Adamcová (member) and Juraj Futák (member). David O´Mahony was member and chairman of the Supervisory Board till June 30, 2024.

The Group is subject to various regulatory requirements of local, Slovak regulatory bodies defined by Slovak legislation as well as European regulatory bodies defined by EU legislation.

The Bank is under direct supervision of the European Central Bank within a Single Supervision Mechanism.

These consolidated financial statements are statements of the Bank and its subsidiaries (the Group) that are disclosed in note 39.

These consolidated financial statements have been prepared and authorized for issue by the management board as at the signing date of this report. However, these consolidated financial statements are subject of approval on the supervisory board (21 February 2025) and the annual general meeting (27 March 2025).

Material accounting policy information

These consolidated financial statements are directed to primary users, being investors who lend or provide equity capital to the reporting entity. These consolidated financial statements assume that the primary users have a reasonable knowledge of business and economic activities and review and analyse the information diligently. At times, even well-informed and diligent users may need to seek the aid of an adviser to understand information about complex economic phenomena reported in these consolidated financial statements.

These consolidated financial statements aim disclosing only information that management considers is material for the primary users. Management seeks not to reduce the understandability of these consolidated financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

a) Basis of preparation

The consolidated financial statements of the Group for the financial year ending on 31 December 2024 and the related comparative information were prepared in compliance with applicable International Financial Reporting Standards as adopted by the European Union on the basis of IAS Regulation (EC) No. 1606/2002.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out in respective parts of these statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments at fair value, and by the revaluation of financial instruments categorised at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVOCI").

These consolidated financial statements have been prepared on the basis that the Group will be able to continue as a going concern for the foreseeable future.

The 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.

Balances in brackets represent negative amounts. Except as otherwise indicated, all amounts are stated in thousands of EUR ('EUR ths.'). The tables in this report may contain rounding differences.

The Bank's shareholders and management have the power to amend the consolidated financial statements after issue.

b) Accounting and measurement methods

Foreign currency translation

The consolidated financial statements are presented in Euro, which is the functional currency of the Bank. The functional currency is the currency of the primary business environment in which an entity operates. Each entity in the Group determines its own functional currency, and items included in the financial statements of each entity are measured using that functional currency. At the date of the issue of these consolidated financial statements the Group includes only Holding Card Service, s.r.o. as a company for which functional currency is not Euro, but Czech crowns. This entity is accounted for using the equity method into the Group financial statements.

For foreign currency translation, exchange rates quoted by the central banks in each country are used. For the Group 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 at the date of the transaction. Subsequently, monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate as at 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 at 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.

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:

- SPPI assessment of financial instruments (Chapter Financial instruments – Material accounting policy information)
- Business model assessment of financial instruments (Chapter Financial instruments – Material accounting policy information)
- Impairment of financial instruments (Chapter Financial instruments – Material accounting policy information, Note 26 Credit risk)

Details about effects of these factors on the expected credit losses estimation are described in Note 26 Credit risk.

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 2024. As regards new standards and interpretations and their amendments, only those that are relevant for the business of the Group are listed below.

Effective standards and interpretations

The following amendments of standard have become mandatory for the financial year 2024 and have been endorsed by the EU:

Amendments to IAS 1 Presentation of Financial Statements: Classification of liabilities as current or non-current. The amendments to IAS 1 were originally issued in January 2020, subsequently amended in November 2022 and become ultimately effective for annual periods beginning on or after 1 January 2024.

Application of the above-mentioned amendments in 2024 did not have a significant impact on the 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. The amendments to IAS 21 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 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 IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability. The amendments to IAS 21 were issued in August 2023 and become effective for annual periods beginning on or after 1 January 2025. The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Application of these amendments is not expected to have a significant impact on Group's financial statements.

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. Group intends to early apply these amendments in 2025.

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. 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 Group's financial statements. 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 Group's financial statements.

Performance / Return

1. Segment reporting

The segment reporting of the Group 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 the Group the function of the chief operating decision maker is executed by the Board of Directors. In addition, the Group's segment reporting follows the standards of the Erste Group issued for the purpose to unify presentation, measurement and steering of the Group.

Business segments

The segment reporting comprises four business segments reflecting management structure of the Group and its internal management reporting in 2024.

The Group applies account manager principle for the definition of segments / business lines. It means that each client has assigned one account manager from a particular segment / business line. Subsequently, profit or loss on business transactions with the client is allocated to that account manager.

Retail segment comprises the entire business activities with private individuals, free professionals and micros with turnover of less than EUR 300 thousand, which are in the responsibility of account managers in the Retail network. Retail products and services, including current accounts and savings, loans pledged by real estate, mortgage and consumer loans, credit cards, investment and cross selling products (e.g. insurance, asset management products and building society products) are offered via various distribution channels, such as branch network and digital banking. The Retail segment is divided into 8 regions and 160 branches (status as at 31 December 2024).

The Corporates segment comprises business done with corporate customers of different turnover size (small and medium-sized enterprises, micros with turnover of more than EUR 300 thousand and Large Corporate customers) as well as commercial real estate and public sector business.

Asset Liability Management (ALM), Local Corporate Center (LCC) segment and Free Capital (FCAP) Segment comprises on the one side the management of Bank's assets and liabilities in the light of uncertainty of cash flows, cost of funds and return on investments in order to determine the optimal trade-off between risk, return and liquidity. Furthermore, it comprises funding transactions, hedging activities, investments into securities other than held for trading purpose, management of own issues and FX positions. On the other side it also includes the local corporate center which comprises all non-core banking business activities such as non-profit servicing participations, intragroup eliminations within the respective partial group, dividends, refinancing costs of participations, all non-banking balance sheet positions (e.g. fixed assets) which cannot be allocated to other business segments. Apart from that the Local Corporate Center includes received dividends and reconciliations to the accounting result. The segment comprises also Free Capital which is defined as the difference of the total average IFRS equity and the average economical equity allocated to all operating segments.

Group Markets (GM) segment comprises trading and markets services, as well as business with financial institutions. This segment is divided into Treasury trading and market services (GMT) and Financial institutions (GMFI):

- Treasury trading and Market services (GMT) comprises all activities related to active risk taking and managing in regulatory trading books of the Group, additional to that the execution of trades against the market using the trading books of the Group for market making, short-term liquidity management and warehousing purposes. Specifically, revenues and fair value results not directly attributable to client transactions (which can be valid also for ALM deals) and generally risk premiums and execution fees are taken into account. It also includes 20% compensation fee from Retail for the treasury sales services.
- Financial institutions (GMFI) are companies that provide financial services for their clients or members and act as professional and active participant on financial markets for the purpose of proprietary trading or on behalf of their clients (banks, central banks, development banks, investment banks, investment funds, brokerages, insurance companies, pension funds, credit unions, building societies, asset management companies, government debt agencies, sovereign wealth funds, exchanges).

Measurement

The profit and loss statement of the segment report is based on the measures reported to the Group's Board of Directors for the purpose of allocating resources to the segments and assessing their performance. Management reporting as well as the segment report of 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. Other operating result is 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 the Group to assess the performance of the segments. The average allocated equity is determined by credit risk, market risk and operational risk. In line with the regular internal reporting prepared for the Board of Directors, total assets, total liabilities, as well as risk weighted assets and allocated equity 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 the 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 average 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).

Business Segments	Retail		Corporates		Group markets		Asset Liability Management, Local Corporate Center and Free Capital		Total	
EUR ths.	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Net interest income	429,131	463,483	144,103	148,506	9,560	10,207	(59,757)	(53,284)	523,037	568,912
Net fee and commission income	162,915	182,842	33,762	39,641	16,741	19,484	(5,915)	(9,624)	207,503	232,343
Fee and commission income	164,369	184,773	34,390	40,172	17,093	20,039	7,777	2,147	223,629	247,131
Fee and commission expenses	(1,458)	(1,933)	(627)	(531)	(352)	(555)	(13,689)	(11,769)	(16,126)	(14,788)
Dividend income	-	-	-	-	-	-	571	492	571	492
Net trading result	4,822	5,052	7,745	6,517	4,370	4,645	4,683	2,364	21,620	18,578
Net gain from financial instruments measured at fair value through profit or loss	-	-	-	-	-	-	2,093	6,520	2,093	6,520
Net result from equity method investments	1,141	1,027	-	-	-	-	(1,377)	95	(236)	1,122
Rental income from investment properties & other operating leases	-	-	-	-	-	-	458	482	458	482
General administrative expenses	(270,120)	(289,188)	(57,305)	(62,271)	(5,241)	(4,799)	600	2,564	(332,066)	(353,694)
Net gain/ (loss) from derecognition of financial assets measured at amortised cost	-	-	-	-	-	-	4	(10,426)	4	(10,426)
Net other loss from derecognition of financial instruments not measured at fair value through profit or loss	-	-	-	-	-	-	(147)	(24)	(147)	(24)
Net impairment gain/ (loss) from financial instruments	(18,982)	(2,781)	3,427	(10,637)	(53)	352	405	16	(15,203)	(13,050)
Other operating result	(728)	(1)	123	(382)	(181)	(1)	(7,871)	916	(8,657)	532
Levies on banking activities	(728)	-	(684)	-	(180)	-	(2,855)	-	(4,447)	-
Pre-tax result from continuing operations	**308,179**	**360,434**	**131,855**	**121,374**	**25,196**	**29,888**	**(66,253)**	**(59,909)**	**398,977**	**451,787**
Taxes on income	(64,478)	(75,474)	(27,698)	(25,489)	(5,291)	(6,277)	7,355	(59,081)	(90,112)	(166,321)
Net result for the period	**243,701**	**284,960**	**104,157**	**95,885**	**19,905**	**23,611**	**(58,898)**	**(118,990)**	**308,865**	**285,466**
Net result attributable to non-controlling interests	-	-	-	-	-	-	(273)	7	(273)	7
Net result attributable to owners of the parent	**243,701**	**284,960**	**104,157**	**95,885**	**19,905**	**23,611**	**(58,625)**	**(118,997)**	**309,138**	**285,459**
Operating income	598,008	652,402	185,610	194,665	30,671	34,336	(59,243)	(52,954)	755,046	828,449
Operating expenses	(270,120)	(289,188)	(57,305)	(62,271)	(5,241)	(4,799)	600	2,564	(332,066)	(353,694)
Operating result	**327,888**	**363,214**	**128,305**	**132,394**	**25,430**	**29,537**	**(58,643)**	**(50,390)**	**422,980**	**474,755**
Risk-weighted assets (credit risk, eop)*	3,594,858	3,408,546	6,031,262	6,330,798	1,955	78,514	410,923	427,331	10,038,998	10,245,189
Average allocated capital**	472,955	453,735	555,116	612,707	6,370	17,878	484,125	439,778	1,518,566	1,524,098
Cost/income ratio	45.17%	44.33%	30.87%	31.99%	17.09%	13.98%	1.01%	4.84%	43.98%	42.69%
Return on allocated capital	51.53%	62.80%	18.76%	15.65%	312.48%	132.07%	(12.11%)	(27.06%)	20.36%	18.73%
Total assets (eop)	12,371,906	12,893,323	6,597,102	6,571,238	69,555	149,049	7,420,966	6,765,814	26,459,529	26,379,424
Total liabilities excluding equity (eop)	13,357,443	14,152,429	3,488,324	3,831,354	825,563	833,581	6,323,594	5,057,154	23,994,924	23,874,518
Impairments	**(18,982)**	**(2,782)**	**3,427**	**(10,637)**	**(53)**	**353**	**405**	**16**	**(15,203)**	**(13,050)**
Net impairment gain/ (loss) on financial assets AC/FVOCI and finance lease receivables	(20,039)	(3,159)	(4,555)	(7,605)	(43)	340	405	16	(24,232)	(10,408)
Net impairment gain/ (loss) on commitments and guarantees given	1,057	377	7,982	(3,032)	(10)	13	-	-	9,029	(2,642)

* Credit RWA (eop) after intercompany transactions according to Pillar 1, calculated by Erste Group for the purpose of segment report and management purposes (without subsidiaries Credit RWA).

** Average allocated capital is calculated based on Erste Group controlling methodology.

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 policy information'.

'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 and finance lease receivables.

'Interest expenses' relate to interest expense from financial liabilities measured at amortised cost calculated using effective interest rate as discussed in chapter 'Financial instruments – Material accounting policy information'.

'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, negative interest on financial assets and lease liabilities.

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.

EUR ths.	2023	2024
Financial assets at AC	760,214	913,799
Demand deposits	66,865	77,896
Loans and advances	592,956	722,188
Debt securities	100,393	113,715
Interest income	**760,214**	**913,799**
Non-trading financial assets at FVPL	24	24
Financial assets HfT	35,053	42,490
Hedge accounting derivatives, interest rate risk	3,997	5,619
Other assets	8,546	11,848
Negative interest from financial liabilities	22	6
Other similar income	**47,642**	**59,987**
Interest and other similar income	**807,856**	**973,786**
Financial liabilities at AC	(218,052)	(320,338)
Deposits	(130,264)	(189,686)
Debt securities in issue	(87,788)	(130,652)
Interest expenses	**(218,052)**	**(320,338)**
Financial liabilities HfT	(33,180)	(40,663)
Hedge accounting derivatives, interest rate risk	(33,495)	(43,526)
Other liabilities	(92)	(347)
Other similar expenses	**(66,767)**	**(84,536)**
Interest and other similar expenses	**(284,819)**	**(404,874)**
Net interest income	**523,037**	**568,912**

An amount of EUR 12.0 million (2023: EUR 8.7 million) relating to impaired financial assets is included in interest income.

Interest expense on financial liabilities at AC resulting from the TLTRO programme of the ECB amounted to EUR 9.8 million in 2024 (2023: EUR 24.6 million). For more details refer to Note 16 Financial liabilities at amortised costs.

Interest on derivatives relates to the hedged items presented in the line item 'Financial assets / liabilities at AC'.

3. Net fee and commission income

The 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. The 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 the 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.

EUR ths.	2023		2024	
	Income	Expenses	Income	Expenses
Securities	4,602	(912)	5,327	(769)
Own issues	619	-	876	-
Transfer orders	604	(871)	562	(620)
Other	3,379	(41)	3,889	(149)
Custody	4,458	(2,247)	5,784	(2,948)
Collective investment	-	-	3,333	-
Other	4,458	(2,247)	2,451	(2,948)
Payment services	117,626	(8,809)	123,341	(8,709)
Card business	55,209	(5,188)	54,586	(5,465)
Current accounts	62,417	(3,621)	62,980	-
Other	-	-	5,775	(3,244)
Customer resources distributed but not managed	71,907	(107)	85,014	(192)
Collective investment	23,691	-	29,227	-
Insurance products (as agent)	48,187	(107)	55,787	(192)
Other	29	-	-	-
Lending Business	23,928	(1,096)	26,916	(576)
Guarantees given, guarantees received	5,847	(9)	7,283	(8)
Loan commitments given, loan commitments received	3,871	-	3,845	-
Other lending business	14,210	(1,087)	15,788	(568)
Other	1,108	(2,955)	749	(1,594)
Total fee and commission income and expenses	**223,629**	**(16,126)**	**247,131**	**(14,788)**
Net fee and commission income	**207,503**		**232,343**	

Collective investment in the line ´Customer resources distributed but not managed´ and custody fees relate to fees earned by the Group on trust and other investment activities in which the Group holds or invests assets on behalf of its customers and amount to EUR 21,920.6 million (2023: EUR 15,188.3 million).

4. Dividend income

EUR ths.	2023	2024
Non-trading financial assets at fair value through profit or loss	571	492
Dividend income	**571**	**492**

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. Further, the net trading result includes any ineffective portions recorded in fair value 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 policy information, Accounting and measurement methods, Foreign currency translations, i. Transactions and balances in foreign currency. Detailed information relating to hedge accounting can be found in Note 20 Hedge accounting.

The Group has adopted a business model of centralised financial markets trading in cooperation with its parent company. Within this model Erste Group Bank AG conducts all trading operations on a central trading book in order to manage effectively market risks from the Group trading activities (i.e. transactions with retail, corporate and other institutional clients), with the exception of equity risk trading and transactions for the Group's liquidity management purposes.

Trading gains from the market positions of Erste Group Bank AG are distributed according to the approved rules to local banks within the Group based on their financial results and are reported in the income statement line item 'Net trading result'. The basic principle underlying these rules is that Erste Group Bank AG absorbs potential losses in individual groups of assets in exchange for the risk premium derived from the VaR indicator. This business model of financial markets trading also includes reallocation of trading costs to the participating subsidiaries of Erste Group Bank AG based on their cost/income ratio.

EUR ths.	2023	2024
Securities trading	4,298	3,799
Derivatives trading	16,888	15,233
Result from hedge accounting	434	(454)
Net trading result	**21,620**	**18,578**

The line item 'Securities trading' includes net gains from the Erste Group Bank AG's market positions attributable to the Group.

6. Net gain 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 are presented under this line item. This concerns non-trading financial assets mandatorily measured at fair value through profit or loss.

EUR ths.	2023	2024
Result from measurement/sale of financial assets mandatorily at FVPL	2,093	6,520
Net gain from financial instruments measured at fair value through profit or loss	**2,093**	**6,520**

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 we refer to Note 11 Other operating result.

EUR ths.	2023	2024
Investment properties	411	463
Other operating leases	47	19
Rental income from investment properties & other operating leases	**458**	**482**

General administrative expenses

8. Personnel expenses

Personnel expenses include wages and salaries, bonuses, 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 41 Related-party transactions and principal shareholders.

As at 31 December 2024 the Group had 3,491 employees, thereof five members of the Board of Directors. As at 31 December 2023 the Group had 3,520 employees, thereof five members of the Board of Directors.

WeShare program

The WeShare-Participation program and the WeShare-Investment Plus program are cash-settled share-based payment transactions. Both programs are offered to employees of the Group.

Under the WeShare-Investment Plus program all employees, who had been employed by an entity of the Group, from April 2024 until June 2024 could voluntarily invest in Erste Group shares and receive free shares depending on the amount of their personal investment. The WeShare-Investment Plus program was settled in June 2024. The number of free shares, which were granted under this program for the period, is 22,906 (2023: 31,737). Personnel expenses in the amount of EUR 1.0 million (2023: EUR 1.0 million) were recorded.

Under the WeShare-Participation program all employees, who have been employed by an entity of the Group for at least six months in year 2023 and have active employment status in June 2024 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 17,821 (2023: 28,808). Based on the number of entitled employees, personnel expenses in the amount of EUR 0.4 million (2023: EUR 0.4 million) were recorded and a corresponding reserve in retained earnings was created.

Other administrative expenses

Other administrative expenses include primarily information technology expenses, expenses for office space, office operating and administrative 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.

Expenses for leases complying with recognition exemptions for short-term leases (less than 12 months) and leases of low-value items under IFRS 16 are disclosed in the category 'Other administrative expenses' under the line item 'Expenses for office premises' in total amount of EUR 0.7 million (2023: EUR 0.5 million).

The Group is legally obliged to make a contribution to the Deposit Protection Fund, which is accounted for in accordance with the IFRIC 21. The amount of this annual contribution is calculated based on the Group's customer deposit liabilities. The contribution to the Deposit Protection Fund was paid in April 2024.

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.

EUR ths.	2023	2024
Personnel expenses	**(176,515)**	**(191,190)**
Wages and salaries	(123,433)	(133,134)
Compulsory social security	(43,427)	(47,897)
Long-term employee provisions	(2,007)	(3,148)
Other personnel expenses	(7,648)	(7,011)
Other administrative expenses	**(121,287)**	**(128,042)**
Deposit insurance contribution	(2,394)	(2,540)
IT expenses	(55,749)	(57,997)
Expenses for office premises	(16,867)	(17,200)
Office operating and administrative expenses	(12,590)	(13,666)
Advertising/marketing	(15,518)	(15,834)
Legal and consulting costs	(5,518)	(7,173)
Sundry administrative expenses	(12,651)	(13,632)
Depreciation and amortisation	**(34,264)**	**(34,462)**
Software and other intangible assets	(6,432)	(4,487)
Owner occupied real estate	(18,120)	(18,677)
Investment properties	(224)	(210)
Office furniture and equipment and sundry property and equipment	(9,488)	(11,088)
General administrative expenses	**(332,066)**	**(353,694)**

Personnel expenses include expenses of EUR 21.4 million (2023: EUR 19.7 million) for defined contribution plans.

9. Net gain/(loss) 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 'Net impairment loss from financial instruments'.

EUR ths.	2023	2024
Gains from derecognition of financial assets at AC	4	-
Losses from derecognition of financial assets at AC	-	(10,426)
Net gain/(loss) from derecognition of financial assets measured at amortised cost	**4**	**(10,426)**

In order to optimise the portfolio of debt securities measured at amortised cost certain bonds were sold during 2024 within existing internal retrospective thresholds for the 'held to collect' business model assessment.

10. Net impairment loss from financial instruments

Net impairment losses on financial instruments comprise impairment losses and reversals of impairment on all kinds of financial instruments, loan commitments and guarantees 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 could be 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.

EUR ths.	2023	2024
Financial assets at AC	(23,211)	(10,055)
Net allocation to credit loss allowances	(21,454)	(8,767)
Direct write-offs	(1,990)	(1,558)
Recoveries recorded directly to the income statement	233	270
Finance lease receivables	(1,021)	(353)
Net allocation to credit loss allowances	(1,131)	(389)
Direct write-offs	-	(1)
Recoveries recorded directly to the income statement	110	37
Credit loss allowances for loan commitments and financial guarantees given	9,029	(2,642)
Net impairment loss from financial instruments	**(15,203)**	**(13,050)**

The following table reconciles the movements of credit risk allowances disclosed in notes 14, 15, 33 and 36 to Net impairment loss from financial instruments disclosed in Income statement. The reconciliation specifies items that represents movements in credit risk allowances that are not recognized through income statement.

EUR ths.	2023	2024
Net movements from notes 14, 15, 33 and 36	**(1,469)**	**7,859**
Financial assets at amortised cost	(9,828)	6,990
Finance lease receivables	(976)	230
Trade and other receivables	306	3,281
Commitments and financial guarantees given	9,029	(2,642)
Items not recognized through income statement - use	**22,600**	**32,834**
Financial assets at amortised cost	22,474	28,789
Finance lease receivables	126	619
Trade and other receivables	-	3,426
Items recognized through income statement – net allocations and releases	**(24,107)**	**(24,976)**
Financial assets at amortised cost	(32,311)	(21,800)
Finance lease receivables	(1,131)	(389)
Trade and other receivables	306	(145)
Commitments and financial guarantees given	9,029	(2,642)
Net impairment loss from financial instruments	**(15,203)**	**(13,050)**
Items reconciled to movements in notes 14, 15, 33 and 36	**(24,107)**	**(24,976)**
Net allocation of loss allowances for financial assets at amortised cost	(32,005)	(21,945)
Net allocation of loss allowances for finance lease receivables	(1,131)	(389)
Net allocation of loss allowances for commitments and guarantees given	9,029	(2,642)
Items not recognized as movement in notes 14, 15, 33 and 36	**8,904**	**11,926**
Unwinding correction	10,551	13,178
Direct write-offs	(1,990)	(1,559)
Recoveries recorded directly to the income statement	343	307

11. Other operating result

The other operating result reflects all other income and expenses not directly attributable to the 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. The Group recognises a liability or a provision for the levy when the activity that triggers payment, as identified by the relevant legislation, occurs.

EUR ths.	2023	2024
Other operating expenses	**(14,470)**	**(7,374)**
Net allocation to other provisions	(917)	-
Levies on banking activities	(4,447)	-
Recovery and resolution fund contributions	(4,447)	-
Other taxes	(199)	(246)
Impairment of associates	(1,463)	(331)
Other	(7,444)	(6,797)
Other operating income	**5,813**	**7,906**
Net release of other provisions	-	2,077
Result from properties/movables/other intangible assets other than goodwill	1,814	1,101
Result from other operating income	3,999	4,728
Other operating result	**(8,657)**	**532**

Other in Other operating expenses consists mainly of insurance premiums in the amount of EUR 3.4 million (2023: EUR 3.1 million), debt collection and legal costs in the amount of EUR 2.4 million (2023: EUR 1.9 million).
Result from other operating expenses/income consists mainly of income from insurance claim in the amount of EUR 2.1 million (2023: EUR 0 million) and income from services provided to third parties within the Erste Group in the amount of EUR 0.8 million (2023: EUR 0.7 million).

Levies on banking activities

Single Resolution Board (SRB) has confirmed that the financial means available in the Single Resolution Fund (SRF) at 31 December 2023 reached the target level of at least 1% of covered deposits held in the Member States participating in the Single Resolution Mechanism (SRM). Therefore, no regular annual contributions were collected in 2024 from the institutions falling in scope of the SRF. Contributions would only be collected in the event of specific circumstances or resolution actions involving the use of the SRF. The target level verification exercise will be performed each year by SRB to confirm that the available financial means at the SRF are at least 1% of the amount of covered deposits of all credit institutions in the SRM participating Member States. If the result of such exercise should prescribe so, the SRB will restart the regular collection of contributions to SRF. Disclosed amounts of EUR 4.4 million as of 31 December 2023 represented the yearly contribution.

12. 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.

Change in tax rate

On 25.10.2024, Act No. 278/2024 Coll. was published in the Collection of Laws of the Slovak Republic, amending and supplementing Act No. 595/2003 Coll. on income tax. A new income tax rate of 24% of the tax base was introduced (original tax rate: 21%). It is paid by legal entities that achieve taxable income in excess of EUR 5,000,000 in the relevant tax period. It will be used for the first time when filing a tax return for the tax period starting no earlier than 1 January 2025. As a result, deferred tax balances as of 31.12.2024 were recalculated at a rate of 24%.

Special levy on profits from regulated activities

On December,19 2023, The parliament of the Slovak republic approved the amendment to Act No. 235/2012 Coll. on a special levy on Business in Regulated Industries, effective from 31.12.2023. The amendment to the law extends the scope to persons authorized to perform activities based on a permission issued or granted by the National Bank of Slovakia, which also includes banks. The levy period is a calendar month, and the bank is obliged to pay the levy starting with January 2024. The special levy is calculated as the product of the levy rate and the levy base. The levy base is the pre-tax profit reported according to international accounting standards adjusted according to Section 17 subsection 1 letter c) Act no. 595/2003 Coll on income tax, multiplied by a coefficient, which is calculated as the share of revenues from activities in the area carried out on the basis of a permission issued or granted by the National Bank of Slovakia to total revenues. The monthly levy rate is 0.025 for accounting period 2024, 0.0208 for accounting period 2025, 0.0167 for accounting period 2026, 0.0125 for accounting period 2027 and for accounting period 2028 and others in the amount of 0.00363. The levy base is based on a taxable profit in scope of IAS 12 and is considered as an income tax.

As a result, the theoretical income tax rate applicable is as follows:

EUR ths.	2023	2024
Standard income tax rate for the year	21.00%	21.00%
Special levy rate	-	30.00%
Effect of deductibility of special levy from standard rate*	-	(11,77%)
Tax rate applicable on profit	**21.00%**	**39,23%**

* the effect is calculated as special levy rate in %*((1- income tax rate in %)/(1+ special levy rate in%)-1)

Taxes on income consist 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, the change in deferred taxes and special levy on profits from regulated activities.

EUR ths.	2023	2024
Current tax (expense) / income	(88,732)	(75,489)
current period	(89,299)	(75,926)
prior period	567	437
Deferred tax (expense) / income	(1,380)	12,661
current period	(1,203)	12,661
prior period	(177)	-
Special levy on profits from regulated activities	-	(103,493)
Total	**(90,112)**	**(166,321)**

The following table reconciles the income taxes reported in the income statement to the pre-tax result from continuing operations multiplied by the nominal Slovak tax rate.

EUR ths.	2023	2024
Pre-tax result from continuing operations	398,977	451,786
Statutory tax rate	21%	39.23%
Income tax expense for the financial year at the Slovak statutory tax rate (21%)	83,870	177,236
Impact of tax-exempt earnings of investments and other tax-exempt income	(945)	(2,870)
thereof - Permanently tax-exempt (income) from dividends	(115)	(97)
thereof - Permanently tax-exempt (income) from revaluation of asset	(609)	(1,343)
thereof - Other	(221)	(1,430)
Tax rate change	-	(10,320)
Tax increases due to non-deductible expenses, additional business tax and similar elements	7,577	2,712
thereof - Permanently non-deductible expenses with fines, penalties, litigations and similar topics	317	355
thereof - Permanent differences coming from financial assets	3,850	82
thereof - Permanent differences coming from other asset	1,047	383
Thereof - Permanent differences coming from general administrative expences	-	892
thereof - Other	2,363	1,000
Tax expenses / earnings not attributable to the reporting period	(390)	(437)
Total	**90,112**	**166,321**

The following table shows the income tax effects relating to each component of other comprehensive income:

	2023			2024		
EUR ths.	Pre-tax amount	Income tax	Net-of-tax amount	Pre-tax amount	Income tax	Net-of-tax amount
Fair value reserve of equity instruments	(1)	-	(1)	5	6	11
Remeasurement of defined benefit plans	(423)	89	(334)	(536)	177	(359)
Currency reserve	(241)	-	(241)	(175)	-	(175)
Other comprehensive result	**(665)**	**89**	**(576)**	**(706)**	**183**	**(523)**

Major components of deferred tax assets and deferred tax liabilities and current tax position

	Tax assets		Tax liabilities		Through PL	Through OCI	Total
EUR ths.	31.12.2023	31.12.2024	31.12.2023	31.12.2024	Net variance		
Temporary differences related to the following items:							
Assets							
Financial assets at fair value through profit or loss	88	101	-	-	(13)	-	**(13)**
Financial assets at AC	55,841	62,735	-	-	(6,892)	-	**(6,892)**
Property, equipment and investment properties	2,311	3,521	-	-	(1,210)	-	**(1,210)**
RoU Assets	336	633	-	-	(297)	-	**(297)**
Other assets	10	7	-	-	2	-	**2**
Liabilities							
Long-term employee provisions (tax valuation different)	1,282	1,539	-	-	(80)	(177)	**(257)**
Other provisions (tax valuation different)	2,188	3,163	-	-	(975)	-	**(975)**
Other liabilities	8,143	11,340	-	-	(3,197)	(6)	**(3,203)**
Total deferred tax before tax loss carried forward	**70,199**	**83,039**	**-**	**-**	**(12,662)**	**(183)**	**(12,845)**
Tax loss carried forward	2	-	-	-	2	-	**2**
Total deferred taxes	**70,201**	**83,039**	**-**	**-**	**(12,660)**	**(183)**	**(12,843)**
Current taxes	**40**	**617**	**(19,746)**	**(20)**	**178,982**	**-**	**178,982**
Total taxes	**70,241**	**83,656**	**(19,746)**	**(20)**	**166,321**	**(183)**	**166,138**

	Tax assets		Tax liabilities		Through PL	Through OCI	Total
EUR ths.	31.12.2022	31.12.2023	31.12.2022	31.12.2023	Net variance		
Temporary differences related to the following items:							
Assets							
Financial assets at fair value through profit or loss	88	88	-	-	-	-	**-**
Financial assets at AC	55,526	55,841	-	-	(315)	-	**(315)**
Property, equipment and investment properties	1,470	2,311	(220)	-	(1,061)	-	**(1,061)**
RoU Assets	99	336	-	-	(236)	-	**(236)**
Other assets	-	10	-	-	(10)	-	**(10)**
Liabilities							
Long-term employee provisions (tax valuation different)	1,175	1,282	-	-	(18)	(89)	**(107)**
Other provisions (tax valuation different)	5,045	2,188	-	-	2,857	-	**2,857**
Other liabilities	8,308	8,143	-	-	165	-	**165**
Total deferred tax before tax loss carried forward	**71,711**	**70,199**	**(220)**	**-**	**1,382**	**(89)**	**1,293**
Tax loss carried forward	-	2	-	-	(2)	-	**(2)**
Effect of netting according IAS 12.71	(220)	-	220	-	-	-	**-**
Total deferred taxes	**71,491**	**70,201**	**-**	**-**	**1,380**	**(89)**	**1,291**
Current taxes	**115**	**40**	**(7,392)**	**(19,746)**	**88,732**	**-**	**88,732**
Total taxes	**71,608**	**70,241**	**(7,392)**	**(19,746)**	**90,112**	**(89)**	**90,023**

The Group's consolidated deferred tax asset position in amount of EUR 83.0 million as at 31 December 2024 (2023: EUR 70.2 million) is expected to be recoverable in the foreseeable future. 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 decreased.

OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two models. Pillar Two legislation was enacted in Slovakia, the jurisdiction in which the Group is incorporated. The average expected effective tax rate for the year 2024 is higher than 15%, and the expected average effective tax rates for the following accounting periods also meet the criteria for the application of the "Exception from the calculation of the compensatory tax based on the qualified administration by individual states" in the Pillar Two legislation. Consequently, the Group does not have to be exposed to the payment of Pillar Two income taxes in relation to Slovakia. As of 31 December 2024, the Bank did not report any related payable tax. The Group applies the exemption for the recognition and disclosure of information on deferred tax assets and liabilities related to income tax for Pillar Two, as outlined in the amendments to IAS 12 issued in May 2023.

Financial instruments – Material accounting policy information

Accounting and measurement methods for financial instruments

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.

a) 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 amortized 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.

b) Fair value

Details on valuation techniques applied for fair value measurement and on the fair value hierarchy are disclosed in Note 19 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
- Financial assets at fair value through other comprehensive income
- Financial assets at fair value through profit or loss

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 are in the respective Note 16 Financial liabilities at amortised costs.

Impairment of financial instruments

The Group recognises loss allowances for impairment on its debt instrument financial assets, other than those measured at fair value through profit or loss, 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, the 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. 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. 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. Interest income is calculated by applying the EIR to the gross carrying amount of the financial asset.

Financial instruments in Stage 3 are credit-impaired. In respect of applying the 'credit-impaired' concept of IFRS 9, the 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. The 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 Group which are considered as integral to the contractual terms of financial assets whose risk is guaranteed.

Group considers as integral those guarantees which are entered into at or close to the inception of the guaranteed financial assets. If the Group 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 statement of financial position. In the statement of income, they reduce the impairment loss incurred on guaranteed financial assets under 'Net impairment loss from financial instruments'. A precondition for this treatment is that it must be virtually certain that the guarantee would reimburse the Group 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'.

For financial assets measured at amortised cost, the net carrying amount of the financial asset presented on the statement of financial position is the difference between the gross carrying amount and the cumulative loss allowance. However, for financial assets measured at fair value through other comprehensive income, the loss allowance is recognised in the accumulated OCI, specifically under 'Fair value reserve' in the statement of changes in equity and under 'Retained earnings and other reserves' in the statement of financial position. Loss allowances for loan commitments and financial guarantees are presented under the statement of financial position line item 'Provisions'.

In the statement of income, impairment losses and their reversals (gains) on all kinds of financial instruments are presented in the line item 'Net impairment loss from financial instruments'.

Derecognition of financial instruments including treatment of contractual modifications

a) 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 'Net gain/(loss) from derecognition of financial assets measured at amortised cost' or, for financial assets at fair value through other comprehensive income, in the line 'Net other loss from derecognition of financial instruments not measured at fair value through profit or loss'. For financial assets measured at fair value through profit or loss the derecognition gains or losses are recognised together with the measurement result in the lines 'Net trading result' or 'Net gain from financial instruments measured at fair value through profit or loss'.

b) 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, the 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, the 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); and
- 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; or
- 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 'Net impairment loss 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 'Net impairment loss from financial instruments'. The remaining difference is presented in the line 'Net gain/(loss) from derecognition of financial assets measured at amortised cost'.

For financial assets measured at fair value through profit or loss, irrespective of whether they are in default, the derecognition gains and losses are included in the same line items of the statement of income as their measurement result, i.e. in 'Net gain from financial instruments measured at fair value through profit or loss'.

For debt instrument assets not measured at fair value through profit or loss 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. 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.

c) Write-offs

The 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.

The 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).

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.

d) 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', 'Net gain 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

a) 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 the 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, the 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.

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 the Group's business. No specific guidance currently exists in IFRS 9 for assessing the SPPI compliance of such features. The Group has concluded that ESG-related interest adjustments have a de minimis effect on the contractual cash flows of the existing loan portfolio. As a result, they do not affect the SPPI assessment.

For project financing loans the 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.

b) Business model assessment

For each SPPI-compliant financial asset at initial recognition, the 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 realized 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 the 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 financial 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, the 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.

c) 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, 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, estimation techniques used to measure 12-month and lifetime expected credit losses and definition of default is provided in Note 26 Credit risk. The development of loan loss provisions is described in Note 14 Financial assets at amortised cost, Note 15 Trade and other receivables, Note 33 The Group as a lessor, Note 26 Credit risk and Note 37 Contingent liabilities.

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.

In the statement of financial position, 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 equivalents'.

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 'Net impairment loss from financial instruments'. Gains and losses from derecognition (such as sales) of the assets are reported under the line item 'Net gain/(loss) from derecognition of financial assets measured at amortised cost'.

At the Group, financial assets at amortised cost constitute the largest measurement category, which includes loan business to customers, 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 and cash and cash equivalents.
For description of financial liabilities measured at amortised cost refer to Note 16.

13. Cash and cash equivalents

Cash equivalents 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 140.9 million (2023: EUR 157.9 million) at the reporting date. The mandatory minimum reserve requirement is calculated from defined statement of financial position 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 any restraints.

EUR ths.	31.12.2023	31.12.2024
Cash on hand	362,937	420,346
Cash balances at central banks	2,658,749	1,551,042
Other demand deposits at credit institutions	9,172	17,552
Cash and cash equivalents	**3,030,858**	**1,988,940**

14. 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 or 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 policy information'.

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
General governments	4,005,756	-	-	-	4,005,756	(542)	-	-	-	(542)	4,005,214
Credit institutions	340,178	-	-	-	340,178	(245)	-	-	-	(245)	339,933
Other financial corporations	524	10,131	-	-	10,655	(7)	(242)	-	-	(249)	10,406
Non-financial corporations	98,113	18,430	-	-	116,543	(35)	(451)	-	-	(486)	116,057
Total	**4,444,571**	**28,561**	**-**	**-**	**4,473,132**	**(829)**	**(693)**	**-**	**-**	**(1,522)**	**4,471,610**

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
General governments	3,638,012	-	-	-	3,638,012	(493)	-	-	-	(493)	3,637,519
Credit institutions	361,814	-	-	-	361,814	(295)	-	-	-	(295)	361,519
Other financial corporations	15,183	10,654	-	-	25,837	(12)	(368)	-	-	(380)	25,457
Non-financial corporations	78,722	18,428	-	-	97,150	(41)	(423)	-	-	(464)	96,686
Total	**4,093,731**	**29,082**	**-**	**-**	**4,122,813**	**(841)**	**(791)**	**-**	**-**	**(1,632)**	**4,121,181**

Movement in credit loss allowances

EUR ths.	1.1.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	(841)	(83)	102	88	(95)	-	(829)
Stage 2	(791)	-	-	(73)	173	-	(693)
Stage 3	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-
Total	**(1,632)**	**(83)**	**102**	**15**	**78**	**-**	**(1,522)**

EUR ths.	1.1.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	(850)	(83)	70	328	(306)	-	(841)
Stage 2	(1,054)	-	-	-	263	-	(791)
Stage 3	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-
Total	**(1,904)**	**(83)**	**70**	**328**	**(43)**	**-**	**(1,632)**

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10.

The year-end total gross carrying amounts of amortised cost debt securities that were initially recognized (purchased) during the year 2024 and not fully derecognized by 31 December 2024 amounts to EUR 841.9 million (2023: EUR 398.1 million). The gross carrying amounts of amortised cost debt securities that were held at 1 January 2024 and derecognized during the year 2024 amounts to EUR 360.6 million (2023: EUR 435.9 million).

Loans and advances to banks

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
Credit institutions	10,423	-	-	-	10,423	(15)	-	-	-	(15)	10,408
Total	**10,423**	**-**	**-**	**-**	**10,423**	**(15)**	**-**	**-**	**-**	**(15)**	**10,408**

	Gross carrying amount						Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total		Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023												
Credit institutions	10,058	2	-	-	10,060		(28)	-	-	-	(28)	10,032
Total	**10,058**	**2**	**-**	**-**	**10,060**	**-**	**(28)**	**-**	**-**	**-**	**(28)**	**10,032**

Movement in credit loss allowances

EUR ths.	1.1.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	(28)	(20)	6	-	27	-	(15)
Stage 2	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-
Total	**(28)**	**(20)**	**6**	**-**	**27**	**-**	**(15)**

EUR ths.	1.1.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	-	(28)	-	-	-	-	(28)
Stage 2	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-
Total	**-**	**(28)**	**-**	**-**	**-**	**-**	**(28)**

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10.

The year-end total gross carrying amounts of amortised cost loans and advances to banks that were initially recognized during the year 2024 and not fully de-recognized by 31 December 2024 amounts to EUR 10.4 million (2023: EUR 10.0 million). The gross carrying amounts of amortised cost loans and advances to banks that were held as at 1 January 2024 and fully de-recognized during the year 2024 amounts to EUR 10.4 million (2023: EUR 0.0 million).

Loans and advances to customers

Gross carrying amounts and credit loss allowances per impairment buckets

The following table represents gross carrying amounts and credit loss allowances per impairment buckets by sector of loans and advances to customers.

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
General governments	380,172	938	-	26	381,136	(585)	(34)	-	-	(619)	380,517
Other financial corporations	204,995	28,936	65	10	234,006	(419)	(987)	(58)	-	(1,464)	232,542
Non-financial corporations	3,400,284	1,502,867	117,062	113,985	5,134,198	(13,508)	(81,268)	(56,726)	(13,076)	(164,578)	4,969,620
Households	12,781,421	484,177	244,487	7,572	13,517,657	(16,079)	(29,749)	(129,102)	(3,674)	(178,604)	13,339,053
Total	**16,766,872**	**2,016,918**	**361,614**	**121,593**	**19,266,997**	**(30,591)**	**(112,038)**	**(185,886)**	**(16,750)**	**(345,265)**	**18,921,732**

The amounts represent the maximum exposure to credit risk. As at 31 December 2024 the Group had no reverse repo agreements.

As at 31 December 2024, 15 largest customers accounted for 5.2% of the gross loan portfolio amounting to EUR 985.0 million.

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
General governments	427,959	661	3	-	428,623	(728)	(20)	-	-	(748)	427,875
Other financial corporations	297,414	5,064	84	18	302,580	(566)	(439)	(58)	(1)	(1,064)	301,516
Non-financial corporations	3,417,633	1,323,694	117,853	107,944	4,967,124	(13,657)	(65,517)	(56,781)	(22,175)	(158,130)	4,808,994
Households	12,344,573	480,689	218,179	6,290	13,049,731	(21,867)	(40,444)	(126,896)	(2,978)	(192,185)	12,857,546
Total	**16,487,579**	**1,810,108**	**336,119**	**114,252**	**18,748,058**	**(36,818)**	**(106,420)**	**(183,735)**	**(25,154)**	**(352,127)**	**18,395,931**

As at 31 December 2023, 15 largest customers accounted for 5.2% of the gross loan portfolio amounting to EUR 960.7 million.

The following table represents gross carrying amounts and credit loss allowances per impairment buckets by asset classes of loans and advances to customers.

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
Lending for house purchase	10,797,396	210,247	144,853	6,010	11,158,506	(6,234)	(6,433)	(54,648)	(2,855)	(70,170)	11,088,336
Credit for consumption	1,401,836	224,416	89,381	164	1,715,797	(8,528)	(18,903)	(65,584)	(54)	(93,068)	1,622,728
Corporate loans and others	4,566,932	1,582,255	127,380	115,419	6,392,694	(15,829)	(86,702)	(65,654)	(13,841)	(182,018)	6,210,668
Total	**16,766,872**	**2,016,918**	**361,614**	**121,593**	**19,266,997**	**(30,591)**	**(112,038)**	**(185,886)**	**(16,750)**	**(345,265)**	**18,921,732**

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
Lending for house purchase	10,377,966	256,714	144,135	4,591	10,783,406	(10,699)	(17,968)	(68,980)	(1,989)	(99,636)	10,683,770
Credit for consumption	1,366,414	169,450	65,535	192	1,601,591	(9,882)	(17,344)	(50,460)	(66)	(77,752)	1,523,839
Corporate loans and others	4,743,199	1,383,944	126,449	109,469	6,363,061	(16,237)	(71,108)	(64,295)	(23,099)	(174,739)	6,188,322
Total	**16,487,579**	**1,810,108**	**336,119**	**114,252**	**18,748,058**	**(36,818)**	**(106,420)**	**(183,735)**	**(25,154)**	**(352,127)**	**18,395,931**

Movement in credit loss allowances

The following table represents movement in credit loss allowances by sector of loans and advances to customers.

EUR ths.	1.1.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	**(36,818)**	**(42,056)**	**830**	**13,643**	**33,702**	**108**	**(30,591)**
General governments	(728)	(124)	-	2	265	-	(585)
Other financial corporations	(566)	(135)	2	7	273	-	(419)
Non-financial corporations	(13,657)	(28,732)	127	1,897	26,854	3	(13,508)
Households	(21,867)	(13,065)	701	11,737	6,310	105	(16,079)
Stage 2	**(106,420)**	**(2,359)**	**880**	**(58,146)**	**53,739**	**268**	**(112,038)**
General governments	(20)	-	-	(34)	20	-	(34)
Other financial corporations	(439)	-	-	(581)	33	-	(987)
Non-financial corporations	(65,517)	(1,929)	513	(44,083)	29,708	40	(81,268)
Households	(40,444)	(430)	367	(13,448)	23,978	228	(29,749)
Stage 3	**(183,735)**	**(1,336)**	**20,803**	**(14,276)**	**(13,338)**	**5,996**	**(185,886)**
Other financial corporations	(58)	-	54	(2)	(53)	1	(58)
Non-financial corporations	(56,781)	(1,278)	2,717	(2,819)	(212)	1,647	(56,726)
Households	(126,896)	(58)	18,032	(11,455)	(13,073)	4,348	(129,102)
POCI	**(25,154)**	**-**	**459**	**-**	**7,105**	**840**	**(16,750)**
Other financial corporations	(1)	-	-	-	-	1	-
Non-financial corporations	(22,175)	-	125	-	8,622	352	(13,075)
Households	(2,978)	-	334	-	(1,517)	487	(3,674)
Total	**(352,127)**	**(45,751)**	**22,972**	**(58,779)**	**81,208**	**7,212**	**(345,265)**

EUR ths.	1.1.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	**(42,630)**	**(36,295)**	**769**	**15,092**	**26,229**	**17**	**(36,818)**
General governments	(524)	(49)	1	97	(253)	-	(728)
Other financial corporations	(240)	(222)	2	1,652	(1,758)	-	(566)
Non-financial corporations	(14,110)	(23,948)	184	4,029	20,186	2	(13,657)
Households	(27,756)	(12,076)	582	9,314	8,054	15	(21,867)
Stage 2	**(109,256)**	**(1,427)**	**458**	**(33,600)**	**37,159**	**246**	**(106,420)**
General governments	(19)	-	-	(18)	17	-	(20)
Other financial corporations	(842)	-	-	(67)	470	-	(439)
Non-financial corporations	(71,822)	(1,073)	88	(15,666)	22,929	27	(65,517)
Households	(36,573)	(354)	370	(17,849)	13,743	219	(40,444)
Stage 3	**(158,695)**	**(204)**	**12,090**	**(8,587)**	**(33,414)**	**5,075**	**(183,735)**
Other financial corporations	(91)	-	23	-	10	-	(58)
Non-financial corporations	(42,428)	(133)	1,419	(2,202)	(14,135)	698	(56,781)
Households	(116,176)	(71)	10,648	(6,385)	(19,289)	4,377	(126,896)
POCI	**(31,466)**	**-**	**358**	**-**	**5,714**	**240**	**(25,154)**
Other financial corporations	(1)	-	-	-	-	-	(1)
Non-financial corporations	(29,358)	-	172	-	6,991	20	(22,175)
Households	(2,107)	-	186	-	(1,277)	220	(2,978)
Total	**(342,047)**	**(37,926)**	**13,675**	**(27,095)**	**35,688**	**5,578**	**(352,127)**

The following table represents movement in credit loss allowances by asset classes of loans and advances to customers.

EUR ths.	1.1.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	**(36,818)**	**(42,056)**	**830**	**13,643**	**33,702**	**108**	**(30,591)**
Lending for house purchase	(10,699)	(115)	14	8,242	(3,675)	(1)	(6,234)
Credit for consumption	(9,882)	(14,961)	206	1,315	14,776	18	(8,528)
Corporate loans and others	(16,237)	(26,980)	610	4,086	22,601	91	(15,829)
Stage 2	**(106,420)**	**(2,359)**	**880**	**(58,146)**	**53,739**	**268**	**(112,038)**
Lending for house purchase	(17,968)	(27)	269	(2,309)	13,602	-	(6,433)
Credit for consumption	(17,344)	-	52	(9,548)	7,912	25	(18,903)
Corporate loans and others	(71,108)	(2,332)	559	(46,289)	32,225	243	(86,702)
Stage 3	**(183,735)**	**(1,336)**	**20,803**	**(14,276)**	**(13,338)**	**5,996**	**(185,886)**
Lending for house purchase	(68,980)	(95)	2,951	(5,721)	16,004	1,193	(54,648)
Credit for consumption	(50,460)	(132)	15,473	(5,469)	(27,501)	2,505	(65,584)
Corporate loans and others	(64,295)	(1,109)	2,379	(3,086)	(1,841)	2,298	(65,654)
POCI	**(25,154)**	**-**	**459**	**-**	**7,105**	**840**	**(16,750)**
Lending for house purchase	(1,989)	-	-	-	(866)	-	(2,855)
Credit for consumption	(66)	-	-	-	8	4	(54)
Corporate loans and others	(23,099)	-	459	-	7,963	836	(13,841)
Total	**(352,127)**	**(45,751)**	**22,972**	**(58,779)**	**81,208**	**7,212**	**(345,265)**

EUR ths.	1.1.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	**(42,630)**	**(36,295)**	**769**	**15,092**	**26,229**	**17**	**(36,818)**
Lending for house purchase	(18,579)	(215)	26	7,836	233	-	(10,699)
Credit for consumption	(8,038)	(13,666)	95	1,788	9,939	-	(9,882)
Corporate loans and others	(16,013)	(22,414)	648	5,468	16,057	17	(16,237)
Stage 2	**(109,256)**	**(1,427)**	**458**	**(33,600)**	**37,159**	**246**	**(106,420)**
Lending for house purchase	(19,242)	(51)	273	(6,917)	7,969	-	(17,968)
Credit for consumption	(14,493)	(3)	37	(8,178)	5,271	22	(17,344)
Corporate loans and others	(75,521)	(1,373)	148	(18,505)	23,919	224	(71,108)
Stage 3	**(158,695)**	**(204)**	**12,090**	**(8,587)**	**(33,414)**	**5,075**	**(183,735)**
Lending for house purchase	(66,071)	(354)	2,680	(3,464)	(2,431)	660	(68,980)
Credit for consumption	(42,702)	(116)	9,681	(2,892)	(17,730)	3,299	(50,460)
Corporate loans and others	(49,922)	266	(271)	(2,231)	(13,253)	1,116	(64,295)
POCI	**(31,466)**	**-**	**358**	**-**	**5,714**	**240**	**(25,154)**
Lending for house purchase	(1,114)	-	16	-	(891)	-	(1,989)
Credit for consumption	(84)	-	1	-	12	5	(66)
Corporate loans and others	(30,268)	-	341	-	6,593	235	(23,099)
Total	**(342,047)**	**(37,926)**	**13,675**	**(27,095)**	**35,688**	**5,578**	**(352,127)**

In column 'Additions' increases of credit loss allowance due to the initial recognition of loans and advances to customers at amortised cost during the current reporting period are disclosed. Credit loss allowances recognized against drawings from non-revolving loan commitments are deemed as additions for the purpose of presenting current period's movement in credit loss allowance. Therefore, additions in Stages 2 and 3 reflect transfers from Stage 1 having occurred between commitment and drawing dates of related credit facilities. Releases of credit loss allowance following the derecognition of the related loans and advances to customers at amortised cost are reported in column 'Derecognitions'.

In column 'Transfers between stages' credit loss allowance net changes due to changes in credit risk that triggered re-assignments of the related loans and advances to customers at amortised cost from Stage 1 at 1 January 2024 (or initial recognition date, if later) to Stages 2 or 3 at 31 December 2024 or vice-versa are reported. The effects of transfers from Stage 1 to Stages 2 or 3 on the related credit loss allowances are adverse (incremental year-on-year allocations) 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 credit loss allowances are favourable (incremental year-on-year releases) and presented in line 'Stage 1'. The P&L-neutral effect from cross-stage transferring of the related credit loss allowance amounts recognized 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)'. This column also captures the passage-of-time adverse effect ('unwinding correction') over the lifetime expected cash shortfalls of 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.

The use of credit loss allowance triggered by full or partial write-offs of amortised cost loans and advances to customers is reported in column 'Write-offs'.

One significant driver of the credit loss allowance movements for the year has been the transfer of the related instruments across different impairment stages. The year-end gross carrying amount of amortised cost loans and advances to customers that were assigned at 31 December 2024 to a different stage compared to 1 January 2024 (or to the initial recognition date, if originated during the year) are summarized below:

EUR ths.	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3		POCI	
	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
As at 31.12.2024								
General governments	812	407	-	-	-	-	-	26
Other financial corporations	24,982	88	28	-	14	-	-	-
Non-financial corporations	797,043	405,572	18,450	519	18,426	207	927	1,165
Households	250,134	128,851	56,794	18,080	53,294	15,605	656	292
Total	**1,072,971**	**534,918**	**75,272**	**18,599**	**71,734**	**15,812**	**1,583**	**1,483**
As at 31.12.2023								
General governments	661	817	-	-	-	-	-	-
Other financial corporations	4,593	39,917	2	-	-	-	-	-
Non-financial corporations	346,162	500,582	45,739	1,218	22,833	660	997	80,444
Households	251,321	139,824	42,595	13,329	39,654	9,334	1,719	203
Total	**602,737**	**681,140**	**88,336**	**14,547**	**62,487**	**9,994**	**2,716**	**80,647**

The year-end total gross carrying amount of the amortised cost loans and advances to customers that were initially recognized during the reporting period and not fully de-recognized by 31 December 2024 amounts to EUR 3,733.5 million (2023: EUR 3,682.7 million). The gross carrying amount of the amortised cost loans and advances to customers that were held at 1 January 2024 and fully de-recognized during the reporting period amounts to EUR 1,433.8 million (2023: EUR 1,238.0 million).

Mandate loans

During the year 2024 the Group cooperated with 8 external companies (2023: 7 companies). Based on the mandate contracts the management and administration of certain non-performing receivables is outsourced to the external company temporary. In case of mandate loans, the Group maintains risks and rewards associated with the underlying exposures. External service providers are rewarded by commission from the claimed amount of loans, which are subject to the mandate contracts.

As at 31 December 2024 the total amount of gross loans outsourced was EUR 106.6 million – lending for house purchase EUR 38.2 million, credit for consumption EUR 56.9 million, corporate loans and others EUR 11.5 million (2023: EUR 79.7 million - lending for house purchase EUR 32.2 million, credit for consumption EUR 37.9 million, corporate loans and others EUR 9.6 million). These loans were categorised in stage 3.

Write off and sale of receivables

During the year 2024 the Group sold loan receivables in the amount of EUR 28.5 million (2023: EUR 25.9 million) for a consideration of EUR 6.5 million (2023: EUR 7.7 million) and used the corresponding allowances amounting EUR 21.6 million (2023: EUR 16.5 million). Once loan receivables are sold, the Group transfers all risks and rewards attributable to them and does not have any continuing involvement in the loan receivables subsequent to their sale.

In the year 2024 the Group has written off loans and finance lease receivables in the amount of EUR 12.2 million (2023: EUR 6.5 million) and used the respective allowances amounting EUR 11.2 million (2023: EUR 4.9 million).

15. Trade and other receivables

The trade and other receivables comprise receivables from factoring transactions and other trade receivables.

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
General governments	8,029	-	-	-	8,029	-	-	-	-	-	8,029
Credit institutions	3,951	3	-	-	3,954	-	-	-	-	-	3,954
Other financial corporations	2,936	-	-	-	2,936	(2)	-	-	-	(2)	2,934
Non-financial corporations	147,116	2,904	1,181	366	151,567	(812)	(817)	(864)	(348)	(2,841)	148,726
Households	48	-	-	-	48	-	-	-	-	-	48
Total	**162,080**	**2,907**	**1,181**	**366**	**166,534**	**(814)**	**(817)**	**(864)**	**(348)**	**(2,843)**	**163,691**

Gross carrying amount for trade and other receivables where simplified approach to ECL calculation is applied represents EUR 19.0 million and credit loss allowances EUR 0.7 million.

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
General governments	1,070	-	-	-	1,070	-	-	-	-	-	1,070
Credit institutions	4,359	-	-	-	4,359	-	-	-	-	-	4,359
Other financial corporations	2,620	-	-	-	2,620	(6)	-	-	-	(6)	2,614
Non-financial corporations	124,706	1,973	4,397	580	131,656	(893)	(726)	(4,054)	(444)	(6,117)	125,539
Households	33	-	-	-	33	(1)	-	-	-	(1)	32
Total	**132,788**	**1,973**	**4,397**	**580**	**139,738**	**(900)**	**(726)**	**(4,054)**	**(444)**	**(6,124)**	**133,614**

Of which the gross carrying amount of EUR 19.2 million and credit loss allowances of EUR 0.7 million in Stage 1 represents other trade receivables as at 31 December 2023.

Movement in credit loss allowances

	01.01.2024	Additions	Other changes in credit risk (net)	Transfers between stages	Write offs	31.12.2024
Stage 1	**(900)**	**(862)**	**948**	**-**	**-**	**(814)**
Other financial corporations	(6)	(2)	6	-	-	(2)
Non-financial corporations	(893)	(860)	941	-	-	(812)
Households	(1)	-	1	-	-	-
Stage 2	**(726)**	**-**	**(89)**	**(2)**	**-**	**(817)**
Non-financial corporations	(726)	-	(89)	(2)	-	(817)
Stage 3	**(4,054)**	**-**	**(216)**	**(20)**	**3,426**	**(864)**
Non-financial corporations	(4,054)	-	(98)	(20)	3,308	(864)
Households	-	-	(118)	-	118	-
POCI	**(444)**	**-**	**96**	**-**	**-**	**(348)**
Non-financial corporations	(444)	-	96	-	-	(348)
Total	**(6,124)**	**(862)**	**739**	**(22)**	**3,426**	**(2,843)**

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10.

Detail description of columns from the above table are disclosed in the note 14 Financial assets at amortised cost.

EUR ths.	01.01.2023	Additions	Other changes in credit risk (net)	Transfers between stages	31.12.2023
Stage 1	**(626)**	**(920)**	**646**	**-**	**(900)**
Other financial corporations	(23)	(6)	23	-	(6)
Non-financial corporations	(603)	(913)	623	-	(893)
Households	-	(1)	-	-	(1)
Stage 2	**(957)**	**-**	**231**	**-**	**(726)**
Non-financial corporations	(957)	-	231	-	(726)
Stage 3	**(4,379)**	**-**	**349**	**(24)**	**(4,054)**
Non-financial corporations	(4,379)	-	349	(24)	(4,054)
POCI	**(468)**	**-**	**24**	**-**	**(444)**
Non-financial corporations	(468)	-	24	-	(444)
Total	**(6,430)**	**(920)**	**1,250**	**(24)**	**(6,124)**

Transfers of gross carrying amount between impairment stages

EUR ths.	2023	2024
Transfers between Stage 1 and Stage 2	**723**	**1,088**
To Stage 2 from Stage 1	723	1,045
To Stage 1 from Stage 2	-	43
Transfers between Stage 2 and Stage 3	**-**	**7**
To Stage 3 from Stage 2	-	7
Transfers between Stage 1 and Stage 3	**377**	**346**
To Stage 3 from Stage 1	377	346

16. 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 'Net other loss from derecognition of financial instruments not measured at fair value through profit or loss'.

Deposits from banks

EUR ths.	31.12.2023	31.12.2024
Overnight deposits	6,198	3,676
Term deposits	1,230,613	202,248
Repurchase agreements	10,352	-
Deposits from banks	**1,247,163**	**205,924**

Financial liabilities stemming from the TLTRO programme of the ECB are presented under 'Term deposits´. All remaining tranches of the programme matured in 2024. As a result, the carrying amount of the TLTRO III liabilities was EUR 0 million at the end of 2024 (2023: EUR 1,024.3 million). Consequently, the collateral pledged for these liabilities has been released.

The Group assessed an appropriate accounting treatment of the TLTRO. The conclusion was that such instruments do not qualify as below-market interest rate loans and therefore are not related to IAS 20 government grants accounting. The reason was that the TLTRO was considered as a separate market organised by the ECB as part of its monetary policy. As a result, the IFRS 9 amortised cost accounting treatment applied.

In 2024, interest expenses recognised for financial liabilities from TLTRO III before their repayment amounted to EUR 9.8 million (2023: EUR 24.6 million).

Deposits from customers

EUR ths.	31.12.2023	31.12.2024
Overnight deposits	**14,377,137**	**15,059,119**
Savings deposits	3,856,388	4,330,328
Households	3,856,388	4,330,328
Non-savings deposits	10,520,749	10,728,791
General governments	200,923	238,811
Other financial corporations	250,798	301,927
Non-financial corporations	2,527,981	2,668,277
Households	7,541,047	7,519,776
Term deposits	**3,203,039**	**3,675,604**
Deposits with agreed maturity	3,203,039	3,675,604
Savings deposits	704,209	336,101
Households	704,209	336,101
Non-savings deposits	2,498,830	3,339,503
General governments	101,348	154,078
Other financial corporations	555,654	490,924
Non-financial corporations	791,499	915,382
Households	1,050,329	1,779,119
Deposits from customers	**17,580,176**	**18,734,723**
General governments	302,271	392,889
Other financial corporations	806,452	792,851
Non-financial corporations	3,319,480	3,583,659
Households	13,151,973	13,965,324

Debt securities issued

EUR ths.	31.12.2023	31.12.2024
Subordinated debt securities issues	15,802	15,794
Senior non-preferred bonds	30,888	30,665
Other debt securities issued	4,611,429	4,575,781
Bonds	1,473,841	1,648,984
Mortgage covered bonds	3,137,588	2,926,797
Debt securities issued	**4,658,119**	**4,622,240**

Net debt reconciliation

The table below presents an analysis of debt of the Group and the movements in the debt. The debt items are those that are reported under the financing activities in the statement of cash flows of the Group.

EUR ths.	2023	2024
Debt securities issued		
Opening balance as at 1 January	2,989,506	4,658,119
Cash-flows reported within financing activities	1,575,595	(73,487)
Interest paid	(49,191)	(129,346)
Non-cash adjustments - interest expense	87,788	130,652
Non-cash adjustments - revaluation of hedge item	54,421	36,302
Closing balance as at 31 December	4,658,119	4,622,240
Lease liability		
Opening balance as at 1 January	21,197	20,156
Cash-flows reported within financing activities	(8,337)	(8,586)
Non-cash adjustments	7,296	9,621
Closing balance as at 31 December	20,156	21,191

Non-cash adjustments represent effects of amortization and deferrals.

Subordinated debt securities issued

The subordinated debt securities issued listed in the following table do not include embedded derivatives, which should be separated and disclosed under the statement of financial position line item 'Financial liabilities held for trading'.

The interest rate shown below represents actual interest expense of the Group.

EUR ths.	Issue Date	Maturity Date	Interest Rate	Number of securities	Nominal	Currency	2023	2024
Subordinated Bonds	September 2018	September 2028	2.88%	33	100,000	EUR	3,326	3,327
Subordinated Bonds	September 2018	September 2028	5.24%	33	100,000	EUR	3,357	3,348
Subordinated Bonds	November 2018	November 2028	2.45%	91	100,000	EUR	9,119	9,119
Total							**15,802**	**15,794**

Subordinated liabilities

Issued subordinated capital and supplementary capital are either reported in the item Financial liabilities at amortised costs or Financial liabilities at fair value through profit or loss. Securitized and non-securitized assets are subordinated if the claims can only be satisfied after the claims of other, non-subordinated creditors in the event of liquidation or bankruptcy. Supplementary capital is defined in accordance with Art. 63 of Regulation (EU) No 575/2013 (CRR). Corresponding instruments have an original maturity of at least five years, are of a subordinated nature and may not, among other things, contain any incentive for early repayment, grant the holder the right to accelerate repayment or include interest or dividend payments that are influenced in their amount by the creditworthiness of the issuer.

In the reporting period, expenses for subordinated liabilities amounted to EUR 0.5 million (2023: EUR 0.7 million).

Senior non-preferred bonds

In February 2020 the Group issued senior non-preferred bonds in the number of 300 securities with the notional value of EUR 0.1 million, interest rate 4.42% and maturity date in February 2026 in the total amount of EUR 30.7 million as at 31 December 2024 (2023: EUR 30.9 million).

Other debt securities issued

All securities listed in the following table are issued in book-entry form as bearer or registered securities with annual or semi annual coupon payments. Their transferability is not limited. There are no pre-emptive rights and exchange rights related to these securities. The bonds are traded on the Bratislava Stock Exchange.

The stated interest rate corresponds with the actual interest costs of the Group.

EUR ths.	Issue Date	Maturity Date	Interest Rate	Number of securities	Nominal	Currency	2023	2024
Senior Unsecured Bonds	June 2019	December 2025	0.60%	5,572	1,000	EUR	5,452	5,409
Covered Bonds	June 2019	June 2026	0.13%	5,000	100,000	EUR	483,091	491,208
Senior Unsecured Bonds	February 2020	February 2024	-	170	100,000	EUR	17,000	-
Senior Unsecured Bonds	March 2020	March 2025	0.00%	53	2,000,000	CZK	4,227	4,199
Senior Unsecured Bonds	June 2020	June 2025	0.80%	4,930	1,000	EUR	4,788	4,785
Senior Unsecured Bonds	June 2020	June 2025	0.63%	45	100,000	EUR	4,510	4,513
Senior Unsecured Bonds	October 2020	October 2025	0.25%	1,000	100,000	EUR	99,834	99,962
Senior Unsecured Bonds	March 2021	March 2027	4.39%	1,000	100,000	EUR	103,045	102,420
Senior Unsecured Bonds	June 2021	June 2024	-	1,299	1,000	USD	1,180	-
Senior Unsecured Bonds	June 2021	June 2028	0.38%	1,302	100,000	EUR	152,886	153,205
Covered Bonds	July 2007	July 2027	4.95%	250	66,388	EUR	18,290	18,068
Covered Bonds	January 2013	January 2025	3.10%	87	50,000	EUR	4,411	4,411
Covered Bonds	June 2013	June 2028	3.00%	132	50,000	EUR	6,614	6,615
Covered Bonds	February 2014	February 2029	2.80%	97	50,000	EUR	4,899	4,899
Covered Bonds	August 2015	August 2025	1.38%	100	100,000	EUR	10,043	10,052
Covered Bonds	March 2016	March 2026	1.00%	90	100,000	EUR	9,046	9,057
Covered Bonds	March 2017	March 2025	0.75%	1,000	100,000	EUR	100,564	100,609
Senior Unsecured Bonds	November 2017	November 2027	1.38%	44	100,000	EUR	4,405	4,406
Senior Unsecured Bonds	June 2018	June 2024	-	4,608	1,000	EUR	4,416	-
Senior Unsecured Bonds	August 2018	August 2024	-	4,621	1,000	EUR	4,494	-
Covered Bonds	August 2018	August 2025	0.63%	2,500	100,000	EUR	240,577	247,345
Senior Unsecured Bonds	September 2018	September 2024	-	4,530	1,000	EUR	4,350	-
Senior Unsecured Bonds	November 2018	November 2024	-	4,699	1,000	EUR	4,496	-
Senior Unsecured Bonds	December 2018	December 2024	-	4,794	1,000	EUR	4,533	-
Covered Bonds	December 2018	December 2024	-	2,500	100,000	EUR	242,756	-
Senior Unsecured Bonds	February 2019	February 2025	0.70%	9,490	1,000	EUR	9,071	8,951
Senior Unsecured Bonds	March 2019	March 2025	0.00%	100	50,000	EUR	4,959	4,994
Covered Bonds	April 2022	April 2027	1.13%	5,000	100,000	EUR	479,248	490,296
Senior Unsecured Bonds	May 2022	May 2026	2.00%	19,562	1,000	EUR	19,922	19,805
Senior Unsecured Bonds	June 2022	June 2025	2.70%	29,561	1,000	EUR	30,149	29,935
Senior Unsecured Bonds	July 2022	December 2029	5.00%	285	200,000	USD	49,118	51,453
Senior Unsecured Bonds	September 2022	September 2025	3.00%	61,741	1,000	EUR	61,798	61,922
Covered Bonds	October 2022	April 2028	3.50%	5,000	100,000	EUR	519,982	520,868
Senior Unsecured Bonds	October 2022	April 2026	3.30%	49,295	1,000	EUR	50,857	50,391
Senior Unsecured Bonds	October 2022	October 2025	4.35%	4,995	1,000	USD	4,555	4,845
Senior Unsecured Bonds	October 2022	October 2034	4.88%	320	100,000	EUR	33,590	33,807
Senior Unsecured Bonds	October 2022	October 2025	4.63%	250	100,000	EUR	25,172	25,203
Senior Unsecured Bonds	October 2022	October 2025	-	-	100,000	EUR	5,036	-
Senior Unsecured Bonds	November 2022	November 2025	4.50%	3,759	1,000	USD	3,417	3,635
Senior Unsecured Bonds	November 2022	November 2024	-	-	1,000	EUR	49,905	-
Senior Unsecured Bonds	November 2022	May 2026	4.73%	1,340	100,000	EUR	134,988	134,802
Covered Bonds	January 2023	January 2026	3.25%	5,000	100,000	EUR	513,388	519,797
Senior Unsecured Bonds	February 2023	February 2026	3.75%	73,523	1,000	EUR	76,920	75,923
Senior Unsecured Bonds	February 2023	February 2025	4.45%	4,828	1,000	USD	4,678	4,821
Senior Unsecured Bonds	June 2023	June 2026	4.50%	1,806	50,000	EUR	92,547	91,942
Covered Bonds	August 2023	September 2027	3.88%	5,000	100,000	EUR	504,679	503,572
Senior Unsecured Bonds	July 2023	July 2029	4.85%	529	100,000	EUR	14,431	54,755
Senior Unsecured Bonds	September 2023	September 2033	5.41%	100	100,000	EUR	9,651	10,130
Senior Unsecured Bonds	September 2023	September 2027	4.75%	393	50,000	EUR	20,010	19,662
Senior Unsecured Bonds	October 2023	October 2028	5.38%	3,310	100,000	EUR	302,168	334,754
Senior Unsecured Bonds	November 2023	November 2027	4.75%	1,185	50,000	EUR	50,209	59,805
Senior Unsecured Bonds	January 2024	January 2034	4.10%	50	100,000	EUR	-	5,203
Senior Unsecured Bonds	February 2024	February 2034	4.70%	20	100,000	EUR	-	1,978
Senior Unsecured Bonds	February 2024	February 2028	4.00%	517	50,000	EUR	-	26,780
Senior Unsecured Bonds	March 2024	March 2028	4.00%	799	50,000	EUR	-	41,165
Senior Unsecured Bonds	March 2024	August 2029	4.41%	100	100,000	EUR	-	10,114
Senior Unsecured Bonds	March 2024	March 2030	5.56%	146	100,000	EUR	-	14,816
Senior Unsecured Bonds	April 2024	April 2027	4.00%	91	50,000	EUR	-	4,581
Senior Unsecured Bonds	May 2024	May 2027	4.13%	100	100,000	EUR	-	9,966
Senior Unsecured Bonds	May 2024	May 2029	4.17%	250	100,000	EUR	-	25,618
Senior Unsecured Bonds	June 2024	June 2027	3.87%	150	100,000	EUR	-	14,902
Senior Unsecured Bonds	September 2024	September 2027	3.75%	300	50,000	EUR	-	15,008
Senior Unsecured Bonds	December 2024	December 2028	3.45%	346	50,000	EUR	-	17,342
Senior Unsecured Bonds	July 2021	July 2031	0.15%	1	1,000	EUR	1,074	1,077
Total							**4,611,429**	**4,575,781**

In May 2020 the Group issued retained covered bond in the value of 500 mil. EUR with interest rate 0.125% and maturity of 7.5 years, which was not placed in the market and according to IFRS is therefore not possible to recognize this bond in the statement of financial position.
In June 2022 the Group issued another retained covered bond in the value of 500 mil. EUR with an interest rate of 2.00% and maturity of 6 years, which was also not placed in the market and according to IFRS, it is therefore not possible to recognize this bond in the statement of financial position.

Other financial liabilities

As at 31 December 2024 other financial liabilities in amount of EUR 54.7 million (2023: EUR 183.3 million) represent suspense accounts (payments with other banks).

Financial instruments at fair value through profit or loss

There are various reasons for assigning the fair value through profit or loss measurement category to debt instrument financial assets.

Fair value through profit or loss 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 the 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. Another reason for the fair value through profit or loss measurement are financial assets whose contractual cash flows are not considered as SPPI.

On the statement of financial position, debt instrument financial assets measured at fair value through profit or loss are presented as ‘Financial assets held for trading’, sub-item ‘Derivatives’ and ‘Non-trading financial assets at fair value through profit or loss’, sub-items ‘Debt securities’. Non-trading financial assets at fair value through profit or loss are disclosed in Note 18 which is ‘mandatorily at fair value through profit or loss’. Financial assets are mandatorily measured at fair value through profit or loss because they are held as part of residual business models that are other than held for trading.
Investments in equity instruments that are not held for trading are also measured at fair value through profit or loss (unless they are designated at fair value through other comprehensive income). They are presented in the statement of financial position 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 18.

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 fair value through profit or loss. They are described more detail in the Note 17 Derivative financial instruments.

In the statement of income, the profit or loss effects of non-derivative financial assets measured at fair value through profit or loss 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 ‘Net gain from financial instruments measured at fair value through profit or loss’ in case of non-trading financial assets at fair value through profit or loss. For investments in funds, which are not consolidated by the Group, the interest or dividend component is not separated from the fair value gains or losses.

Financial liabilities at fair value through profit or loss consist of financial liabilities held for trading and financial liabilities designated at fair value through profit or loss. On the statement of financial position, financial liabilities at fair value through profit or loss are presented as ‘Financial liabilities held for trading’, sub-items ‘Derivatives’. Accounting policy related to financial liabilities at fair value through profit or loss can be found in Note 17 Derivative financial instruments.

17. Derivative financial instruments

Derivative financial instruments are used by the Group to manage exposures to interest rates, foreign currencies and other market price risks. Derivatives used by the Group include mainly interest rate swaps, futures, forward rate agreements, interest rate options, currency swaps and currency options as well as credit default swaps.

Derivative financial instruments are carried at fair value (dirty price) on the statement of financial position. 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 statement of financial position 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 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).

The description of the treatment of derivatives – hedge accounting can be found in Note 20 Hedge accounting.

Derivatives held for trading

	31.12.2023			31.12.2024		
EUR ths.	**Notional value**	**Positive fair value**	**Negative fair value**	**Notional value**	**Positive fair value**	**Negative fair value**
Derivatives held in the trading book	**2,915,206**	**60,289**	**56,556**	**2,885,962**	**48,044**	**45,522**
Interest rate derivatives	2,472,100	29,351	27,095	2,435,273	16,676	14,542
Foreign exchange	443,106	30,938	29,461	450,689	31,368	30,980
Derivatives held in the banking book	**10,000**	**-**	**40**	**12,000**	**57**	**-**
Equity	10,000	-	40	12,000	57	-
Total gross amounts	**2,925,206**	**60,289**	**56,596**	**2,897,962**	**48,101**	**45,522**

The Group disclosed derivative instruments in the banking book that are used for economical hedging of financial instruments on asset or liability side and are not designated as hedge accounting.

The Group maintains strict control limits on net open derivative positions, i.e. the difference between purchase and sale contracts, by both amount and term. At any time, the amount subject to credit risk is limited to the current fair value of instruments that are favourable to the Group (i.e. assets), which in relation to derivatives is only a small fraction of the contract or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as a part of the overall lending limits vis-à-vis customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except for trading with clients, where the Group in most cases requires margin deposits.

Embedded derivatives

As a part of ordinary business activity, the Group issues complex debt instruments, which contain embedded derivatives.

Embedded derivatives that meet the prescribed criteria are separated are accounted for as stand-alone derivatives and presented on the statement of financial position under the line item 'Derivatives' in financial assets held for trading and financial liabilities held for trading. Derivatives that are not closely related and are separated relate to bonds and deposits.

18. Non-trading financial assets at fair value through profit or loss

	31.12.2023		31.12.2024	
EUR ths.	Designated at fair value	Mandatorily at fair value	Designated at fair value	Mandatorily at fair value
Equity instruments	-	11,922	-	20,732
Debt securities	-	7,516	-	6,626
Other financial corporations	-	7,516	-	6,626
Non-trading financial assets at fair value through profit or loss	**-**	**19,438**	**-**	**27,358**

´Equity Instruments´ and ´Debt securities´ classified under category ´Mandatorily at fair value´ represents such equity instruments that the Group does not hold for strategic business decisions.

In July 2024 the Bank converted part of Visa Inc. shares and newly acquired shares in the amount of 3,1 mil. EUR were classified to line item ´Equity instruments mandatorily at fair value´ within the category ´Non-trading financial assets at fair value through profit or loss´.

Financial instruments – other disclosure matters

19. Fair value of financial instruments

The measurement of fair value at the 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 derivatives as well as liquid OTC bonds.

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position 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 and/or disclosed on a recurring basis.

Financial instruments carried at fair value

Description of valuation models and parameters

The 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.

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 modelling techniques including methods described for OTC-derivatives.

Equity instruments

Non-trading equity instruments which have quoted market prices in an active market are valued by using the quoted market price. For other investments in non-trading equity instruments 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 methods.

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.

In rare cases, techniques for non-trading equity instruments may also include the comparable company multiple methods. These are valuation technique that uses 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.

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 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 derivatives, the OIS curves are applied for discounting.
The Bank 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 and notional size. Parameters are reviewed on a regular basis or in case of significant market moves. Netting is not applied when determining the bid-ask-spread adjustments.

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 all derivatives and the credit quality of the counterparty. DVA is driven by the expected negative exposure and the Group's credit quality. The Bank has implemented an approach, where the modelling of the expected exposure is based on option replication strategies. For products where an option replication is not feasible the exposure is computed with Monte-Carlo simulation techniques. One of the two modelling approaches is considered for the most relevant portfolios and products. The methodology for the remaining entities and products is determined by market value plus add-on considerations. The probability of default by counterparties that are not traded in an active market is determined from internal PDs mapped to a basket of liquid titles present in the central European market. Market based valuation concepts are incorporated for this. Counterparties with liquid bond or CDS markets are valued by the respective single-name market-based PD derived from the prices. The Bank's probability of default has been derived from the buy-back levels of the Bank's issuances. Netting has only been considered for a few counterparties where the impact was material. In these cases, netting has been applied for both CVA and DVA. For counterparties with CSA-agreements in place no CVA was taken into account for all cases with immaterial threshold amounts.

Based on an analysis carried out by the 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 risk management unit which is independent of the trading units. The risk management unit is also responsible for appropriateness of input date 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

The fair value of financial instruments assigned to Level 1 of the fair value hierarchy is determined based on quoted prices in active markets for identical financial assets and liabilities. The evaluated fair value can qualify as Level 1 if transactions occur with sufficient frequency, volume and pricing consistency on an ongoing basis.

Level 1 measurement 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. If all the significant inputs in the valuation model are observable the instrument is classified as Level 2 of the fair value hierarchy. For Level 2 valuations typically yield curves, credit spreads and implied volatilities are used as observable market parameters.
Level 2 measurement include OTC 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

In some cases, the fair value can be determined neither on the basis of sufficiently frequent quoted market prices nor on the basis of valuation models that rely entirely on observable market data. In these cases individual valuation parameters which are not observable in the market are estimated on the basis of reasonable assumptions. 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.

These include shares, participations and funds not quoted, illiquid bonds (including own issued bonds) as well as collateralized mortgage obligations (CMO) and loans. 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.
- Fund units issued by investment funds fully consolidated by the Group as well as own issues, if price updates are not provided on a regular basis

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

	31.12.2023				31.12.2024			
EUR ths.	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Financial assets HfT	-	30,553	29,736	60,289	-	48,101	-	48,101
Derivatives	-	30,553	29,736	60,289	-	48,101	-	48,101
Non-trading financial assets at FVPL	-	-	19,438	19,438	-	-	27,358	27,358
Equity instruments	-	-	11,922	11,922	-	-	20,732	20,732
Debt securities	-	-	7,516	7,516	-	-	6,626	6,626
Hedge accounting derivatives	-	24,424	-	24,424	-	32,784	-	32,784
Total assets	**-**	**54,977**	**49,174**	**104,151**	**-**	**80,885**	**27,358**	**108,243**
Liabilities								
Financial liabilities HfT	-	48,732	7,864	56,596	-	45,522	-	45,522
Derivatives	-	48,732	7,864	56,596	-	45,522	-	45,522
Hedge accounting derivatives	-	64,227	-	64,227	-	31,831	-	31,831
Total liabilities	**-**	**112,959**	**7,864**	**120,823**	**-**	**77,353**	**-**	**77,353**

Derivatives transacted via Clearing Houses are presented after netting in compliance with their statement of financial position treatment. The netted derivatives are allocated to Level 2.

Valuation process for financial instruments categorized 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

Transfers into and out of Level 1 and Level 2 are mainly due to changes in the market activity and consequently in the observability of valuation parameters. In the year 2024 and 2023 these transfers were immaterial.

Movements in Level 3

Development of fair value of financial instruments in Level 3

EUR ths.	01.01.2024	Gain/(loss) in profit or loss	Purchases	Settlements	Transfer out of Level 3	31.12.2024
Assets						
Financial assets HfT	29,736	-	-	-	(29,736)	-
Derivatives	29,736	-	-	-	(29,736)	-
Non-trading financial assets at FVPL	19,438	6,169	4,844	(3,093)	-	27,358
Equity instruments	11,922	4,810	4,000	-	-	20,732
Debt securities	7,516	1,359	844	(3,093)	-	6,626
Total assets	**49,174**	**6,169**	**4,844**	**(3,093)**	**(29,736)**	**27,358**
Liabilities						
Financial liabilities HfT	7,864	-	-	-	(7,864)	-
Derivatives	7,864	-	-	-	(7,864)	-
Total liabilities	**7,864**	**-**	**-**	**-**	**(7,864)**	**-**

EUR ths.	01.01.2023	Gain/loss in profit or loss	Purchases	Transfers into Level 3	Transfer out of Level 3	31.12.2023
Assets						
Financial assets HfT	-	-	-	29,736	-	29,736
Derivatives	-	-	-	29,736	-	29,736
Non-trading financial assets at FVPL	16,246	2,203	989	-	-	19,438
Equity instruments	9,694	1,816	412	-	-	11,922
Debt securities	6,552	387	577	-	-	7,516
Total assets	**16,246**	**2,203**	**989**	**29,736**	**-**	**49,174**
Liabilities						
Financial liabilities HfT	-	-	-	7,864	-	7,864
Derivatives	-	-	-	7,864	-	7,864
Total liabilities	**-**	**-**	**-**	**7,864**	**-**	**7,864**

Transfers into and out of Level 3 mainly result from changes in valuation models with observable or non-observable parameters.

Gains in profit or loss on Level 3 instruments held at the end of the reporting period

EUR ths.	2023	2024
Assets		
Non-trading financial assets at FVPL	2,615	6,169
Equity instruments	2,228	4,810
Debt securities	387	1,359
Total assets	**10,731**	**6,169**
Derivatives	6,487	-
Total liabilities	**6,487**	**-**

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 statement of financial position the parameters were chosen to reflect the market situation at the reporting date.

Range of unobservable valuation parameters used in Level 3 measurements

Financial assets	Type of instrument	Fair value in EUR million	Valuation technique	Significant unobservable inputs	Range of unobservable inputs (weighted average)
31.12.2024					
Financial assets at FVPL	Non-trading equity instruments (participations)	20.19	Approved budgets	Risk spread used in discounting future cash flows	N/A
	Non-trading debt instrument	3.97	Fair value of the bank's share in the investment fund reduced by management fees (value calculated by the fund manager)	Valuation of investment in the fund at fair value	N/A
		2.66	Theoretical price derived from market prices of similar shares of the issuer	Adjustment by conversion factor	N/A
31.12.2023					
Financial assets at FVPL	Non-trading equity instruments (participations)	11.51	Approved budgets	Risk spread used in discounting future cash flows	N/A
	Non-trading debt instrument	3.31	Fair value of the bank's share in the investment fund reduced by management fees (value calculated by the fund manager)	Valuation of investment in the fund at fair value	N/A
		4.21	Theoretical price derived from market prices of similar shares of the issuer	Adjustment by conversion factor	N/A
Financial assets and liabilities HfT	Derivatives	21.9	Credit risk parameters derived from similar counterparties in similar industries	Probability of default, Loss given default	1,5 – 4,0% 30 – 40%

Sensitivity analysis using reasonably possible alternatives per product type

Sensitivity analysis is not calculated for equity instruments, participations or funds.

Financial instruments not carried at fair value with fair value disclosed in the notes

EUR ths.	Carrying amount	Fair value	Level 1	Level 2	Level 3
31.12.2024					
Assets					
Cash and cash equivalents	1,988,940	1,988,940	420,346	1,568,594	-
Financial assets at AC	23,403,750	23,361,437	4,147,474	187,267	19,026,696
Loans and advances to banks	10,408	10,424	-	-	10,424
Loans and advances to customers	18,921,732	19,006,576	-	-	19,006,576
of which: Lending for house purchase	11,088,336	11,138,057	-	-	11,138,057
of which: Credit for consumption	1,622,728	1,630,004	-	-	1,630,004
of which: Corporate loans and others	6,210,668	6,238,515	-	-	6,238,515
Debt securities	4,471,610	4,344,437	4,147,474	187,267	9,696
Finance lease receivables	368,578	368,797	-	-	368,797
Trade and other receivables	163,691	162,261	-	-	162,261
Liabilities					
Financial liabilities at AC	23,617,617	23,668,608	2,408,166	2,040,750	19,219,692
Deposits from banks	205,924	204,563	-	-	204,563
Deposits from customers	18,734,723	18,743,106	-	-	18,743,106
Debt securities in issue	4,622,240	4,666,209	2,408,166	2,040,750	217,293
Other financial liabilities	54,730	54,730	-	-	54,730

EUR ths.	Carrying amount	Fair value	Level 1	Level 2	Level 3
31.12.2023					
Assets					
Cash and cash equivalents	3,030,858	3,030,858	362,937	2,667,921	-
Financial assets at AC	22,527,144	21,862,457	3,662,129	256,859	17,943,469
Loans and advances to banks	10,032	10,032	-	-	10,032
Loans and advances to customers	18,395,931	17,924,822	-	-	17,924,822
of which: Lending for house purchase	10,680,454	10,275,563	-	-	10,275,563
of which: Credit for consumption	1,550,167	1,491,401	-	-	1,491,401
of which: Corporate loans and others	6,165,310	6,157,858	-	-	6,157,858
Debt securities	4,121,181	3,927,603	3,662,129	256,859	8,615
Finance lease receivables	347,323	341,874	-	-	341,874
Trade and other receivables	133,614	132,097	-	-	132,097
Liabilities					
Financial liabilities at AC	23,668,712	23,664,732	2,346,354	1,923,992	19,394,386
Deposits from banks	1,247,163	1,247,163	-	-	1,247,163
Deposits from customers	17,580,176	17,580,616	-	-	17,580,616
Debt securities in issue	4,658,119	4,653,699	2,346,354	1,923,992	383,353
Other financial liabilities	183,254	183,254	-	-	183,254

As at 31 December 2024 fair value of financial guarantees given amounts EUR -0.2 million (2023: EUR -0.4 million) and fair value of irrevocable commitments given amounts EUR 61.7 million (2023: EUR 34.1 million). All these amounts are in level 3. 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, of finance lease receivables and of trade and other receivables 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. For the calculation of fair value loans and advances were grouped into homogeneous portfolios based on rating method, rating grade, maturity and the country where they were granted. 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. These positions are assigned to the Level 3 category. 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 amortized cost is determined based on quoted prices in active markets, if available. For issued 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 the 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. Moreover optionality is taken into account when calculating the fair value.

For off-balance sheet liabilities (i.e. financial guarantees and unused loan commitments) the following fair value approaches are applied:
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.

20. Hedge accounting

The Group applies hedge accounting to hedge exposures to interest rate risk. As permitted by the transitional provisions of IFRS 9, the Group has elected to continue to apply the hedge accounting requirements of IAS 39.

On the statement of financial position, 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.

Fair value hedges

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.

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.

Notional amounts of hedged items

		Notional amount	
EUR ths.	**Type of hedged items**	**31.12.2023**	**31.12.2024**
Fair value hedges		**1,928,104**	**2,091,387**
Assets	Bonds at AC	291,223	201,224
Liabilities	Issued bonds	1,636,881	1,890,163

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.

The Group is hedging the interest rate risk arising from bonds positions in investment portfolios (assets) and from own issued bonds (liabilities). Each fair value hedge is concluded to hedge only interest rate risk of a particular bond position or part of this bond position. The hedge instrument swaps the interest rate behaviour of the hedged item form fixed to floating interest rate. The credit risk inherent in these positions is not subject of the hedging.

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
- 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
- credit risk adjustments (CVA, DVA) on the hedging derivatives

Quantitative disclosures

In the tables below, detailed information related to hedging instruments and hedged items in fair value as at 31 December 2024 are reported. The indicated values for fair value hedges include single hedges, which due to immateriality are not shown separately.

Hedging instruments

The hedging instruments are presented in the line 'Hedge accounting derivatives' in the statement of financial position.

EUR ths.	Carrying amount	Average fixed rate	Change in FV for the period used for calculating hedge ineffectiveness	Notional	Timing of the nominal amounts of the instruments				
					≤ 3 months	> 3 months and ≤ 1 year	> 1 year and ≤ 3 years	> 3 years and ≤ 5 years	> 5 years
31.12.2024									
Fair value hedges	**64,615**	**2.2%**	**31,736**	**2,091,387**	**-**	**307,700**	**1,307,821**	**404,866**	**71,000**
Interest rate risk assets	32,784	2.4%	(3,991)	201,224	-	60,000	41,224	50,000	50,000
Interest rate risk liabilities	31,831	2.2%	35,727	1,890,163	-	247,700	1,266,597	354,866	21,000
Total	**64,615**	**2.2%**	**31,736**	**2,091,387**	**-**	**307,700**	**1,307,821**	**404,866**	**71,000**
31.12.2023									
Fair value hedges	**88,651**	**1.8%**	**46,711**	**1,928,104**	**-**	**340,000**	**598,923**	**816,597**	**172,584**
Interest rate risk assets	24,424	3.5%	(7,909)	291,223	-	90,000	101,223	-	100,000
Interest rate risk liabilities	64,227	1.4%	54,620	1,636,881	-	250,000	497,700	816,597	72,584
Total	**88,651**	**1.8%**	**46,711**	**1,928,104**	**-**	**340,000**	**598,923**	**816,597**	**172,584**

Hedged items in fair value hedges

EUR ths.	Carrying amount	Hedge adjustments	
		included in the carrying amount	Thereof: for the period used for recognition of hedge ineffectiveness
31.12.2024			
Financial assets at AC	**206,013**	**(3,586)**	**4,113**
Interest rate risk	206,013	(3,586)	4,113
Financial liabilities at AC	**(1,915,854)**	**10,722**	**(36,303)**
Interest rate risk	(1,915,854)	10,722	(36,303)
31.12.2023			
Financial assets at AC	**293,804**	**(7,699)**	**8,146**
Interest rate risk	293,804	(7,699)	8,146
Financial liabilities at AC	**(1,610,044)**	**47,025**	**(54,423)**
Interest rate risk	(1,610,044)	47,025	(54,423)

The hedged items are disclosed in the following line items in the statement of financial position:

- Financial assets at amortised cost / debt securities
- Financial liabilities at amortised cost / debt securities issued

Ineffectiveness from fair value hedges is presented under ‘Net trading result’ in the statement of income.

Hedging Instrument to Hedged Item ratio (in EUR ths.)

31.12.2024

Nominal of hedge instrument	ISIN of hedged item	Nominal of hedge item	Ratio
16,597	SK4120005505	16,597	1.00
41,224	SK4120004987	648,873	0.06
50,000	SK4120009762	331,000	0.15
60,000	SK4120007543	239,250	0.25
50,000	SK4120011420	192,000	0.26
131,400	SK4120014507	250,000	0.99
116,300			
250,000	SK4000015400	500,000	0.50
500,000	SK4000020673	500,000	1.00
54,866	SK4000021242	54,866	1.00
300,000	SK4000021820	500,000	0.60
21,000	SK4000021879	32,000	0.66
500,000	SK4000022398	500,000	1.00

31.12.2023

Nominal hedge instrument	Hedged item	Nominal hedge item	Ratio
16,597	SK4120005505	16,597	1.00
41,224	SK4120004987	648,873	0.06
50,000	SK4120009762	331,000	0.15
50,000	SK4120008871	265,000	0.34
15,000			
25,000			
60,000	SK4120007543	239,250	0.25
50,000	SK4120011420	192,000	0.26
131,400	SK4120014507	250,000	0.99
116,300			
72,300	SK4120014812	250,000	1.00
177,700			
250,000	SK4000015400	500,000	0.50
500,000	SK4000020673	500,000	1.00
51,584	SK4000021242	51,584	1.00
300,000	SK4000021820	500,000	0.60
21,000	SK4000021879	32,000	0.66

Fair value hedge of assets

As at 31 December 2024 the Group held in portfolio of financial assets at amortised cost fixed rate bonds denominated in EUR with nominal value of EUR 201.2 million (2023: EUR 291.2 million). As the purchases of these bonds increased exposure to interest rate risk in the period from five to fifteen years, the Group entered into interest rate swap deals in order to hedge the changes of fair value caused by changes of risk-free interest rates, paying fixed and receiving floating rates.

During the year 2024 the hedges were effective in hedging fair value exposure to interest rate movements. During the period the Group recognised a net loss on the hedging instruments in the amount of EUR 4.0 million (2023: net loss EUR 7.9 million). On the other hand, a net gain on the hedged item attributable to the hedged risk amounted to EUR 4.1 million (2023: net gain EUR 8.1 million).

Fair value hedge of liabilities

The Group uses hedging to secure its issued fixed rate covered bonds (former mortgage bonds). The list of bonds is disclosed in the note 16 Financial liabilities at amortised cost. As at 31 December 2024 the Group holds covered bonds in total nominal value of EUR 1,890.2 million (2023: EUR 1,636.9 million).

During the year 2024 the hedges were effective in hedging fair value exposure to interest rate movements. During the period the Group recognised a net gain on the hedging instruments in the amount of EUR 35.7 million (2023: net gain EUR 54.6 million). On the other hand, a net loss on the hedged item attributable to the hedged risk amounted to EUR 36.3 million (2023: net loss EUR 54.4 million).

21. Offsetting of financial instruments

The following table shows netting effects on the statement of financial position of the Group as well as the impacts of offsetting financial instruments which are subject to offsetting agreements.

Financial assets subject to offsetting and potential offsetting agreements

EUR ths.	Financial assets (gross)	Amounts offset (gross)	Financial assets in statement of financial position (net)	Potential effects of netting agreements not qualifying for statement of financial position offsetting		Net amount after potential offsetting
				Financial instruments	Other financial collateral received	
31.12.2024						
Derivatives	48,101	-	48,101	10,862	-	37,239
Hedge accounting	32,784	-	32,784	27,658	-	5,126
Total	**80,885**	**-**	**80,885**	**38,520**	**-**	**42,365**
31.12.2023						
Derivatives	60,289	-	60,289	26,165	-	34,124
Hedge accounting	24,424	-	24,424	19,090	-	5,334
Total	**84,713**	**-**	**84,713**	**45,255**	**-**	**39,458**

Financial liabilities subject to offsetting and potential offsetting agreements

EUR ths.	Financial liabilities (gross)	Amounts offset (gross)	Financial liabilities in statement of financial position (net)	Potential effects of netting agreements not qualifying for statement of financial position offsetting		Net amount after potential offsetting
				Financial instruments	Other financial collateral pledged	
31.12.2024						
Derivatives	45,522	-	45,522	10,862	22,953	11,707
Hedge accounting	31,831	-	31,831	27,658	3,309	864
Total	**77,353**	**-**	**77,353**	**38,520**	**26,262**	**12,571**
31.12.2023						
Derivatives	56,596	-	56,596	26,165	23,786	6,645
Hedge accounting	64,227	-	64,227	19,090	41,200	3,937
Repurchase agreements	10,352	-	10,352	-	10,352	-
Total	**131,175**	**-**	**131,175**	**45,255**	**75,338**	**10,582**

The Group employs master netting 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.

22. 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 the Group retains substantially all risks and rewards of ownership, because the securities are repurchased at a fixed price when the transaction ends. Furthermore, the 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 the 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 the 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 the Group under repurchase agreements remain on the Group's balance sheet and are presented separately under the original balance sheet items in the '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 the 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 the Group as a lender because the securities are received at the end of the securities lending transaction. Furthermore, the 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 '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'. 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'.

	31.12.2023		31.12.2024	
EUR ths.	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
Repurchase agreements	**11,041**	**10,352**	**-**	**-**
Financial assets at AC	11,041	10,352	-	-
Total	**11,041**	**10,352**	**-**	**-**

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:

	31.12.2023			31.12.2024		
EUR ths.	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	10,373	10,352	21	-	-	-
Total	**10,373**	**10,352**	**21**	**-**	**-**	**-**

23. Financial assets pledged as collaterals

Carrying amount of financial assets pledged as collaterals

EUR ths.	31.12.2023	31.12.2024
Financial assets at AC	4,937,680	3,217,703
Total	**4,937,680**	**3,217,703**

	Carrying amount of transferred assets					Carrying amount of associated liabilities		
EUR ths.	Total	Repurchase agreements	Assets pledged for derivatives	Assets pledged for covered bonds	Other transferred assets	Total	Repurchase agreements	Other associated liabilities
As at 31.12.2024								
Financial assets at amortised cost								
Debt securities	**130,446**	-	26,262	89,036	15,148	**162,772**	-	162,772
Loans and advances to customers	**3,087,257**	-	-	3,087,257	-	**2,832,936**	-	2,832,936
Assets pledged as collateral	**3,217,703**	**-**	**26,262**	**3,176,293**	**15,148**	**2,995,708**	**-**	**2,995,708**

	Carrying amount of transferred assets					Carrying amount of associated liabilities		
EUR ths.	Total	Repurchase agreements	Assets pledged for derivatives	Assets pledged for covered bonds	Other transferred assets	Total	Repurchase agreements	Other associated liabilities
As at 31.12.2023								
Financial assets at amortised cost								
Debt securities	**437,723**	11,041	64,986	50,150	311,546	**468,081**	10,352	457,729
Loans and advances to customers	**4,499,957**	-	-	3,412,377	1,087,580	**3,802,929**	-	3,802,929
Assets pledged as collateral	**4,937,680**	**11,041**	**64,986**	**3,462,527**	**1,399,126**	**4,271,010**	**10,352**	**4,260,658**

The financial assets pledged as collateral consist of loans and advances to customers, bonds and other interest-bearing securities. Collaterals were pledged as a result of refinancing transactions with the respective National Bank, loans backing issued mortgage bonds and other collateral arrangements.

In March 2021, the Group entered into TLTRO III with central bank in the amount of EUR 1,000 million which was shown within other associated liabilities. At 23 November 2022 the Group partially repaid this tranche in amount of EUR 250 million and during the first half of the year 2024 was repaid the remaining part of the tranche in amount of EUR 750 million.

In June 2021, the Group entered into TLTRO III with central bank in the amount of EUR 250 million which is shown within other associated liabilities. During the first half of the year 2024 the whole tranche was repaid in amount of EUR 250 million.

As a result, the collateral pledged for these liabilities has been released.

Risk and capital management

24. Risk management

Risk policy and strategy

A core function of the Bank is taking risks in a conscious and selective manner and professionally steering those risks. Adequate risk policy and risk strategy is essential to the Bank's fundamental financial health and operational business success.

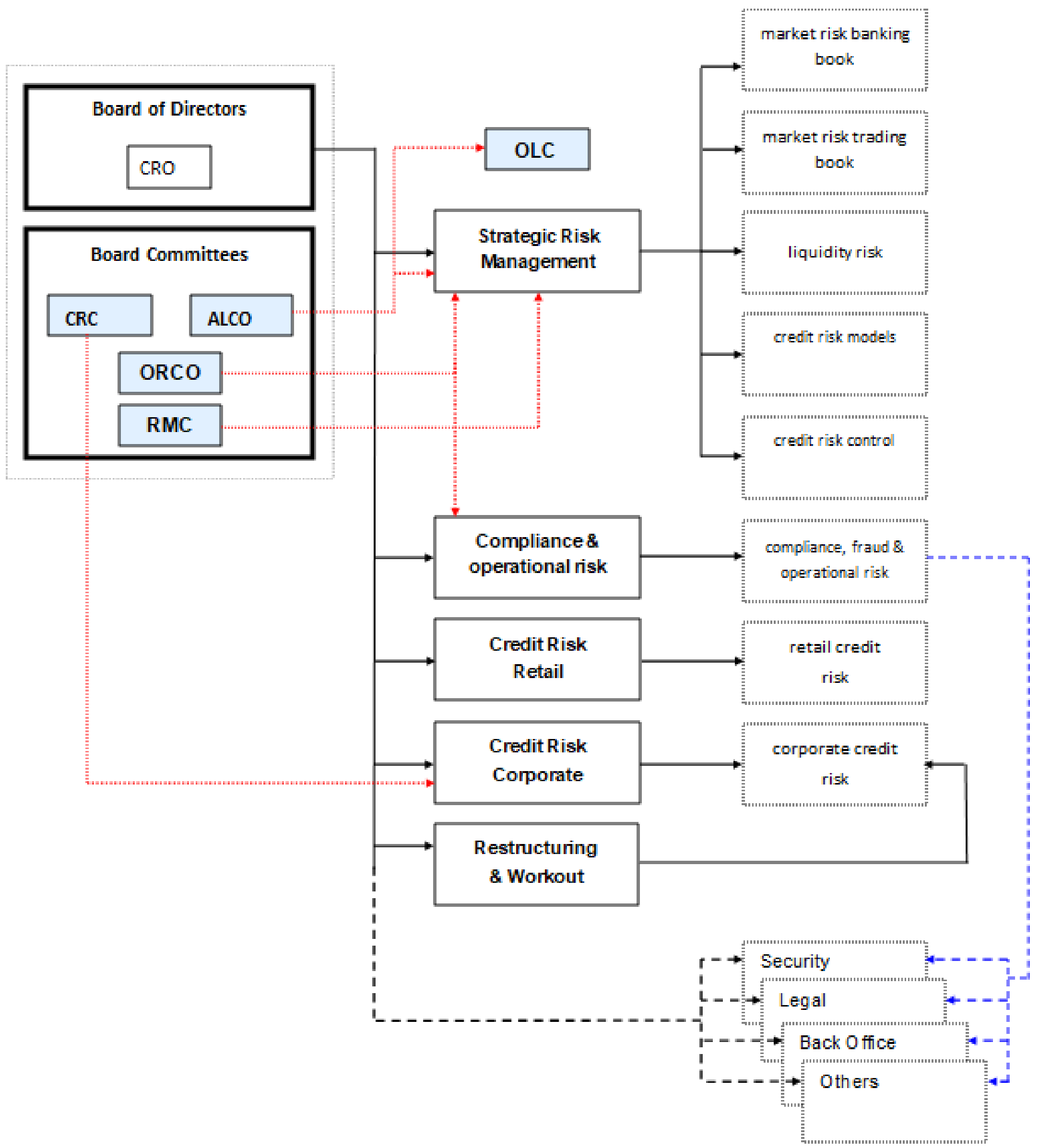
The Bank has developed a risk management framework that is forward-looking and tailored to its business and risk profile. This framework is based on a clear risk strategy that sets out general principles according to which risk taking must be performed. The risk strategy is consistent with the business strategy and incorporates the expected impact of external environment on the planned business and risk development.

The risk strategy describes the current 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.

The Bank uses the Internet as the medium for publishing 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 the Bank at https://www.slsp.sk/sk/informacie-o-banke/investori/financne-ukazovatele.

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 following chart presents the organisational structure of risk in the Bank:



Risk management structure

The ultimate risk management body is the Board of Directors. However, it may delegate some of its authority for particular risk management areas to the respective committees. The Board of Directors also designates one of its members to serve as the Chief Risk Officer ('CRO').

Asset & Liability Committee ('ALCO') has the ultimate authority over market risk of both trading and banking books (including interest rate risk) and over liquidity risk.

Credit Risk Committee ('CRC') is the ultimate decision making body for corporate credit risk.

Operational Risk and Compliance Committee ('ORCO') is the authorized body to make decisions on operational risk strategies and procedures, risk appetite and tolerance levels, also decides on mitigation measures for operational risk, compliance, financial crime, security, and anti-money laundering issues.

ALCO, CRC and ORCO are composed of the members of the Board of Directors and senior managers. The Chief Risk Officer is a member of all three committees.

Operating Liquidity Committee ('OLC') governs the execution of liquidity management. OLC reports directly to ALCO. It analyses the liquidity situation of the Bank on a regular basis and proposes measures to be taken. OLC consists of members of Treasury, Balance Sheet Management (BSM) and Strategic Risk Management (SRM).

Risk Management Committee ('RMC') is a committee consisting of selected members of the Board of Directors and senior managers. It is responsible for the development and maintenance of effective system of risk management, approval and monitoring of risk management strategy and procedures, ICAAP and risk appetite, as well as for comprehensive stress testing.

The bottom (executive) level of the risk management organisation consists of five crucial units:

- Corporate Credit Risk Management Division
- Retail Credit Risk Management Division
- Strategic Risk Management
- Compliance & Security
- Restructuring & Work out.

In the chart above, black lines show the assignment of different risk types to the respective units. Solid black lines show the areas directly subordinated to the Chief Risk Officer. Strategic Risk Management and Corporate Credit Risk Management may also report directly to their respective committees as shown by red / dotted lines.

Risk management is not limited to risk management units only. Rather, all organisational units have to be risk-aware and should contribute to risk management.

All responsibilities regarding risk management are in detail described in the Bank's risk management strategy.

Corporate Credit Risk Management

Corporate Credit Risk Management Division formulates the credit policy and internal provisions on the credit approval process for corporate clients. It is responsible for risk analysis of counterparties and credit facilities (financial analysis, rating assignment, credit transaction assessment). Furthermore, it monitors the development of the credit portfolio of corporate clients. It regularly reviews assigned ratings and counterparty financial situation. It also designs, sets and monitors limits, maintains deal and limits documentation for corporate clients.

Retail Credit Risk Management

Retail Credit Risk Management Division formulates the credit policy and internal actions on the credit approval process for retail clients and designs and oversees processes in retail lending activity. It is responsible for risk assessment of counterparties and credit facilities (rating assignment, credit transaction assessment). Furthermore, it monitors the development of credit portfolio of retail clients. It also designs, sets and monitors limits, maintains deal and limits documentation, as well as performs early and late collection and retail collateral management.

Strategic Risk Management

Strategic Risk Management ('SRM') is responsible for integrated risk management ('ICAAP'), liquidity risk, market risk (overall, as well as particular trading and banking books), credit risk control, provisioning, credit risk statistical and rating models. SRM is not involved in the operative credit decision-making. However it is responsible for the design of rating systems, testing and monitoring of accuracy and selectivity of internal rating grades, production and analysis of summary reports from the Group's rating systems. SRM is also responsible for the design and implementation of models for calculation of risk parameters (PD, LGD, CCF, etc.), standard risk costs and portfolio provisions. It is also responsible for the design and implementation of models for calculation of risk-weighted assets according to capital requirements regulation and directive and model for economic capital. In addition to this, SRM has two other specific roles:

- credit exposures to Groups, sovereigns and countries, which are governed centrally by Erste Holding (credit analysis, limit setting), are locally monitored by SRM;
- credit lines of Treasury clients (approved by Credit Risk Corporate or Credit Committee) are determined and monitored by SRM.

Compliance & Operational Risk Management

Compliance & Operational Risk Management is responsible for compliance risk management (e.g. code of ethics, full compliance with legal requirements, anti-money laundering program, MiFID rules), for fraud risk management (prevention, detection, investigation, deterrence and recovery of financial fraud) and operational risk. Within operational risk, it coordinates activities of global scope of other relevant departments (blue / dashed lines in the chart).

Restructuring & Work out

Restructuring & Work out is responsible for effective debt recovery and write-off management of corporate clients. It is also responsible for monitoring, restructuring of receivables over-due, specific provisions and collateral management.

Legal services

Legal services Division provides legal support and counsel for the management board, the business units and the central functions, and mitigate legal risk. It also attends to legal sourcing and to dispute resolution and litigation.

Comprehensive risk and capital management

Internal Capital Adequacy Assessment Process ('ICAAP') is a process in which all significant risks that the Bank faces must be covered by internal capital (i.e. coverage potential). This means that all material risks are determined, quantified, aggregated, and compared to the coverage potential. Limits and lower trigger levels are defined and regularly monitored, so that corrective actions may be taken, thus avoiding situations when risk exposures are not sufficiently covered by capital.

Objectives of ICAAP are to integrate risk management for different risk types into a single high-level process, which then enables to continuously monitor and adjust capital levels to changing risk profiles. It is a comprehensive process that within the Bank consists of the following steps:

- Risk appetite statement (RAS), limits and risk strategy
- Risk materiality assessment (RMA)
- Risk-bearing capacity calculation (RCC)
- Stress testing
- Capital allocation and performance management

In addition to the ICAAP's ultimate goal of assuring capital adequacy and sustainability at all times, the whole process serves to support the Bank's management in pursuing its strategy.

Risk appetite

The Bank defines the maximum level of risk it is willing to accept in order to meet its business objectives within the Bank's risk appetite (RAS). The RAS acts as a binding constraint to the Bank's business activities within its overall risk appetite via triggers and limits approved by the management board. It is integrated and embedded into Bank's structural processes; including business and risk strategy, budget process, capital and liquidity planning, recovery plan, stress testing and remuneration framework. The RAS consists of a set of core and supporting risk metrics 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 Bank's 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 the Bank has sufficient resources to support its business at any given point in time and absorb stress events;
- set boundaries for the Bank's risk target setting;
- support the Bank's financial strength and the robustness of its systems and controls.

To foster risk-return steering and ensure proactive management of the risk profile, the Bank 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 the Bank is willing to accept. In order to ensure that the Bank 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 Bank Risk Strategy based on 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 Bank risk strategy. Mitigating actions are undertaken as part of the regular risk management process to ensure that the Bank remains within its RAS.

Risk materiality assessment

The risk materiality assessment serves the purpose of identification of the most important risk types which are to be the major focus and which will be included in the economic capital calculation. It is an annual process based on both, quantitative and qualitative factors, which is conducted for each identified risk type the Bank faces.

The output of the risk materiality assessment is the set of material risks, which have to be quantified and covered by capital. It also includes other risk management practices to control and mitigate the identified risks (material or non-material).

Stress testing

Risk exposure calculation models carry inherent statistical error since they must work at extreme confidence interval and time horizon. 99.9% confidence on one-year horizon means an extreme loss that occurs once in thousand years. At this level the model is impossible to back test, therefore it must be stress tested.

Stress testing is also used to analyse risks which are not covered by capital as well as to identify potential vulnerabilities of covered risks which may not be properly covered by the calculation model used. Further, stress testing should also provide management with steering impulses and should yield to corrective actions, if deemed necessary.

Stress testing focuses on impact of severe, yet plausible scenarios on the Bank’s positions, thus providing further assurance of internal capital adequacy. Should stress testing results show potentially higher losses than calculated risk exposures, the ICAAP profile has to be adjusted either via add-ons to risk exposures or via capital cushion.

Risk-bearing capacity calculation

The risk-bearing capacity calculation (’RCC’) is ultimately the tool to define capital adequacy required by the ICAAP. Within the RCC, risk exposure for each particular material risk is quantified. The figures are aggregated into a capital requirement and compared to the coverage potential and the Bank´s own funds. The integral forecast, risk appetite limit, as well as a traffic light system support management in its discussions and decision processes.

The Board of Directors, Risk management committees and Supervisory board is briefed regularly, at least on a quarterly basis, in relation to the results of the capital adequacy calculation. The report includes movements in risks and available capital and coverage potential, the degree of risk limits’ utilization, potential losses in stress scenarios and the overall status of capital adequacy. It also contains a comprehensive forecast of risk-weighted assets and capital adequacy.

Besides the Pillar 1 risk types (credit, market in trading book, FX in banking book and operational risks) and in the context of Pillar 2, interest rate risks in the banking book, business risk, liquidity risk, residual credit risk and credit risk for sovereign counterparties are explicitly considered within the required economic capital via internal models. The economic capital requirement for unexpected losses is computed on a one-year time horizon with a 99.92 % confidence level. During the year 2024 the utilization of the economic capital was in the range 52 – 56%.

Other risks, namely credit concentration risk and macroeconomic risks in particular are managed by means of a proactive management framework that includes forward-looking scenarios, stress testing, trigger levels and / or are covered by capital buffer. The capital buffer is proposed by Strategic risk management typically during the risk materiality assessment process and is approved by the Board of Directors.

The coverage potential required to cover risks and unexpected losses is based on regulatory own funds combined with profit of the current year, considering subordinated liabilities and regulatory deductibles, as well. The coverage potential must be sufficient to absorb unexpected losses resulting from the Bank's operations.

Capital management

Within capital management, the volume of internal capital (coverage potential) is compared against the calculated risk exposures and should any discrepancies arise, measures must be taken in order to correct the situation. This is carried out quarterly, but the frequency may be increased should the situation require so and is also forward-looking in that it considers forecasted figures.

Capital management is also part of the Bank's business strategy (worked out through budget) which determines risk appetite and capital coverage levels. Comprehensive limit framework is established for each major risk type in order to ensure day-to-day adherence to the approved risk profile and capital levels.

Risk planning and forecasting

The responsibility for risk management includes ensuring sound risk planning and forecasting processes. The forecasts determined by risk management are the result of close co-operation with all stakeholders in the overall planning process. The risk planning and forecasting process includes both, forward- and backward-looking component, focusing on portfolio and economic environment changes.

Capital allocation

An important task integral to the risk planning process is the allocation of capital to business lines. Each particular risk (Pillar I and Pillar II) is allocated to business lines based on their risk consumption. The process is done with close cooperation between Strategic Risk Management and Accounting and Controlling.

25. Own funds and capital requirements

Regulatory requirements

Since 1 January 2014 the 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) and the Capital Requirement Directive (CRD IV, Directive (EU) 2013/36/EU)[3]. Both the CRD IV and CRD V[4] were transposed into national law in the Act on Banks 483/2001.

All requirements as defined in the CRR and technical standards issued by the European Banking Authority (EBA) are fully applied by the Group for regulatory purposes and for the disclosure of regulatory information.

According to information provided internally to key management, The Group fulfilled all regulatory capital requirements during the year 2024 and throughout the year 2023 consisting of Pillar 1 requirement, Pillar 2 requirement and combined buffer requirement.

Accounting principles

The financial and regulatory figures published by the Group are based on IFRS. Eligible capital components are derived from the statement of financial position and income statement which were prepared in accordance with IFRS. Adjustments to the accounting figures are considered due to the different definitions in the scopes of consolidation.

The unified reporting date of the consolidated financial statements and consolidated regulatory figures of the Group is 31 December of each respective year.

[3] Both CRD IV and CRR have been amended since the entry into force in 2014 inter alia with directive (EU) 2019/878 (CRD V) as well as regulations (EU) 2019/876 (CRR 2) and (EU) 2020/873 (CRR Quick Fix).
[4] CRDV has been transposed by an amendment of the ABA (BGBl I 2021/98; BWG-Novelle) which entered into force on 31 May 2021.

Regulatory scope of consolidation

Presentation of the scope of consolidation

The following table shows list of subsidiaries and associates, accounting treatment within the scope of consolidation and classification according to CRR:

Entity Name	The sector of the investee	Structure of the group (relationship	Accounting treatment IFRS	Accounting treatment CRR scope	Classification acc to Article 4 (27) CRR
LANED a.s.	Non-financial corporations	subsidiary	fully consolidated	fully consolidated	Ancillary service undertaking
Prvá stavebná sporiteľňa, a.s.	Credit institutions	associated company	at equity method	at equity method	Credit institutions
Slovak Banking Credit Bureau, s.r.o.	Non-financial corporations	associated company	at equity method	at equity method	Ancillary service undertaking
Holding Card Service, s.r.o.	Non-financial corporations	associated company	at equity method	at equity method	Financial institution
Procurement Services SK, s.r.o.	Non-financial corporations	subsidiary	fully consolidated	not consolidated according to article 19 CRR	Ancillary service undertaking
Monilogi s.r.o.	Non-financial corporations	joint-venture	at equity method	at equity method	Ancillary service undertaking
SLSP Social Finance, s.r.o.	Non-financial corporations	subsidiary	fully consolidated	fully consolidated	Financial institution
Dostupný Domov j.s.a.	Non-financial corporations	associated company of SLSP Social Finance, s.r.o.	at equity method	at equity method	Ancillary service undertaking
Dostupný Nájom j.s.a.	Non-financial corporations	associated company of SLSP Social Finance, s.r.o.	at equity method	at equity method	Ancillary service undertaking
SLSP Seed Starter, s.r.o.	Non-financial corporations	subsidiary	fully consolidated	not consolidated according to article 19 CRR	Ancillary service undertaking

Six entities are part of the regulatory scope of consolidation consolidated at equity method. The same entities are consolidated at equity also in the IFRS scope of consolidation. These entities are Prvá stavebná sporiteľňa, a.s., Slovak Banking Credit Bureau, s.r.o., Holding Card Service, spol. S r.o. Monilogi s.r.o., Dostupný Domov j.s.a. and Dostupný Nájom j.s.a.

Consolidate own funds

Own funds according to CRR consist of 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.

Capital buffer requirements are set out in Act on Banks 483/2001

- capital conservation buffer Article 33b
- Global Systemic Important Institution (G-SII) Article 33a and Article 33d (5)
- Other Systemic Important Institution (O-SII) buffer Article 33a and Article 33d (6)
- systemic risk buffer Article 33a, Article 33e
- countercyclical buffer Article 33a, Article 33c

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 2023 SREP process performed by the European Central Bank (ECB) the Group applies a Pillar 2 requirement (P2R) of 1.5% as at 31 December 2024. The minimum CET1 ratio of 5.34% encompasses the Pillar 1 minimum requirement of 4.5% and the Pillar 2 requirement of 0.84% (56.25% of 1.5%) as at 31 December 2024.

According to SREP, the Group is expected to meet a Pillar 2 Guidance (P2G) of 1.0%. The Pillar 2 Guidance is not MDA (maximum distributable amount) relevant.

	31.12.2023	31.12.2024
Pillar 1		
Minimum CET1 requirement	4.50%	4.50%
Minimum Tier 1 requirement	6.00%	6.00%
Minimum Own Funds requirements	8.00%	8.00%
Combined buffer requirement (CBR)	**5.99%**	**5.98%**
Capital conservation buffer	2.50%	2.50%
Institution-specific countercyclical capital buffer	1.49%	1.48%
Systemic risk buffer (SRB)	0.00%	0.00%
O-SII capital buffer	2.00%	2.00%
Minimum CET 1 requirement (incl. CBR)	10.49%	10.48%
Minimum Tier 1 requirement (incl. CBR)	11.99%	11.98%
Minimum Own Funds requirement (incl. CBR)	13.99%	13.98%
Pillar2		
Minimum CET1 requirement	0.84%	0.84%
Minimum T1 requirement	1.13%	1.13%
Minimum Own Funds requirement	1.50%	1.50%
Total CET1 requirement for Pillar 1 and Pillar 2	**11.33%**	**11.32%**
Total Tier 1 requirement for Pillar 1 and Pillar 2	**13.12%**	**13.11%**
Total Own Funds requirement for Pillar 1 and Pillar 2	**15.49%**	**15.48%**

The following table shows the structure of own funds according to implementing technical standards EBA with regard to disclosure of own funds requirements for institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (the positions not relevant for the Group were excluded):

in EUR ths.	31.12.2023	31.12.2024
Common equity tier 1 capital (CET1)		
Capital instruments eligible as CET1	212,000	212,000
Retained earnings	1,451,234	1,524,494
Accumulated other comprehensive income	(592)	(1,146)
Common equity tier 1 capital (CET1) before regulatory adjustments	**1,662,642**	**1,735,348**
Prudential filter: fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	(194)	19
Value adjustments due to the requirements for prudent valuation	(1,193)	(1,346)
Securitisation positions which can alternatively be subject to a 1.250% risk weight	(13,026)	(13,771)
Other intangible assets	(12,783)	(13,133)
IRB shortfall of credit risk adjustments to expected losses	-	(2,843)
Insufficient coverage for non-performing exposures	(435)	(1,635)
Development of unaudited risk provisions during the year (EU No 183/2014)	(15,194)	(13,049)
Common equity tier 1 capital (CET1)	**1,619,817**	**1,689,590**
Additional tier 1 capital (AT1)		
Capital instruments eligible as AT1	480,000	480,000
Additional tier 1 capital (AT1)	**480,000**	**480,000**
Tier 1 capital - total amount of common equity tier 1 (CET1) and additional tier 1 (AT1)	**2,099,817**	**2,169,590**
Tier 2 capital (T2)		
Capital instruments and subordinated loans eligible as T2	15,177	12,103
IRB excess of provisions over expected losses eligible	54,427	44,809
T2 instruments of financial sector entities where the institution has a significant investment	(5,251)	(5,252)
Tier 2 capital (T2)	**64,353**	**51,660**
Total own funds	**2,164,170**	**2,221,250**
Capital requirement	**864,798**	**896,689**
CET1 capital ratio	**14.98%**	**15.07%**
Tier 1 capital ratio	**19.42%**	**19.36%**
Total capital ratio	**20.02%**	**19.82%**

The Following table shows risk exposure amounts reflecting the structure according to Regulation (EU) No 575/2013:

	31.12.2023		31.12.2024	
EUR ths.	Total risk	Capital requirement	Total risk	Capital requirement
Total Risk Exposure Amount	**10,809,973**	**864,798**	**11,208,614**	**896,689**
Risk weighted assets (credit risk)	10,042,612	803,409	10,395,907	831,673
Standardised approach	894,151	71,532	982,287	78,583
IRB approach	9,071,148	725,692	9,371,013	749,681
Securitisation positions	77,313	6,185	42,607	3,409
Trading book, foreign FX risk and commodity risk	11,110	889	1,105	88
Operational Risk	750,152	60,012	807,537	64,603
Exposure for CVA	6,099	488	4,065	325

The Group uses AMA model for calculation of RWA and capital requirements arising from operational risk. The calculation is performed on ERSTE Group level.

26. Credit risk

In 2024, management attention was dedicated to the evolving Russia-Ukraine conflict, which poses serious threats to the European but also global economy. The Bank is not directly impacted, as it has no operating presence in geopolitical region of Russia or Ukraine and also direct exposure to these two markets is immaterial. Still, a number of ad-hoc risk management activities were undertaken in order to evaluate, actively steer and mitigate indirect impact on the capital position and risk profile. All stress scenarios, including 'no gas from Russia', would have manageable impact on the Group risk profile, keeping all capital ratios above the limits.

Environmental, Social and Governance (ESG) risks remained one of the top priorities also in 2024. Focus in risk was on advancements in implementation of initiatives to achieve compliance with regulatory requirements and expectations such as performance of the ECB Climate Stress Test, improvements in the Carbon Footprint Calculation, development of methodologies for setting decarbonization targets for priority sectors, enhancement of Risk Materiality Assessment and reporting system, and incorporation of climate-related and environmental risks in credit risk processes.
Credit risk arises in the Group's traditional lending and investment businesses. It involves both credit losses incurred as a result of borrowers' default (Stage 3) and credit losses expected if default occurs either within 1 year (Stage 1) or at any time until maturity (Stage 2).

Stage 1 credit losses apply to non-defaulted credit risk exposures without significant increase in credit risk (SICR) since inception, whilst Stage 2 credit losses apply to non-defaulted credit risk exposures for which SICR is observed at the reporting date. It also involves credit losses due to counterparty risk from trading in instruments and derivatives bearing market risk. Country risk and related macro-economic forward-looking information is also considered in the calculation of credit risk.

Operative credit decisions are made by the credit risk management units.

In contrast to large corporates, banks and governments managing credit risk in retail and SME involves dealing with a large number of relatively small exposures extended to private individuals, free professionals, entrepreneurs, or micro and small companies. Credit risk related to retail and SME loan portfolios is managed at bank and group level with a common interest in order 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.
The Bank also considers ESG factors in its risk management and industry strategy framework (e.g. ESG Factor Heatmap as an input in respective industry strategies). The Bank has established an ESG risk framework and toolkit for assessment of material ESG factors, related risks and appropriateness of the mitigating strategies in the credit and rating processes.

ESG risk management

Environmental, Social and Governance (ESG) risks remained one of the top priorities also in 2024.

For large corporate, commercial real estate and commercial residential real estate transactions, the Bank 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. Through this assessment, the Bank is able to determine to which extent a client's ESG strategy is aligned with bank's respective industry strategies. By providing a comprehensive ESG risk assessment, the Bank is able to determine how certain ESG factors may have a positive or negative impact on the financial performance of clients. The questionnaire enables the Bank to identify clients' ESG risks or opportunities.

Questions cover various dimensions, such as current and targeted greenhouse gas emissions, impact of carbon prices on profitability, transition related CAPEX, EU Taxonomy aligned and eligible financial data, waste, water consumption, biodiversity, physical risk impact, workers and human rights, governance topics, and compliance with minimum safeguards, to name a few.

Particular questions in the questionnaire may also require an in-depth assessment in order 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 the Bank to understand the client's business model in the context of carbon transition.

Furthermore, ESG relevant data is collected 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 bribery or legal proceedings) 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.

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. For the LGD models, climate risk is indirectly reflected via the collateral value. Since 2023, the ESG factors are considered in the soft facts assessment in the corporate rating models; an ESG rating override has been introduced in 2024, which is part of rating grade assignment for Corporate clients where rating may be downgraded by half a notch in certain situation after considering client's negative impact on environment. Additionally, the bank is in the process of analyses how the ESG risks can be incorporated into ECL measurement. As of 31 December 2024 no overlays are deemed necessary.

For the assessment and management of physical risks, the Bank uses Munich Re's Location Risk Intelligence. Over the last year, the group has conducted a physical risks materiality assessment together with the University of Graz in order 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 inter-mediate 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 a newly developed physical risk model in 2023. The risk 'river flood' was determined to be the most relevant risk for Bank applying the climate hazard scores provided by Munich Re on Bank´s collaterals. In 2024 the bank implemented evaluation of physical risk of collaterals into its systems, but it has no impact on collateral value so far. During 2025 the bank will implement a possibility of haircutting collateral value based on physical risk of collateral.

Among the industries presented in the table 'Credit risk exposure by industry and risk category' below in this chapter, Bank identified, as part of the strategic climate initiative for the Net Zero Banking Alliance, certain sectors (where Bank is exposed to high greenhouse gas emissions due to either the credit risk exposure or its emission intensity) as important levers for setting interim emission targets for 2030, thereby supporting the migration of 'Transition Risk' in Bank financed portfolio. Targets are set for the following sectors: housing mortgages, commercial real estate, electricity production, heat production, cement production, auto manufacturing, oil and gas, iron, and steel. Decarbonization targets are emission/emission intensity targets set by the bank and consider how much absolute/relative emissions the bank will finance in coming years, mainly 2030, 2040 and 2050 with the aim to reduce financed emissions to zero.

With regards to 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. For the LGD models, climate risk is indirectly reflected via the collateral value. In 2023, ESG factors are considered in the corporate rating landscape by either using an ESG rating override and/or having a rating impact through a soft fact assessment relevant to a company's negative impact on the environment.

Internal rating system

The Bank has business and risk strategies in place that govern policies for lending and credit approval processes. These policies are reviewed and adjusted regularly, at a minimum on an annual basis. They cover the entire lending business, taking into account 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 counterparty default risk is based on the customer's probability of default (PD). For each credit exposure and lending decision, the Bank assigns an internal rating, which is a unique measure of the counterparty default risk. The internal rating of each customer is updated event-specific, however, at least once a year (annual rating review).

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 and the monitoring procedures for existing exposures. At a quantitative level, internal ratings influence the level of required risk pricing, loss allowances and risk-weighted assets under Pillar 1 and 2.

The Bank uses the internal ratings-based (IRB) approach, internal ratings are key input for the risk-weighted assets calculation. They are also used in the assessment of the economic capital requirements according to Pillar 2. 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.

Internal ratings take into account all available significant information for the assessment of counterparty 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 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 improve internal rating models and risk parameters in cooperation with risk managers. Model development follows a group-wide methodological standard and utilises relevant data covering local market. In this way, the Bank ensures the availability of rating models with the best possible prediction and discriminatory ability across its core regions.

All credit risk rating models are validated on the ongoing basis. 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 shared with the regulatory bodies. In addition to the validation process, the Bank applies a regular monitoring process on the performance of rating tools, reflecting developments in new defaults and early delinquencies.

Credit risk classification

For the disclosure of asset quality (e.g. in this document and to the regulatory bodies) the Bank 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 SLSP 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 with clients in this 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 to the Bank. Retail clients with possible payment problems in the past triggering early collection reminders from the Bank´s side. 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. As a rule, such loans are managed in specialised risk management departments.

Non-performing

There are exposure meeting criteria according to default definition set out above. The Bank 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.
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 was used for the assignment to risk categories. For the agency ratings, average one-year default rates resulting from long-term time series were applied.

Credit risk review and monitoring

Retail Credit Risk Management as well as Credit Risk Control in cooperation with Corporate Risk Management conduct periodical reviews of the loan portfolio to ensure an adequate portfolio quality.

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 by Corporate and Retail Credit Risk Management for respective segments. When early warning signals are identified and validated, the overall client exposure and creditworthiness is reviewed and adequate risk mitigating actions are taken if 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 and credit review are based on an automated early warning system. In retail risk management, the early warning signals for adverse portfolio developments include, for instance, quality deterioration in new business or a decreasing collections effectiveness and require appropriate countermeasures. Additionally, the monitoring is performed for clients where early warning signals have been identified, even if they are still fulfilling their contractual repayment obligations.
Adverse portfolio developments regarding the non-performing and substandard loans portfolio of the Bank are monitored, discussed and reported. In case of further negative developments clients are handled in specialized workout units aiming to minimize potential losses.

Credit risk exposure

Credit risk exposure relates to the sum of the following statement of financial position items:

- Cash and cash equivalents – other demand deposits to credit institutions;
- financial assets held for trading – derivatives, debt securities (without equity instruments);
- non-trading financial assets at fair value through profit or loss (FVTPL) (without equity instruments);
- financial assets at fair value through other comprehensive income (FVTOCI) (without equity instruments);
- financial assets at amortised cost (AC);
- finance lease receivables;
- positive fair value of hedge accounting derivatives;
- trade and other receivables;
- off-balance sheet positions (financial guarantees, irrevocable and revocable loan and other commitments given).

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.

Between the 31 December 2023 and 31 December 2024, credit risk exposure increased from EUR 28,199 million to EUR 29,640 million. This is an increase of 5.11% or EUR 1,441 million of which EUR 0,912 million increase was in on-balance and EUR 0,520 million in off-balance (of which Revocable part of off-balance was EUR 0,185 million, without impact on ECL). Revocable part of off-balance sheet represents EUR 2,461 million and irrevocable EUR 2,784 million. In 2023 revocable part of off-balance sheet represented EUR 2,276 million and irrevocable EUR 2,449 million. Revocable off-balance represents exposure that is immediately cancellable without pre-notice at bank's own discretion at any time and does not guarantee a loan for a client. No ECL is calculated for this part of portfolio.

Reconciliation between the gross carrying amount and the carrying amount of the separate components of the credit risk exposure

31.12.2024		Credit loss allowances					
EUR ths.	Gross carrying amount	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Net carrying amount
Cash and cash equivalents - other demand deposits	17,552	-	-	-	-	-	17,552
Financial assets at amortised cost	23,750,552	31,435	112,731	185,886	16,750	-	23,403,750
Loans and advances to banks	10,423	15	-	-	-	-	10,408
Loans and advances to customers	19,266,997	30,591	112,038	185,886	16,750	-	18,921,732
of which: Lending for house purchase	11,158,506	6,234	6,433	54,648	2,855	-	11,088,336
of which: Credit for consumption	1,715,797	8,528	18,903	65,584	54	-	1,622,728
of which: Corporate loans and others	6,392,694	15,829	86,702	65,654	13,841	-	6,210,668
Debt securities	4,473,132	829	693	-	-	-	4,471,610
Finance lease receivables	372,967	1,437	553	2,380	19	-	368,578
Trade and other receivables	166,534	814	817	864	348	-	163,691
Non-trading financial assets at fair value through profit or loss - Debt securities	6,626	-	-	-	-	-	6,626
Financial assets - held for trading	48,101	-	-	-	-	-	48,101
Positive fair value of derivatives - hedge accounting	32,784	-	-	-	-	-	32,784
Total credit risk exposure on-balance	**24,395,116**	**33,686**	**114,101**	**189,130**	**17,117**	**-**	**24,041,082**
Off-balance	5,244,671	2,858	10,037	1,223	270	1,883	5,228,400
Total credit risk exposure	**29,639,787**	**36,544**	**124,138**	**190,353**	**17,387**	**1,883**	**29,269,482**

31.12.2023		Credit loss allowances					
EUR ths.	Gross carrying amount	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Net carrying amount
Cash and cash equivalents - other demand deposits	9,172	-	-	-	-	-	9,172
Financial assets at amortised cost	22,880,932	37,688	107,211	183,735	25,154	-	22,527,144
Loans and advances to banks	10,060	28	-	-	-	-	10,032
Loans and advances to customers	18,748,059	36,819	106,420	183,735	25,154	-	18,395,931
of which: Lending for house purchase	10,783,029	10,691	17,968	68,980	1,989	-	10,683,401
of which: Credit for consumption	1,601,592	9,882	17,344	50,461	66	-	1,523,839
of which: Corporate loans and others	6,363,438	16,246	71,108	64,294	23,099	-	6,188,691
Debt securities	4,122,813	841	791	-	-	-	4,121,181
Finance lease receivables	351,940	590	1,473	2,514	40	-	347,323
Trade and other receivables	139,738	900	726	4,054	444	-	133,614
Non-trading financial assets at fair value through profit or loss - Debt securities	7,516	-	-	-	-	-	7,516
Financial assets - held for trading	60,289	-	-	-	-	-	60,289
Positive fair value of derivatives - hedge accounting	24,424	-	-	-	-	-	24,424
Total credit risk exposure on-balance	**23,474,011**	**39,178**	**109,410**	**190,303**	**25,638**	**-**	**23,109,482**
Off-balance	4,724,673	3,274	5,313	2,259	1,015	1,499	4,711,313
Total credit risk exposure	**28,198,684**	**42,452**	**114,723**	**192,562**	**26,653**	**1,499**	**27,820,795**

The non-defaulted part of POCI amounted to EUR 108.74 million (2023: EUR 107.68 million), the defaulted part to EUR 15.83 million (2023: EUR 13.00 million).

Additionally, the Bank holds cash and cash balances in the National Bank of Slovakia amounted to EUR 1,551 million (2023: EUR 1,587 million) and is exposed to credit risk to the central bank. The credit rating of the National Bank of Slovakia according to the international rating agency Moody's is A3 with stable outlook (since 13 December 2024). Under Article 114 of the CRR exposures to central banks have 0% risk weight therefore the exposure was not included in the table above.

On the next pages the credit risk exposure is presented according to the following criteria:

- counterparty FINREP sector and financial instrument;
- financial instrument and risk category;
- financial instrument and IFRS 9 stage;
- industry and financial instrument;
- industry and risk category;
- industry and IFRS 9 stage;
- region and financial instrument;
- region and risk category;
- region and IFRS 9 stage;
- impairment view;
- neither past due, not impaired;
- Basel 3 exposure class and financial instrument.

Credit risk exposure by counterparty finrep sector and financial instrument

EUR ths.	Central banks	General governments	Credit institutions	Other financial corporations	Non-financial corporations	Households	Total
31.12.2024							
Cash and cash equivalents - other demand deposits	-	-	17,552	-	-	-	17,552
Financial assets at amortised cost	-	4,386,892	350,601	244,661	5,250,741	13,517,657	23,750,552
Loans and advances to banks	-	-	10,423	-	-	-	10,423
Loans and advances to customers	-	381,136	-	234,006	5,134,198	13,517,657	19,266,997
of which: Lending for house purchase	-	-	-	-	-	11,158,506	11,158,506
of which: Credit for consumption	-	-	-	-	-	1,715,797	1,715,797
of which: Corporate loans and others	-	381,136	-	234,006	5,134,198	643,354	6,392,694
Debt securities	-	4,005,756	340,178	10,655	116,543	-	4,473,132
Finance lease receivables	-	1,325	-	162,653	207,457	1,532	372,967
Trade and other receivables	-	8,029	3,954	2,936	151,567	48	166,534
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	6,626	-	-	6,626
Derivatives - held for trading	-	-	10,862	57	37,180	2	48,101
Positive fair value of derivatives - hedge accounting	-	-	32,784	-	-	-	32,784
Total credit risk exposure on-balance	**-**	**4,396,246**	**415,753**	**416,933**	**5,646,945**	**13,519,239**	**24,395,116**
Off-balance	-	206,727	60,647	166,359	4,466,716	344,222	5,244,671
Total credit risk exposure	**-**	**4,602,973**	**476,400**	**583,292**	**10,113,661**	**13,863,461**	**29,639,787**

EUR ths.	Central banks	General governments	Credit institutions	Other financial corporations	Non-financial corporations	Households	Total
31.12.2023							
Cash and cash equivalents - other demand deposits	-	-	9,172	-	-	-	9,172
Financial assets at amortised cost	-	4,066,635	371,874	328,417	5,064,275	13,049,731	22,880,932
Loans and advances to banks	-	-	10,060	-	-	-	10,060
Loans and advances to customers	-	428,623	-	302,580	4,967,125	13,049,731	18,748,059
of which: Lending for house purchase	-	-	-	-	-	10,783,029	10,783,029
of which: Credit for consumption	-	-	-	-	-	1,601,592	1,601,592
of which: Corporate loans and others	-	428,623	-	302,580	4,967,125	665,110	6,363,438
Debt securities	-	3,638,012	361,814	25,837	97,150	-	4,122,813
Finance lease receivables	-	1,300	-	74,023	275,146	1,471	351,940
Trade and other receivables	-	1,070	4,359	2,620	131,656	33	139,738
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	7,516	-	-	7,516
Derivatives - held for trading	-	-	26,173	-	34,115	1	60,289
Positive fair value of derivatives - hedge accounting	-	-	24,424	-	-	-	24,424
Total credit risk exposure on-balance	**-**	**4,069,005**	**436,002**	**412,576**	**5,505,192**	**13,051,236**	**23,474,011**
Off-balance	-	122,717	47,091	374,405	3,800,658	379,802	4,724,673
Total credit risk exposure	**-**	**4,191,722**	**483,093**	**786,981**	**9,305,850**	**13,431,038**	**28,198,684**

Credit risk exposure by financial instrument and risk category

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2024					
Cash and cash equivalents - other demand deposits	17,552	-	-	-	17,552
Financial assets at amortised cost	18,540,266	3,478,577	1,355,504	376,205	23,750,552
Loans and advances to banks	10,423	-	-	-	10,423
Loans and advances to customers	14,067,366	3,467,922	1,355,504	376,205	19,266,997
of which: Lending for house purchase	8,869,370	1,554,481	585,948	148,707	11,158,506
of which: Credit for consumption	851,484	527,375	247,478	89,460	1,715,797
of which: Corporate loans and others	4,346,512	1,386,066	522,078	138,038	6,392,694
Debt securities	4,462,477	10,655	-	-	4,473,132
Finance lease receivables	162,038	189,231	17,363	4,335	372,967
Trade and other receivables	61,294	81,178	22,515	1,547	166,534
Non-trading financial assets at fair value through profit or loss - Debt securities	6,626	-	-	-	6,626
Derivatives - held for trading	47,748	341	12	-	48,101
Positive fair value of derivatives - hedge accounting	32,784	-	-	-	32,784
Total credit risk exposure on-balance	**18,868,308**	**3,749,327**	**1,395,394**	**382,087**	**24,395,116**
Off-balance	3,689,697	1,168,939	349,813	36,222	5,244,671
Total credit risk exposure	**22,558,005**	**4,918,266**	**1,745,207**	**418,309**	**29,639,787**

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2023					
Cash and cash equivalents - other demand deposits	9,172	-	-	-	9,172
Financial assets at amortised cost	18,226,238	3,135,144	1,171,447	348,103	22,880,932
Loans and advances to banks	10,058	-	2	-	10,060
Loans and advances to customers	14,104,022	3,125,013	1,170,921	348,103	18,748,059
of which: Lending for house purchase	8,723,594	1,425,686	486,350	147,399	10,783,029
of which: Credit for consumption	817,557	495,483	222,930	65,622	1,601,592
of which: Corporate loans and others	4,562,871	1,203,844	461,641	135,082	6,363,438
Debt securities	4,112,158	10,131	524	-	4,122,813
Finance lease receivables	254,621	83,679	9,741	3,899	351,940
Trade and other receivables	66,821	48,852	19,087	4,977	139,738
Non-trading financial assets at fair value through profit or loss - Debt securities	7,516	-	-	-	7,516
Derivatives - held for trading	59,895	326	68	-	60,289
Positive fair value of derivatives - hedge accounting	24,424	-	-	-	24,424
Total credit risk exposure on-balance	**18,648,688**	**3,268,001**	**1,200,343**	**356,979**	**23,474,011**
Off-balance	3,864,107	646,253	195,840	18,473	4,724,673
Total credit risk exposure	**22,512,795**	**3,914,254**	**1,396,183**	**375,452**	**28,198,684**

Credit risk exposure by financial instrument and IFRS 9 stage

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2024						
Cash and cash equivalents - other demand deposits	17,552	-	-	-	-	17,552
Financial assets at amortised cost	21,221,866	2,045,479	361,614	121,593	-	23,750,552
Loans and advances to banks	10,423	-	-	-	-	10,423
Loans and advances to customers	16,766,872	2,016,918	361,614	121,593	-	19,266,997
of which: Lending for house purchase	10,797,396	210,247	144,853	6,010	-	11,158,506
of which: Credit for consumption	1,401,836	224,416	89,381	164	-	1,715,797
of which: Corporate loans and others	4,567,640	1,582,255	127,380	115,419	-	6,392,694
Debt securities	4,444,571	28,561	-	-	-	4,473,132
Finance lease receivables	356,030	12,074	4,224	639	-	372,967
Trade and other receivables	162,080	2,907	1,181	366	-	166,534
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	6,626	6,626
Derivatives - held for trading	-	-	-	-	48,101	48,101
Positive fair value of derivatives - hedge accounting	-	-	-	-	32,784	32,784
Total credit risk exposure on-balance	**21,757,528**	**2,060,460**	**367,019**	**122,598**	**87,511**	**24,395,116**
Off-balance	1,662,223	234,815	7,346	1,970	3,338,317	5,244,671
Total credit risk exposure	**23,419,751**	**2,295,275**	**374,365**	**124,568**	**3,425,828**	**29,639,787**

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2023						
Cash and cash equivalents - other demand deposits	9,172	-	-	-	-	9,172
Financial assets at amortised cost	20,591,369	1,839,192	336,119	114,252	-	22,880,932
Loans and advances to banks	10,058	2	-	-	-	10,060
Loans and advances to customers	16,487,580	1,810,108	336,119	114,252	-	18,748,059
of which: Lending for house purchase	10,377,589	256,714	144,136	4,590	-	10,783,029
of which: Credit for consumption	1,366,415	169,450	65,535	192	-	1,601,592
of which: Corporate loans and others	4,743,576	1,383,944	126,448	109,470	-	6,363,438
Debt securities	4,093,731	29,082	-	-	-	4,122,813
Finance lease receivables	313,025	35,016	3,738	161	-	351,940
Trade and other receivables	132,788	1,973	4,397	580	-	139,738
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	7,516	7,516
Derivatives - held for trading	-	-	-	-	60,289	60,289
Positive fair value of derivatives - hedge accounting	-	-	-	-	24,424	24,424
Total credit risk exposure on-balance	**21,046,354**	**1,876,181**	**344,254**	**114,993**	**92,229**	**23,474,011**
Off-balance	1,518,759	117,279	5,905	5,686	3,077,044	4,724,673
Total credit risk exposure	**22,565,113**	**1,993,460**	**350,159**	**120,679**	**3,169,273**	**28,198,684**

Credit risk exposure by industry and financial instrument

31.12.2024		Financial assets at amortised cost										
			Loans and advances to customers									
EUR ths.	Cash and cash equivalents - other demand deposits	Loans and advances to banks	of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others	Debt securities	Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
I. Natural Resources & Commodities	-	-	-	153	645,194	-	31,872	39,332	-	1	484,925	1,201,477
II. Energy	-	-	-	-	567,071	29,281	10,839	8,061	-	30,649	901,726	1,547,627
III. Construction and building materials	-	-	-	305	461,334	-	31,640	22,303	-	-	1,179,636	1,695,218
IV. Automotive	-	-	-	14	215,352	-	2,623	23,654	-	-	326,873	568,516
V. Cyclical Consumer Products	-	-	-	160	320,774	-	11,716	11,809	-	162	207,975	552,596
VI. Non-Cyclical Consumer Products	-	-	-	184	394,245	9,356	10,954	16,864	-	-	183,874	615,477
VII. Machinery	-	-	-	-	230,067	-	9,875	15,531	-	-	270,228	525,701
VIII. Transportation	-	-	-	65	497,122	77,906	236,289	14,112	-	794	437,774	1,264,062
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	-	-	-	40	124,173	-	2,493	2,034	-	5	111,346	240,091
X. Healthcare & Services	-	-	-	234	305,932	-	17,136	5,240	-	396	217,579	546,517
XI. Hotels, Gaming & Leisure Industry	-	-	-	52	223,326	-	3,126	192	-	259	45,595	272,550
XII. Real Estate	-	-	-	-	1,453,175	10,131	3,445	273	-	4,914	297,711	1,769,649
XIII. Public Sector	-	-	-	-	375,260	4,005,756	660	7	-	-	59,240	4,440,923
XIV. Financial Institutions	17,552	10,423	-	-	30,035	340,702	132	7,121	6,626	43,646	210,700	666,937
XV. Private Households	-	-	11,158,506	1,714,590	549,266	-	167	1	-	2	309,489	13,732,021
XVI. Other	-	-	-	-	368	-	-	-	-	57	-	425
Total	**17,552**	**10,423**	**11,158,506**	**1,715,797**	**6,392,694**	**4,473,132**	**372,967**	**166,534**	**6,626**	**80,885**	**5,244,671**	**29,639,787**

31.12.2023 EUR ths.	Cash and cash equivalents - other demand deposits	Financial assets at amortised cost						Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
		Loans and advances to banks	Loans and advances to customers				Debt securities						
			of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others								
I. Natural Resources & Commodities	-	-	-	-	624,485		-	30,453	37,281	-	57	469,591	1,161,867
II. Energy	-	-	-	-	617,595		29,269	9,837	2,946	-	29,741	711,765	1,401,153
III. Construction and building materials	-	-	-	-	419,270		-	21,836	11,958	-	-	1,059,357	1,512,421
IV. Automotive	-	-	-	-	232,647		-	4,129	11,719	-	-	323,539	572,034
V. Cyclical Consumer Products	-	-	-	-	323,290		-	12,290	9,756	-	66	160,615	506,017
VI. Non-Cyclical Consumer Products	-	-	-	-	409,325		9,355	10,038	17,015	-	97	206,711	652,541
VII. Machinery	-	-	-	-	213,077		-	10,799	20,578	-	-	256,244	500,698
VIII. Transportation	-	-	-	-	526,672		73,709	230,469	7,598	-	753	366,365	1,205,566
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	-	-	-	-	121,955		-	2,183	3,435	-	-	89,483	217,056
X. Healthcare & Services	-	-	-	-	239,572		-	13,905	9,477	-	-	101,485	364,439
XI. Hotels, Gaming & Leisure Industry	-	-	-	-	184,930		-	1,756	342	-	254	34,315	221,597
XII. Real Estate	-	-	-	-	1,360,038		10,131	3,168	351	-	2,874	264,454	1,641,016
XIII. Public Sector	-	-	-	-	405,825		3,638,012	815	303	-	-	60,577	4,105,532
XIV. Financial Institutions	9,172	10,060	-	-	127,679		362,337	122	6,979	7,516	50,870	275,251	849,986
XV. Private Households	-	-	10,783,029	1,601,592	557,011		-	140	-	-	1	344,898	13,286,671
XVI. Other	-	-	-	-	67		-	-	-	-	-	23	90
Total	**9,172**	**10,060**	**10,783,029**	**1,601,592**	**6,363,438**		**4,122,813**	**351,940**	**139,738**	**7,516**	**84,713**	**4,724,673**	**28,198,684**

Credit risk exposure by industry and risk category

EUR ths.	Low Risk	Management attention	Substandard	Non-performing loans	Total
31.12.2024					
I. Natural Resources & Commodities	488,228	576,591	101,639	35,019	1,201,477
II. Energy	1,398,327	120,004	25,857	3,439	1,547,627
III. Construction and building materials	874,936	490,743	287,339	42,200	1,695,218
IV. Automotive	406,770	138,670	14,144	8,932	568,516
V. Cyclical Consumer Products	246,375	167,025	105,733	33,463	552,596
VI. Non-Cyclical Consumer Products	368,091	170,103	68,585	8,698	615,477
VII. Machinery	237,849	225,171	51,939	10,742	525,701
VIII. Transportation	953,602	268,018	34,243	8,199	1,264,062
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	135,404	92,225	8,398	4,064	240,091
X. Healthcare & Services	302,680	163,983	76,348	3,506	546,517
XI. Hotels, Gaming & Leisure Industry	162,562	68,499	38,046	3,443	272,550
XII. Real Estate	1,536,608	180,342	41,055	11,644	1,769,649
XIII. Public Sector	4,350,796	72,497	17,630	-	4,440,923
XIV. Financial Institutions	635,468	26,412	4,973	84	666,937
XV. Private Households	10,459,884	2,157,983	869,278	244,876	13,732,021
XVI. Other	425	-	-	-	425
Total	**22,558,005**	**4,918,266**	**1,745,207**	**418,309**	**29,639,787**

EUR ths.	Low Risk	Management attention	Substandard	Non-performing loans	Total
31.12.2023					
I. Natural Resources & Commodities	773,005	275,542	94,812	18,508	1,161,867
II. Energy	1,260,523	118,602	17,828	4,200	1,401,153
III. Construction and building materials	1,049,020	288,231	143,513	31,657	1,512,421
IV. Automotive	448,896	89,667	15,712	17,759	572,034
V. Cyclical Consumer Products	237,431	132,686	101,248	34,652	506,017
VI. Non-Cyclical Consumer Products	444,017	141,711	58,435	8,378	652,541
VII. Machinery	298,417	146,167	45,919	10,195	500,698
VIII. Transportation	1,012,099	164,486	20,307	8,674	1,205,566
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	124,938	76,406	13,488	2,224	217,056
X. Healthcare & Services	229,909	91,739	40,096	2,695	364,439
XI. Hotels, Gaming & Leisure Industry	118,413	65,407	35,633	2,144	221,597
XII. Real Estate	1,355,597	235,694	37,428	12,297	1,641,016
XIII. Public Sector	3,989,164	93,801	22,564	3	4,105,532
XIV. Financial Institutions	837,013	2,019	7,760	3,194	849,986
XV. Private Households	10,334,312	1,992,047	741,440	218,872	13,286,671
XVI. Other	41	49	-	-	90
Total	**22,512,795**	**3,914,254**	**1,396,183**	**375,452**	**28,198,684**

Credit risk exposure by industry and IFRS9 stage

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2024						
I. Natural Resources & Commodities	642,410	198,913	28,644	6,113	325,397	1,201,477
II. Energy	934,847	73,318	1,439	2,545	535,478	1,547,627
III. Construction and building materials	467,441	183,280	26,936	2,090	1,015,471	1,695,218
IV. Automotive	270,725	33,539	7,854	6	256,392	568,516
V. Cyclical Consumer Products	241,686	156,351	27,495	4,209	122,855	552,596
VI. Non-Cyclical Consumer Products	413,941	102,807	8,330	470	89,929	615,477
VII. Machinery	270,643	43,003	4,558	2,735	204,762	525,701
VIII. Transportation	907,324	82,649	7,797	321	265,971	1,264,062
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	135,768	18,518	3,918	83	81,804	240,091
X. Healthcare & Services	333,095	86,816	3,402	642	122,562	546,517
XI. Hotels, Gaming & Leisure Industry	167,087	72,049	3,194	10,467	19,753	272,550
XII. Real Estate	806,798	755,966	10,743	87,009	109,133	1,769,649
XIII. Public Sector	4,420,147	1,068	-	26	19,682	4,440,923
XIV. Financial Institutions	385,923	24,325	84	25	256,580	666,937
XV. Private Households	13,021,548	462,673	239,971	7,827	2	13,732,021
XVI. Other	368	-	-	-	57	425
Total	**23,419,751**	**2,295,275**	**374,365**	**124,568**	**3,425,828**	**29,639,787**

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2023						
I. Natural Resources & Commodities	723,798	116,594	17,035	1,609	302,831	1,161,867
II. Energy	637,057	189,312	4,200	-	570,584	1,401,153
III. Construction and building materials	432,902	141,910	25,339	1,660	910,610	1,512,421
IV. Automotive	256,118	11,542	15,099	85	289,190	572,034
V. Cyclical Consumer Products	272,032	115,706	30,739	3,695	83,845	506,017
VI. Non-Cyclical Consumer Products	446,823	66,003	8,098	356	131,261	652,541
VII. Machinery	261,797	41,497	5,622	7,622	184,160	500,698
VIII. Transportation	919,201	52,481	8,259	401	225,224	1,205,566
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	128,772	24,837	2,076	65	61,306	217,056
X. Healthcare & Services	263,046	44,186	2,535	441	54,231	364,439
XI. Hotels, Gaming & Leisure Industry	89,459	96,826	2,096	11,235	21,981	221,597
XII. Real Estate	814,898	637,955	11,140	87,401	89,622	1,641,016
XIII. Public Sector	4,082,662	1,051	3	-	21,816	4,105,532
XIV. Financial Institutions	619,382	4,775	3,193	25	222,611	849,986
XV. Private Households	12,617,076	448,785	214,725	6,084	1	13,286,671
XVI. Other	90	-	-	-	-	90
Total	**22,565,113**	**1,993,460**	**350,159**	**120,679**	**3,169,273**	**28,198,684**

Credit risk exposure by region and financial instrument

31.12.2024		Financial assets at amortised cost										
			Loans and advances to customers									
EUR ths.	Cash and cash equivalents - other demand deposits	Loans and advances to banks	of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others	Debt securities	Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
Slovakia	-	10,026	11,063,357	1,681,170	6,150,888	3,656,020	372,967	111,373	-	36,304	4,921,140	28,003,245
Central and Eastern Europe	16,337	397	24,280	17,731	189,164	154,533	-	23,043	-	43,392	297,323	766,200
Austria	15,925	-	4,522	853	23	-	-	5,273	-	42,458	16,085	85,139
Czech Republic	98	397	8,582	855	187,928	113,262	-	11,007	-	934	225,445	548,508
Hungary	310	-	34	371	910	-	-	5,689	-	-	55,429	62,743
Croatia	-	-	121	24	2	41,271	-	53	-	-	7	41,478
Romania	4	-	652	382	14	-	-	1,021	-	-	31	2,104
Serbia	-	-	10,369	15,246	287	-	-	-	-	-	326	26,228
Other EU	1,084	-	2,907	303	45,898	657,499	-	26,907	3,967	1,189	14,374	754,128
Other industrialised countries	131	-	3,453	279	6,503	5,080	-	1,464	2,659	-	8,904	28,473
Emerging markets	-	-	64,509	16,314	241	-	-	3,747	-	-	2,930	87,741
Total	**17,552**	**10,423**	**11,158,506**	**1,715,797**	**6,392,694**	**4,473,132**	**372,967**	**166,534**	**6,626**	**80,885**	**5,244,671**	**29,639,787**

31.12.2023		Financial assets at amortised cost										
			Loans and advances to customers									
EUR ths.	Cash and cash equivalents - other demand deposits	Loans and advances to banks	of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others	Debt securities	Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
Slovakia	-	10,033	10,709,377	1,580,197	6,186,299	3,657,868	351,940	85,421	-	33,799	4,337,104	26,952,038
Central and Eastern Europe	8,438	27	21,482	11,546	134,253	78,088	-	22,586	-	49,518	285,046	610,984
Austria	7,709	14	3,656	619	19	-	-	6,190	-	49,196	25,791	93,194
Czech Republic	578	10	5,783	595	133,982	78,088	-	10,806	-	316	230,440	460,598
Hungary	147	3	68	211	29	-	-	4,080	-	6	26,276	30,820
Croatia	-	-	-	42	2	-	-	66	-	-	784	894
Romania	4	-	678	321	21	-	-	1,048	-	-	1,303	3,375
Serbia	-	-	11,297	9,758	200	-	-	396	-	-	452	22,103
Other EU	623	-	2,285	300	42,704	381,778	-	28,346	3,306	1,396	77,912	538,650
Other industrialised countries	111	-	3,007	274	5	5,079	-	1,749	4,210	-	22,084	36,519
Emerging markets	-	-	46,878	9,275	177	-	-	1,636	-	-	2,527	60,493
Total	**9,172**	**10,060**	**10,783,029**	**1,601,592**	**6,363,438**	**4,122,813**	**351,940**	**139,738**	**7,516**	**84,713**	**4,724,673**	**28,198,684**

Credit risk exposure by region and risk category

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2024					
Slovakia	21,096,779	4,804,062	1,688,286	414,118	28,003,245
Central and Eastern Europe	674,166	66,072	23,487	2,475	766,200
Austria	82,981	1,277	864	17	85,139
Czech Republic	482,398	49,960	15,509	641	548,508
Hungary	56,993	5,464	215	71	62,743
Croatia	41,303	54	121	-	41,478
Romania	617	734	683	70	2,104
Serbia	9,874	8,583	6,095	1,676	26,228
Other EU	719,272	18,947	15,241	668	754,128
Other industrialised countries	25,870	1,319	1,185	99	28,473
Emerging markets	41,918	27,866	17,008	949	87,741
Total	**22,558,005**	**4,918,266**	**1,745,207**	**418,309**	**29,639,787**

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2023					
Slovakia	21,493,952	3,791,480	1,296,769	369,837	26,952,038
Central and Eastern Europe	509,572	60,652	36,318	4,442	610,984
Austria	89,197	1,634	2,362	1	93,194
Czech Republic	393,077	44,799	18,948	3,774	460,598
Hungary	15,748	5,710	9,311	51	30,820
Croatia	9	290	594	1	894
Romania	2,024	1,267	17	67	3,375
Serbia	9,517	6,952	5,086	548	22,103
Other EU	451,494	42,942	43,484	730	538,650
Other industrialised countries	27,152	3,647	5,600	120	36,519
Emerging markets	30,625	15,533	14,012	323	60,493
Total	**22,512,795**	**3,914,254**	**1,396,183**	**375,452**	**28,198,684**

Credit risk exposure by region and IFRS 9 stage

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2024						
Slovakia	22,049,116	2,282,917	370,211	124,528	3,176,473	28,003,245
Central and Eastern Europe	538,080	8,240	2,456	21	217,403	766,200
Austria	26,413	234	11	8	58,473	85,139
Czech Republic	418,535	4,928	636	4	124,405	548,508
Hungary	27,628	518	70	2	34,525	62,743
Croatia	41,478	-	-	-	-	41,478
Romania	1,997	38	68	1	-	2,104
Serbia	22,029	2,522	1,671	6	-	26,228
Other EU	733,514	444	656	12	19,502	754,128
Other industrialised countries	16,934	90	99	-	11,350	28,473
Emerging markets	82,107	3,584	943	7	1,100	87,741
Total	**23,419,751**	**2,295,275**	**374,365**	**124,568**	**3,425,828**	**29,639,787**

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2023						
Slovakia	21,716,565	1,987,231	345,171	120,518	2,782,553	26,952,038
Central and Eastern Europe	326,346	3,245	3,941	159	277,293	610,984
Austria	17,942	330	1	1	74,920	93,194
Czech Republic	281,489	953	3,286	145	174,725	460,598
Hungary	5,297	96	46	5	25,376	30,820
Croatia	86	30	1	-	777	894
Romania	2,031	12	65	2	1,265	3,375
Serbia	19,501	1,824	542	6	230	22,103
Other EU	455,148	484	605	-	82,413	538,650
Other industrialised countries	10,596	101	120	-	25,702	36,519
Emerging markets	56,458	2,399	322	2	1,312	60,493
Total	**22,565,113**	**1,993,460**	**350,159**	**120,679**	**3,169,273**	**28,198,684**

Credit risk exposure according to impairment view

31.12.2024	Non-impaired credit risk exposure								
EUR ths.	Total past due nor Impaired	Thereof 1-30 days past due	Thereof 31-60 days past due	Thereof 61-90 days past due	Thereof 91-180 days past due	Thereof more than 180 days past due	Neither past due nor Impaired	Impaired credit risk exposure	Total Credit risk exposure
Cash and cash equivalents - other demand deposits	-	-	-	-	-	-	17,552	-	17,552
Financial assets at amortised cost	502,110	457,455	21,347	15,577	6,467	1,264	22,872,237	376,205	23,750,552
Loans and advances to banks	-	-	-	-	-	-	10,423	-	10,423
Loans and advances to customers	502,110	457,455	21,347	15,577	6,467	1,264	18,388,682	376,205	19,266,997
of which: Lending for house purchase	169,320	144,652	11,911	6,592	5,209	956	10,840,479	148,707	11,158,506
of which: Credit for consumption	84,174	74,745	5,255	3,183	769	222	1,542,163	89,460	1,715,797
of which: Corporate loans and others	248,616	238,058	4,181	5,802	489	86	6,006,040	138,038	6,392,694
Debt securities	-	-	-	-	-	-	4,473,132	-	4,473,132
Finance lease receivables	4,626	4,182	368	14	26	36	364,006	4,335	372,967
Trade and other receivables	15,992	13,609	883	410	-	1,090	148,995	1,547	166,534
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	-	-	6,626	-	6,626
Financial assets - held for trading	-	-	-	-	-	-	48,101	-	48,101
Positive fair value of derivatives	-	-	-	-	-	-	32,784	-	32,784
Total credit risk exposure on-balance	**522,728**	**475,246**	**22,598**	**16,001**	**6,493**	**2,390**	**23,490,301**	**382,087**	**24,395,116**
Off-balance	-	-	-	-	-	-	5,236,567	8,104	5,244,671
Total credit risk exposure	**522,728**	**475,246**	**22,598**	**16,001**	**6,493**	**2,390**	**28,726,868**	**390,191**	**29,639,787**

31.12.2023	Non-impaired credit risk exposure								
EUR ths.	Total past due nor Impaired	Thereof 1-30 days past due	Thereof 31-60 days past due	Thereof 61-90 days past due	Thereof 91-180 days past due	Thereof more than 180 days past due	Neither past due nor Impaired	Impaired credit risk exposure	Total Credit risk exposure
Cash and cash equivalents - other demand deposits	-	-	-	-	-	-	9,172	-	9,172
Financial assets at amortised cost	410,724	378,523	18,531	8,244	3,932	1,494	22,122,105	348,103	22,880,932
Loans and advances to banks	29	29	-	-	-	-	10,031	-	10,060
Loans and advances to customers	410,695	378,494	18,531	8,244	3,932	1,494	17,989,261	348,103	18,748,059
of which: Lending for house purchase	136,312	118,008	9,877	4,252	3,022	1,153	10,499,318	147,399	10,783,029
of which: Credit for consumption	63,204	54,434	4,931	2,893	745	201	1,472,766	65,622	1,601,592
of which: Corporate loans and others	211,179	206,052	3,723	1,099	165	140	6,017,177	135,082	6,363,438
Debt securities	-	-	-	-	-	-	4,122,813	-	4,122,813
Finance lease receivables	5,797	5,530	192	75	-	-	342,244	3,899	351,940
Trade and other receivables	14,378	12,536	575	276	258	733	120,383	4,977	139,738
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	-	-	7,516	-	7,516
Financial assets - held for trading	-	-	-	-	-	-	60,289	-	60,289
Positive fair value of derivatives	-	-	-	-	-	-	24,424	-	24,424
Total credit risk exposure on-balance	**430,899**	**396,589**	**19,298**	**8,595**	**4,190**	**2,227**	**22,686,133**	**356,979**	**23,474,011**
Off-balance	-	-	-	-	-	-	4,718,496	6,177	4,724,673
Total credit risk exposure	**430,899**	**396,589**	**19,298**	**8,595**	**4,190**	**2,227**	**27,404,629**	**363,156**	**28,198,684**

Credit quality for exposures, which are neither past due non impaired

EUR ths.	Low Risk	Management attention	Substandard	Non-performing	Total
31.12.2024					
Cash and cash equivalents - other demand deposits	17,552	-	-	-	17,552
Financial assets at amortised cost	18,427,608	3,386,537	1,058,092	-	22,872,237
Loans and advances to banks	10,423	-	-	-	10,423
Loans and advances to customers	13,954,708	3,375,882	1,058,092	-	18,388,682
of which: Lending for house purchase	8,860,759	1,534,793	444,927	-	10,840,479
of which: Credit for consumption	850,693	518,903	172,567	-	1,542,163
of which: Corporate loans and others	4,243,256	1,322,186	440,598	-	6,006,040
Debt securities	4,462,477	10,655	-	-	4,473,132
Finance lease receivables	161,553	188,025	14,428	-	364,006
Trade and other receivables	58,464	71,231	19,300	-	148,995
Non-trading financial assets at fair value through profit or loss - Debt securities	6,626	-	-	-	6,626
Derivatives - held for trading	47,748	341	12	-	48,101
Positive fair value of derivatives - hedge accounting	32,784	-	-	-	32,784
Total credit risk exposure on-balance	**18,752,335**	**3,646,134**	**1,091,832**	**-**	**23,490,301**
Off-balance	3,689,697	1,168,939	349,813	28,118	5,236,567
Total credit risk exposure	**22,442,032**	**4,815,073**	**1,441,645**	**28,118**	**28,726,868**

EUR ths.	Low Risk	Management attention	Substandard	Non-performing	Total
31.12.2023					
Cash and cash equivalents - other demand deposits	9,172	-	-	-	9,172
Financial assets at amortised cost	18,162,552	3,028,354	931,199	-	22,122,105
Loans and advances to banks	10,031	-	-	-	10,031
Loans and advances to customers	14,040,363	3,018,223	930,675	-	17,989,261
of which: Lending for house purchase	8,717,020	1,408,311	373,987	-	10,499,318
of which: Credit for consumption	816,818	488,252	167,696	-	1,472,766
of which: Corporate loans and others	4,506,525	1,121,660	388,992	-	6,017,177
Debt securities	4,112,158	10,131	524	-	4,122,813
Finance lease receivables	253,740	80,734	7,770	-	342,244
Trade and other receivables	62,250	41,877	16,256	-	120,383
Non-trading financial assets at fair value through profit or loss - Debt securities	7,516	-	-	-	7,516
Derivatives - held for trading	59,895	326	68	-	60,289
Positive fair value of derivatives - hedge accounting	24,424	-	-	-	24,424
Total credit risk exposure on-balance	**18,579,549**	**3,151,291**	**955,293**	**-**	**22,686,133**
Off-balance	3,864,107	646,253	195,840	12,296	4,718,496
Total credit risk exposure	**22,443,656**	**3,797,544**	**1,151,133**	**12,296**	**27,404,629**

Credit risk exposure by Basel 3 exposure class and financial instrument

EUR ths.	Sovereigns	Institutions	Corporates	Retail	Total
31.12.2024					
Cash and cash equivalents - other demand deposits	-	17,552	-	-	17,552
Financial assets at amortised cost	4,020,829	716,664	5,171,607	13,841,452	23,750,552
Loans and advances to banks	-	10,423	-	-	10,423
Loans and advances to customers	15,073	366,063	5,044,409	13,841,452	19,266,997
of which: Lending for house purchase	-	-	-	11,158,506	11,158,506
of which: Credit for consumption	-	-	51	1,715,746	1,715,797
of which: Corporate loans and others	15,073	366,063	5,044,358	967,200	6,392,694
Debt securities	4,005,756	340,178	127,198	-	4,473,132
Finance lease receivables	192	1,133	359,624	12,018	372,967
Trade and other receivables	9,156	3,961	153,113	304	166,534
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	6,626	-	6,626
Derivatives - held for trading	-	10,862	37,237	2	48,101
Positive fair value of derivatives - hedge accounting	-	32,784	-	-	32,784
Total credit risk exposure on-balance	**4,030,177**	**782,956**	**5,728,207**	**13,853,776**	**24,395,116**
Off-balance	147,500	119,874	4,472,742	504,555	5,244,671
Total credit risk exposure	**4,177,677**	**902,830**	**10,200,949**	**14,358,331**	**29,639,787**

EUR ths.	Sovereigns	Institutions	Corporates	Retail	Total
31.12.2023					
Cash and cash equivalents - other demand deposits	-	9,172	-	-	9,172
Financial assets at amortised cost	3,675,443	763,066	5,072,429	13,369,994	22,880,932
Loans and advances to banks	-	10,060	-	-	10,060
Loans and advances to customers	37,432	391,192	4,949,441	13,369,994	18,748,059
of which: Lending for house purchase	1	-	-	10,783,028	10,783,029
of which: Credit for consumption	-	-	-	1,601,592	1,601,592
of which: Corporate loans and others	37,431	391,192	4,949,441	985,374	6,363,438
Debt securities	3,638,011	361,814	122,988	-	4,122,813
Finance lease receivables	-	1,299	338,852	11,789	351,940
Trade and other receivables	460	4,969	133,941	368	139,738
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	7,516	-	7,516
Derivatives - held for trading	-	26,174	34,114	1	60,289
Positive fair value of derivatives - hedge accounting	-	24,424	-	-	24,424
Total credit risk exposure on-balance	**3,675,903**	**829,104**	**5,586,852**	**13,382,152**	**23,474,011**
Off-balance	61,823	107,985	4,080,281	474,584	4,724,673
Total credit risk exposure	**3,737,726**	**937,089**	**9,667,133**	**13,856,736**	**28,198,684**

Expected credit loss measurement

The general principles and standards for credit loss allowances are governed by internal policies in the Bank. 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. For details related to stages of impaired financial instruments, please see Chapter Financial instruments – Material accounting policy information, subchapter 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).

Quantitative criteria

Quantitative SICR indicators include adverse changes in annualised lifetime probability of default and in lifetime probability of default with significance being assessed by reference to a comparison of the current probability of failure and mix of relative and absolute change 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. In order for the SICR to occur for a particular financial instrument, both the relative and absolute thresholds need to be breached.

The relative measure is calculated as a ratio between current annualised PD and annualised PD value on initial recognition. 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 as necessary, and are subject to initial and on-going validation.

Relative thresholds for SICR assessment

	Threshold interval (x times)	
	Min	Max
31.12.2024	1.13	4.08
31.12.2023	1.13	4.08

There are certain portfolios where SICR quantitative criteria are assessed based on the ratings rather than PDs. The main rule in those cases is that downgrading of the ratings beyond certain threshold would lead to SICR. Hence initial rating plays important role in SICR assessment here. For initial ratings closer to the threshold, it is easier to breach it and therefore qualify as SICR. These rules are applied primarily to leasing and factoring business receivables.

The absolute threshold refers to difference of LT PD on initial recognition and current LT PD. It is set to a maximum of 50 bps and serves as a back-stop 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 positively concluded.

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 (if it is not sufficiently considered in the rating) 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 bank 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.

Bank has introduced additional portfolio level SICR assessment criteria due to the war in Ukraine (implemented in 2022) and related economic impacts. For more details refer to “Collective assessment” in the next chapter.

Considering the war in Ukraine, Bank started with a portfolio screening to identify customers affected by the secondary effects of the geopolitical risk. The Bank has only very limited exposure towards the affected region with only several clients with exposure.

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.

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 Bank'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 (EUR 0.3 mil. for Retail, no limit for Corporate clients). 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 on the basis of shared risk characteristics. The banking 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 bank is using rating method and product information to segment customers and assets into homogenous clusters to calculate collective credit loss allowances.
The calculation of credit loss allowances is done on a daily basis on a single exposure level and in the contractual currency of the exposure. To compute the collective credit loss allowance, the Bank 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 Bank 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 Bank'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 from initial recognition through the life-time of the loans. It is assumed to be the same across all assets in the same portfolio and rating band.

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 was estimated as a lifetime curve for any point in time, based on historical loss observations. Lifetime curves were used in previous IRB LGD model and IFRS 9 version of this model was used until September 2024 when Bank implemented new LGD model for IFRS 9 provisioning for Retail segment. This model is methodologically harmonized with IRB LGD model (adapted for IFRS9 usage) and uses LGD grade matrices instead of lifetime curves. LGD grades are based on empirically observed risk drivers with impact on LGD and with this concept the new model is more precise in predicting LGD. LGD model is under continuous development and the bank is expecting to update the model in the future. By implementing the new LGD model the bank released provisions as can be seen in section Movement in credit loss allowances.

The risk parameters used in the ECL calculation take into account available information at the reporting date about past events, current conditions and forecasts on future economic trends. Generally, the risk parameters applied in the calculation of collective allowances differ from the risk parameters compliant with capital requirement regulations, calculated on a through-the-cycle basis, if the characteristics of the respective portfolio in combination with IFRS standards necessitate this.

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 a number of alternative scenarios for selected macroeconomic variables. The alternative scenarios are derived, together with their probabilities of occurrence, as a deviation from baseline forecasts, where the baseline forecasts are, with a few exceptions, internally determined by Group's research department. Given multiple scenarios, the 'neutral' PDs (and, with a few exceptions, also 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 back to through-the-cycle observations immediately in year four.

Thus, the unbiased probability-weighted ECL considering FLI is derived using the weights representing the probability of occurrence 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 is the GDP. In addition, economic effects of the war in Ukraine led to increases of the inflation and/or the interest rates. Erste Group adjusted macro-shift models to reflect expected effects of those into credit risk parameters. In the table below we are disclosing expected development of inflation or interest rates in our region. Disclosures are based on the relevancy in the macro-shift model.

Group reviewed the FLI in the fourth quarter of 2024 according to the disclosed forecasts for baseline, downside and upside scenarios. The overall macroeconomic situation slightly improved, therefore Group decided to reconsider weights of scenarios. Current {Up: 28% - increase from 1% in 2023, Base: 50% - same as 2023, Down: 22% - decrease from 49% in 2023} weights still reflect some adverse economic uncertainties due to war Russia/Ukraine, still high inflation and interest rates and prices of utilities. By applying FLI component in provisioning we are increasing credit loss allowances by EUR +11.6 mil.

Below we are publishing scenarios used for ECL calculation and as well latest available GDP growth forecasts.

Baseline, upside and downside scenarios of GDP growth

31.12.2024

Parameter	Scenario	Weight	2024	2025	2026	2027
GDP - real growth (in %)	Macro down	22%	2.2	(4.9)	(2.8)	(0.5)
	Macro base	50%	2.2	2.0	1.9	2.2
	Macro up	28%	2.2	4.4	4.3	4.6
GDP - Nominal growth (in %)	Macro down	22%	7.2	3.3	1.8	0.8
	Macro base	50%	7.2	7.1	5.6	4.6
	Macro up	28%	7.2	10.2	8.7	7.7
Unemployment rate (in %)	Macro down	22%	5.5	6.9	8.3	7.9
	Macro base	50%	5.5	5.5	5.3	5.1
	Macro up	28%	5.5	4.1	3.8	3.6
Inflation - CPI (in %)	Macro down	22%	3.1	8.3	6.9	4.2
	Macro base	50%	3.1	4.5	3.0	2.3
	Macro up	28%	3.1	2.0	0.5	(0.2)
Unemployment rate - shift 12 months (in %)	Macro down	22%	5.8	5.5	6.9	8.3
	Macro base	50%	5.8	5.5	5.5	5.3
	Macro up	28%	5.8	5.5	4.1	3.8
Real Wage growth (in %)	Macro down	22%	4.6	(0.7)	0.1	0.4
	Macro base	50%	4.6	1.3	2.1	2.4
	Macro up	28%	4.6	3.4	4.2	4.5

31.12.2023

Parameter	Scenario	Weight	2023	2024	2025	2026
GDP - real growth (in %)	Macro down	49%	1.5	(2.5)	(1.3)	(0.3)
	Macro base	50%	1.5	2.3	2.7	2.4
	Macro up	1%	1.5	4.7	5.1	4.8
GDP - Nominal growth (in %)	Macro down	49%	8.0	4.9	2.6	1.4
	Macro base	50%	8.0	8.8	6.5	5.3
	Macro up	1%	8.0	12.3	10.0	8.8
Unemployment rate (in %)	Macro down	49%	6.1	7.3	8.2	7.8
	Macro base	50%	6.1	6.0	5.7	5.4
	Macro up	1%	6.1	4.4	4.2	3.9
Inflation - CPI (in %)	Macro down	49%	7.7	8.8	6.8	5.3
	Macro base	50%	7.7	5.0	3.5	2.5
	Macro up	1%	7.7	3.2	1.7	0.7
Unemployment rate - shift 12 months (in %)	Macro down	49%	6.1	6.1	7.3	8.2
	Macro base	50%	6.1	6.1	6.0	5.7
	Macro up	1%	6.1	6.1	4.4	4.2
Real Wage growth (in %)	Macro down	49%	(1.5)	0.3	0.8	0.8
	Macro base	50%	(1.5)	1.9	2.4	2.4
	Macro up	1%	(1.5)	3.6	4.1	4.1

The Group recognizes additional challenges caused by the ESG (environmental, social and governance) risks. We are in the process of analyses how to incorporate these risks into ECL measurement.

In the Risk Materiality Assessment, climate and environment-related risks are overall assessed as medium and therefore classified as material, but they are expected to generate more impact on credit risk in the medium to long run. Therefore, in the short-term Bank did not include additional overlays for ESG risks into ECL calculation for year 2024.

Collective assessment

As at December 2024, in addition to standard SICR assessment, Bank applied stage overlays rules, i.e. transfer into Stage 2 based on pre-defined portfolio characteristics, due to the uncertainty caused by the war in Ukraine and the energy crisis.

War in Ukraine

The Ukraine-Russia war, intensified challenges for both risk and business divisions: a rally in energy prices on the one hand and disruptions in supply chains on the other hand. The first ones had implications on various industries, mainly those with energy intensive production processes, but also impacting segments with high fuel cost shares. Issues with supply chains are managed by affected clients with diverse measures aiming to safeguard the business activity and liquidity (amongst others: active working capital management, targeted stocking-up, output adaptation, renegotiations with off takers etc.), in some cases also by ensuring backup/liquidity financing. Developments as mentioned above are reflected in the regular updates of the industry strategies.

In June 2022, Bank implemented rules for stage overlays due to the war in Ukraine as a combination of industries with correlation to economic downturn (cyclical industries) and one-year IFRS PD. These rules, also called “cyclical overlays”, were defined on top of existing criteria mentioned in the section ‘Significant increase in credit risk determination – Qualitative criteria’.

In addition to cyclical overlays, from September 2022 Bank has introduced additional energy overlays due to the distortions in the energy market with implications on gas/energy availability and price. Within the industry Natural Resources and Commodities, Metals and Chemical subindustries were identified as being most affected. All customers belonging to these industries / sub-industries were migrated to Stage 2. The decommission of Energy overlays took place in 2024 as the exit triggers were met.

In November 2024, the cyclical overlays were decommissioned, which led to release of provision approximately EUR -2.3 million. Instead of the cyclical overlays was introduced a new type of collective SICR assessment, an industry overlays. All industry subsegments which have in the industry strategy assessment high risk profile or medium risk profile with "hold" or "decreased" industry strategy, would be in the scope of the overlay. However, potential risks might not yet be spread or crystallized at client level, translated into client financials or rating. Therefore one-year IFRS PD threshold (> 250bps) is set to differentiate between clients who could be potentially impacted. The table below shows volumes for the Industry overlay.

The Bank is currently applying only one type of overlays, the industry overlays mentioned above: Clients having affected industry and one-year IFRS PD > 250bps are part of the industry overlay and are migrated to Stage 2.

The table below shows volumes for the industry overlays category:

Credit risk exposure and credit loss allowances by industry and IFRS9 treatment – industry overlays

31.12.2024 EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Credit risk exposure (AC and FVOCI)	Not subject to IFRS 9 impairment	Total	Credit loss allowances
I. Natural Resources & Commodities	642,410	198,913	28,644	6,113	876,080	325,397	1,201,477	26,798
of which industry overlays	-	-	-	-	-	-	-	-
II. Public utility services and renewable energy sources	934,847	73,318	1,439	2,545	1,012,149	535,478	1,547,627	7,761
of which industry overlays	-	15,684	-	-	15,684	6,740	22,424	2,293
III. Construction and building materials	467,441	183,280	26,936	2,090	679,747	1,015,471	1,695,218	33,427
of which industry overlays	-	58,150	-	-	58,150	53,207	111,357	4,233
IV. Automotive	270,725	33,539	7,854	6	312,124	256,392	568,516	4,455
of which industry overlays	-	14,242	-	-	14,242	210	14,452	848
V. Cyclical Consumer Products	241,686	156,351	27,495	4,209	429,741	122,855	552,596	25,828
of which industry overlays	-	131,371	-	-	131,371	5,279	136,650	10,676
VI. Non-Cyclical Consumer Products	413,941	102,807	8,330	470	525,548	89,929	615,477	13,026
of which industry overlays	-	4,444	-	-	4,444	220	4,664	403
VII. Machinery	270,643	43,003	4,558	2,735	320,939	204,762	525,701	10,183
of which industry overlays	-	-	-	-	-	-	-	-
VIII. Transportation	907,324	82,649	7,797	321	998,091	265,971	1,264,062	9,188
of which industry overlays	-	12,774	-	-	12,774	-	12,774	420
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	135,768	18,518	3,918	83	158,287	81,804	240,091	3,352
of which industry overlays	-	7,867	-	-	7,867	9	7,876	350
X. Healthcare & Services	333,095	86,816	3,402	642	423,955	122,562	546,517	9,032
of which industry overlays	-	44,617	-	-	44,617	6,744	51,361	2,577
XI. Hotels, Gaming & Leisure Industry	167,087	72,049	3,194	10,467	252,797	19,753	272,550	10,246
of which industry overlays	-	12,939	-	-	12,939	506	13,445	1,367
XII. Real Estate activities	806,798	755,966	10,743	87,009	1,660,516	109,133	1,769,649	43,412
of which industry overlays	-	640,821	-	-	640,821	17,721	658,542	27,315
XIII. Public Sector	4,420,147	1,068	-	26	4,421,241	19,682	4,440,923	1,249
of which industry overlays	-	-	-	-	-	-	-	-
XIV. Financial Institutions	385,923	24,325	84	25	410,357	256,580	666,937	973
of which industry overlays	-	19	-	-	19	-	19	1
XV. Private Households	13,021,548	462,673	239,971	7,827	13,732,019	2	13,732,021	171,375
of which industry overlays	-	-	-	-	-	-	-	-
XVI. Other	368	-	-	-	368	57	425	-
of which industry overlays	-	-	-	-	-	-	-	-
Total	**23,419,751**	**2,295,275**	**374,365**	**124,568**	**26,213,959**	**3,425,828**	**29,639,787**	**370,305**
of which industry overlays	**-**	**942,928**	**-**	**-**	**942,928**	**90,636**	**1,033,564**	**50,483**

Total sum of credit risk exposure in Stage 2 of exposures categorized in industry overlays as at December 2024 is EUR 942.93 million with allocated credit loss allowances of EUR 50.48 million. The impact on credit risk allowances from industry overlays is EUR 13.6 million and it represents additional credit loss allowances of Stage 2 exposures which would have been in Stage 1 if they were not part for the industry overlays. The remaining portion of credit loss allowances would still be allocated in Stage 2 because of standard SICR rules.

Sensitivity of ECL overlays

The Bank has calculated potential effects of various scenarios on ECL. We focused on change in PD parameter in both industry overlays and change in PD threshold for industry overlays. The results are presented in the following table.

Sensitivity of ECL overlays

31.12.2024	Scenario PD + 20%				Scenario PD threshold 0bps			
EUR ths.	Credit risk exposure	CLA	CLA stress	Δ(CLA - CLA stress)	Credit risk exposure	CLA	CLA stress	Δ(CLA - CLA stress)
I. Natural Resources & Commodities	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
II. Public utility services and renewable energy sources	110,689	2,433	2,922	489	110,689	2,433	3,049	616
of which industry overlays	20,191	2,362	2,834	472	110,689	2,433	3,049	616
III. Construction and building materials	323,206	5,354	6,765	1,411	323,206	5,354	7,654	2,300
of which industry overlays	87,362	4,291	5,462	1,171	323,206	5,354	7,654	2,300
IV. Automotive	337,386	1,915	2,361	446	337,386	1,915	4,766	2,851
of which industry overlays	15,613	867	1,051	184	337,386	1,915	4,766	2,851
V. Cyclical Consumer Products	389,577	12,262	15,082	2,820	389,577	12,262	15,969	3,707
of which industry overlays	144,254	10,871	13,397	2,526	389,577	12,262	15,969	3,707
VI. Non-Cyclical Consumer Products	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
VII. Machinery	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
VIII. Transportation	1,018	6	8	2	1,018	6	10	4
of which industry overlays	-	-	-	-	1,018	6	10	4
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	40,654	561	681	120	40,654	561	883	322
of which industry overlays	8,306	357	436	79	40,654	561	883	322
X. Healthcare & Services	156,871	3,102	3,854	752	156,871	3,102	4,964	1,862
of which industry overlays	49,819	2,678	3,343	665	156,871	3,102	4,964	1,862
XI. Hotels, Gaming & Leisure Industry	34,574	1,512	1,853	341	34,574	1,512	1,739	227
of which industry overlays	14,899	1,404	1,723	319	34,574	1,512	1,739	227
XII. Real Estate activities	1,486,284	32,776	39,598	6,822	1,486,284	32,776	39,493	6,717
of which industry overlays	652,566	27,608	33,395	5,787	1,486,284	32,776	39,493	6,717
XIII. Public Sector	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
XIV. Financial Institutions	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
XV. Private Households	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
XVI. Other	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
Total	**2,880,259**	**59,921**	**73,124**	**13,203**	**2,880,259**	**59,921**	**78,527**	**18,606**
of which industry overlays	**993,010**	**50,438**	**61,641**	**11,203**	**2,880,259**	**59,921**	**78,527**	**18,606**

The bank performed sensitivity analysis of CLA with two scenarios. In both scenarios, the table presents portfolio of industry overlays after applying stressed scenario. Both exposure and CLA are linked to this new portfolio. The difference in CLA and CLA stress is then outcome of changes in parameters or in overlays rules. The sensitivity analysis is done this way to overcome impacts not related to overlays. E.g. in case of scenario PD +20% we would see impact on whole portfolio regardless of exposure presence in overlays. But since we are recalculating only the overlay portfolio with new parameters or overlay rules and then present impacts on that portfolio we are showing impacts solely on the overlay portfolio.

In first scenario (Scenario PD +20%) we modified IFRS9 PD's such that the PD values are 20% higher, which resulted in difference in CLA of EUR 11.2 million. In second scenario we changed the threshold value for industry overlays from 250bps to 0bps, meaning that every exposure segmented as industry will be part of industry overlays regardless of IFRS9 PD. In this case the difference in CLA resulted in EUR 18.6 million.

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. Restructuring can be business restructuring (in the retail segment), commercial renegotiation (in the corporate segment), or forbearance (e.g. concession due to financial difficulties) in line with EBA requirements in both segments.

Restructuring and renegotiation

Restructuring as business restructuring in the retail segment or as commercial renegotiation in the corporate segment is a potential and effective customer retention tool involving re-pricing or the offering of an additional loan or both in order to maintain the Bank's valuable, good clientele.

Forbearance

The definition of 'forbearance' is included in Regulation (EU) 2015/227. 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 is more than 30 days past due on any account in the past 3 months;
- the customer would be more than 30 days past due on any account without receiving forbearance;
- the customer is in default;
- the customer would default without receiving forbearance.

Additional criteria for non-retail segment:

- specific early warning signals for this customer were identified in the last 3 months;
- customer has deteriorated financial figures, which led to decline of the rating grade;
- customer has increased probability of default.

Forborne exposure is assessed at account level and means only the exposure to which forbearance measures have been extended and excludes any other exposure the customer may have, as long as no forbearance was extended to these.

Contractual modification 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;
- the contract modification involves total or partial cancellation of the debt by (partial) write-off;
- activation of embedded forbearance clause of the contract;
- waiver of a material breach of a financial covenant.

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.

Forbearance statuses are divided and reported as:

- performing forbearance (incl. performing forbearance under probation that was upgraded from non-performing forbearance);
- non-performing forbearance (incl. defaulted forbearance; since 10/2019 the definition of non-performing status is aligned with default).

Forbearance measures are defined as qualitative trigger events in the SICR concept according to the internal regulations of the Bank.

Default definition

The Bank applies the definition of default on client level. If a client defaults on any of its credit risk exposure then the client rating must be set to "R" and all on- and off balance exposure including equity products is considered as defaulted.

Default is recognized when one or both of the following incidents occur:

- the obligor is past due 90 consecutive days with any material credit obligation to the Bank, the parent undertaking or any of its subsidiaries in full; or
- the obligor is considered unlikely to pay (UTP) its credit obligation to the Bank, the parent undertaking or any of its subsidiaries in full without realisation of the collateral.

In the Bank the default status triggers the credit-impairment and the Stage 3 classification under IFRS9. In addition the Bank considers all non-performing exposures as defaulted.
Client is classified as defaulted due following 5 reasons, which are linked either to unlikely to pay (UTP) or days past due:

- E1 – unlikely to pay
- E2 – 90 days overdue
- E3 –forbearance
- E4 – Credit loss
- E5 – bankruptcy

Credit Risk Model department participates on the definition of default with Late Collection and Corporate Workout departments. The definition of default fulfils EBA criteria and influences estimation of LLP, SRC, etc.

Credit risk exposure, forbearance exposure and credit loss allowances

EUR ths.	Loans and advances	Debt securities	Other positions	Off-balance	Total credit risk exposure
31.12.2024					
Gross exposure	19,816,921	4,479,758	98,437	5,244,671	29,639,787
thereof gross forborne exposure	422,691	-	-	10,738	433,429
Performing exposure	19,434,834	4,479,758	98,437	5,208,449	29,221,478
thereof performing forborne exposure	305,037	-	-	10,682	315,719
Credit loss allowances for performing exposure	153,107	1,521	-	14,071	168,699
thereof credit loss allowances for performing forborne exposure	17,974	-	-	189	18,163
Non-performing exposure	382,087	-	-	36,222	418,309
thereof non-performing forborne exposure	117,654	-	-	56	117,710
Credit loss allowances for non-performing exposure	199,403	-	-	2,199	201,602
thereof credit loss allowances for non-performing forborne exposure	52,955	-	-	6	52,961

EUR ths.	Loans and advances	Debt securities	Other positions	Off-balance	Total credit risk exposure
31.12.2023					
Gross exposure	19,249,797	4,130,329	93,885	4,724,673	28,198,684
thereof gross forborne exposure	366,008	-	-	7,007	373,015
Performing exposure	18,892,818	4,130,329	93,885	4,706,200	27,823,232
thereof performing forborne exposure	242,280	-	-	6,993	249,273
Credit loss allowances for performing exposure	164,744	1,632	-	10,178	176,554
thereof credit loss allowances for performing forborne exposure	13,340	-	-	143	13,483
Non-performing exposure	356,979	-	-	18,473	375,452
thereof non-performing forborne exposure	123,728	-	-	14	123,742
Credit loss allowances for non-performing exposure	198,152	-	-	3,181	201,333
thereof credit loss allowances for non-performing forborne exposure	60,295	-	-	5	60,300

Loans and advances also include lease, trade and other receivables. Other positions represent derivatives and other demand deposits.

Collateral

Recognition of credit collateral

Collateral Management is integrated in Underwriting Processes department of Credit Risk divisions. The Bank's Collateral Management Policy defines, among other things, uniform valuation standards for credit collateral. It ensures that the credit risk decision processes are standardised with respect to accepted collateral values.
All collateral types acceptable within the Bank are contained in the Collateral Catalogue. Permitted collateral is defined in accordance with applicable national legal provisions. The valuation and revaluation of collateral is done according to the principles defined in the Bank's 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 Corporate Credit Risk Management after determining if the applicable regulatory requirements are met. Credit underwriting monitors adherence to the standard work processes stipulated for assigning the acceptable collateral assets to the categories available.

Main types of credit collateral

The following types of credit collateral are accepted:

- real estate: residential and commercial real estate;
- financial collateral: securities, cash deposits and 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 taking into account 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 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. Therefore, imputed excess collateral values are not possible. Only independent appraisers not involved in the lending decision process are permitted to conduct real estate valuations, and the valuation methods to be applied are defined by the Bank. For quality assurance purposes, the real estate evaluation mechanism and real estate valuations are validated on an ongoing basis.
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 current recoveries.

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.

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. 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.

Credit risk exposure by financial instrument and collaterals

31.12.2024	Credit risk exposure	Collateral: thereof attributable to credit impaired exposure	Collateralised by			Collateral total	Credit risk exposure net of collateral	IFRS 9 impairment relevant		
EUR ths.			Guarantees	Real estate	Other			Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Cash and cash equivalents - other demand deposits	17,552	-	-	-	-	-	17,552	17,552	-	-
Financial assets at amortised cost	23,750,552	185,381	224,775	11,990,877	373,549	12,589,201	11,161,351	22,872,237	502,110	376,205
Loans and advances to banks	10,423	-	-	-	-	-	10,423	10,423	-	-
Loans and advances to customers	19,266,997	185,381	204,412	11,990,877	373,549	12,568,838	6,698,159	18,388,682	502,110	376,205
of which: Lending for house purchase	11,158,506	138,348	-	10,446,399	22	10,446,421	712,085	10,840,479	169,320	148,707
of which: Credit for consumption	1,715,797	346	-	365	1,078	1,443	1,714,354	1,542,163	84,174	89,460
of which: Corporate loans and others	6,392,694	46,687	204,412	1,544,113	372,449	2,120,974	4,271,720	6,006,040	248,616	138,038
Debt securities	4,473,132	-	20,363	-	-	20,363	4,452,769	4,473,132	-	-
Finance lease receivables	372,967	2,091	-	-	247,259	247,259	125,708	364,006	4,626	4,335
Trade and other receivables	166,534	-	-	-	-	-	166,534	148,995	15,992	1,547
Non-trading financial assets at fair value through profit or loss - Debt securities	6,626	-	-	-	-	-	6,626	-	-	-
Financial assets - held for trading	48,101	-	-	-	-	-	48,101	-	-	-
Positive fair value of derivatives	32,784	-	-	-	-	-	32,784	-	-	-
Total credit risk exposure on-balance	**24,395,116**	**187,472**	**224,775**	**11,990,877**	**620,808**	**12,836,460**	**11,558,656**	**23,402,790**	**522,728**	**382,087**
Off-balance	5,244,671	1,497	-	199,606	167,405	367,011	4,877,660	1,898,250	-	8,104
Total credit risk exposure	**29,639,787**	**188,969**	**224,775**	**12,190,483**	**788,213**	**13,203,471**	**16,436,316**	**25,301,040**	**522,728**	**390,191**

31.12.2023	Credit risk exposure	Collateral: thereof attributable to credit impaired exposure	Collateralised by			Collateral total	Credit risk exposure net of collateral	IFRS 9 impairment relevant		
EUR ths.			Guarantees	Real estate	Other			Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Cash and cash equivalents - other demand deposits	9,172	-	-	-	-	-	9,172	9,172	-	-
Financial assets at amortised cost	22,880,932	181,191	295,954	11,691,224	398,140	12,385,318	10,495,614	22,122,105	410,724	348,103
Loans and advances to banks	10,060	-	13	-	-	13	10,047	10,031	29	-
Loans and advances to customers	18,748,059	181,191	285,844	11,691,224	398,140	12,375,208	6,372,851	17,989,261	410,695	348,103
of which: Lending for house purchase	10,783,029	138,483	-	10,205,645	23	10,205,668	577,361	10,499,318	136,312	147,399
'of which: Credit for consumption	1,601,592	273	-	303	-	303	1,601,289	1,472,766	63,204	65,622
'of which: Corporate loans and others	6,363,438	42,435	285,844	1,485,276	398,117	2,169,237	4,194,201	6,017,177	211,179	135,082
Debt securities	4,122,813	-	10,097	-	-	10,097	4,112,716	4,122,813	-	-
Finance lease receivables	351,940	1,552	-	-	237,996	237,996	113,944	342,244	5,797	3,899
Trade and other receivables	139,738	-	-	-	-	-	139,738	120,383	14,378	4,977
Non-trading financial assets at fair value through profit or loss - Debt securities	7,516	-	-	-	-	-	7,516	-	-	-
Financial assets - held for trading	60,289	-	-	-	-	-	60,289	-	-	-
Positive fair value of derivatives	24,424	-	-	-	-	-	24,424	-	-	-
Total credit risk exposure on-balance	**23,474,011**	**182,743**	**295,954**	**11,691,224**	**636,136**	**12,623,314**	**10,850,697**	**22,593,904**	**430,899**	**356,979**
Off-balance	4,724,673	961	-	130,498	112,953	243,451	4,481,222	1,641,453	-	6,177
Total credit risk exposure	**28,198,684**	**183,704**	**295,954**	**11,821,722**	**749,089**	**12,866,765**	**15,331,919**	**24,235,357**	**430,899**	**363,156**

The collateral attributable to exposures that are credit-impaired at 31 December 2024 amounts to EUR 187.5 million (2023: EUR 182.7 million).

Concentration

The following table presents a summary of the Group's credit risk to the Slovak Republic, companies controlled by the Slovak government, self-governing regions, guarantees issued by the Slovak government and similar exposures:

EUR ths.	Amount		Portion of total assets %	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Cash and cash equivalents	2,658,749	1,551,042	10.05%	5.88%
Loans and receivables to customers	538,417	506,217	2.03%	1.92%
Securities portfolio	3,222,237	3,256,135	12.18%	12.34%
Total	**6,419,403**	**5,313,394**	**24.26%**	**20.14%**

The following table presents a breakdown of state debt securities held by the Group per portfolio and type of security:

EUR ths.	31.12.2023	31.12.2024
Financial assets at amortised cost	3,222,237	3,256,135
State bonds denominated in EUR	3,222,237	3,256,135
Total	**3,222,237**	**3,256,135**

The sovereign issuer rating of the Slovak Republic according to the international rating agency Moody's is A3 with stable outlook (since 13 December 2024).

27. 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. The entire market risk management is independent from the business lines and is carried out by Strategic Risk Management (SRM). Trading and investment operations are subject to strict rules defined by SRM and approved by ALCO committee.

Methods and instruments employed

All positions of the bank, both in banking and trading books, that are subject to market risk are re-valued daily (including positions held-to-maturity), either to market or to model prices, and respective profit or loss is calculated. The main tools to measure market risk exposure are sensitivity analysis and value-at-risk (VAR) which is complemented by back testing and stress testing programme.
Sensitivity and VAR are applied to Trading Book positions as well as to Investment portfolios of the Banking Book. The overall interest rate risk of the bank (IRRBB) is quantified by Economic Value of Equity (change value of on- and off-balance sheet positions due to shift in the yield curves) and ICAAP IRRBB capital charge (one year VAR at 99.92% confidence level based on historical observed shifts in yield curves). The limits are imposed to both of the measures.

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 calculation is done according to the method of historic simulation with a one-sided confidence level of 99%, a holding period of one day and a simulation period of two years.

Back-testing is used to constantly monitor the validity of the statistical methods. 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 single day should exceed the VAR statistically only two to three times a year (1% of around 250 workdays).

This shows one of the limits of the VaR approach: on the one hand, the confidence level is limited to 99%, and on the other hand, the model takes into account only those market scenarios observed in each case within the simulation period of two years and calculates the VAR for the current position of the Bank on this basis. In order to investigate any extreme market situations beyond this, stress tests are conducted at the Bank. These events include mainly market movements of low probability.

In addition to standard day-to-day risk measurement and monitoring, comprehensive stress testing procedures are established. Neither traditional risk measurement using sensitivity indicators, nor value-at-risk model is capable of capturing extreme events that occur in the market from time to time. Since the value-at-risk model only estimates the potential maximum loss with 99% probability, potential stressful events that possess less than 1% probability will not be embraced in the value-at-risk figure.
In stress testing, scenarios of potential extreme behaviour of the most significant market variables are developed. These are then applied to the current market values and potential profit or loss is calculated for current positions.
These analyses are made available to the management board within the scope of the regular market risk reporting.

Methods and instruments of risk mitigation

In order to manage the maximum risk exposure, a comprehensive system of limits is established, including VAR, sensitivity, and stop-loss limits. Limits are structured according to individual portfolios (separate limits are defined for derivative trades). Limits are reviewed and proposed usually at year-end by SRM in cooperation with Treasury and BSM for the upcoming business year. Reallocations are also possible during the current year. The new limits proposal or change in approved limits is subject to approval by ALCO committee. Monitoring is performed daily by SRM. Each limit violation must be reported and explained with ALCO being the supreme decision maker on further action.
Risk reporting is done daily for relevant management and monthly for ALCO.

Sensitivity, VAR and stop-loss limits are applied to Trading Book positions as well as to Investment portfolios of the Banking Book. The overall interest rate risk of the bank (entire statement of financial position) is quantified by Economic Value of Equity (change in statement of financial position value due to shift in the yield curves) and ICAAP IRRBB capital charge (one year VAR at 99.92% confidence level based on historical observed shifts in yield curves). The limits are imposed to both of the measures.

Analysis of market risk

The following tables summarize the risk measures – Value at Risk of banking book and trading book:

Value at Risk of banking book and trading book

EUR ths.	31.12.2023	31.12.2024
Banking book - ALM portfolio	13,958	15,172
Banking book - Corporate portfolio	1,090	774
Banking book - ALCO portfolio	294	194
Trading book	44	7

VAR figure is almost fully driven by interest rate risk, whilst foreign exchange and other risks are negligible. The main goal of Trading Book activity is to manage operational liquidity and minimal required reserves. Thus, its market risk is rather low as this business strategy is aimed on short term money market trading.

Interest rate risk in the banking book (IRRBB)

Interest rate risk is the risk of an adverse change in the value of interest rate sensitive on- and off-balance sheet positions caused by a movement in market interest rates. This type of risk arises when mismatches exist between assets, liabilities and off-balance items, including derivatives, in respect of their maturities, interest rate behaviour or of the timing of interest rate adjustments.

Limits and thresholds are implemented for both aspects of the IRRBB, the change in economic value (EVE) as well as the change in earnings. 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.

Economic value of equity (EVE)

EUR ths.	31.12.2023	31.12.2024
parallel down scenario	(199,236)	(56,148)
parallel up scenario	40,298	(44)
flattener scenario	(124,081)	(109,192)
steepener scenario	63,241	52,628
short down scenario	36,359	47,011
short up scenario	(81,068)	(99,478)

The positive numbers mean an increase in economic value due to the shift in yield curves, i.e. profit, the negative numbers vice versa. The biggest risk for the Group arises from non-parallel shift in the yield curves – the flattener scenario, under which the short end of the yield curves goes up while the long end declines. The Group quantify, monitor and manage the IRRBB in compliance with valid regulations.

The EVE scenarios are defined according to EBA IRRBB guideline. The following table shows the shifts (in basis points) applied to EUR curve for each of the scenarios.

	parallel up scenario	parallel down scenario	steepener scenario	flattener scenario	short up scenario	short down scenario
6 months	200	(200)	(133)	169	223	(223)
1 year	200	(200)	(107)	143	197	(197)
3 years	200	(200)	(30)	64	134	(134)
5 years	200	(200)	17	15	81	(81)
10 years	200	(200)	69	(38)	23	(23)
15 years	200	(200)	83	(53)	9	(9)
20 years	200	(200)	88	(58)	3	(3)

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. These risks might originate from customer-related operations or proprietary trading and are monitored and managed on a daily basis.
Basis principle behind managing FX risk is to transfer positions stemming from banking book activities to Erste Holding. However, in reasonable cases, banking book is permitted to hold strategic FX positions. This would typically be opened in order to hedge existing FX positions that are not explicitly seen on the statement of financial position.

Strategic positions are subject to ALCO approval and shall be managed on a daily basis by Balance Sheet Management. They are covered by sufficient limit structure and reporting on VAR, stop-loss limit and are disclosed as the gain or loss (responsibility of Strategic Risk Management). There is no open FX strategic position at year-end 2024.

Credit spread risk

Credit spread risk is the risk of an adverse movement in the fair value of financial instruments caused by a change in the creditworthiness of an issuer perceived by the market. The Bank is exposed to credit spread risk with respect to its bond portfolio accounted at fair value. There is no bonds position in the trading book. The bonds position in fair value portfolio in the banking book is small (EUR 4.8 million). 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 one-year horizon is calculated. It is based on credit spread sensitivities (CR01) and the risk factors used are mainly asset swap spreads for sovereigns and iTRAXX CDS indices for financials and corporates. The resulting amount is used as part of the ICAAP IRRBB - calculations to determine the capital consumption of the banking book portfolio.

Hedging

Banking book market risk management consists of optimising the Bank's risk position by finding the proper trade-off between the economic value of the statement of financial position and forecasted earnings. Decisions are based on statement of financial position development, economic environment, competitive landscape, fair value of risk, effect on net interest income and appropriate liquidity position. In order 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 are used. In addition, the fair value option is used for hedging the market risk from the economic perspective. The hedging within the Bank concerns hedging of interest rate risk.

28. Liquidity risk

Liquidity strategy

In 2024, customer deposits remained the primary source of funding for the bank. The growth in loan volume surpassed inflows of customer deposits. The gap was offset by issuance of own bonds. The liquidity surplus was placed mainly in ECB and short-term money market loans.

The goal of the Bank's Funding Strategy is to cover the gap coming from the core business and also Minimum Requirement for Own Funds and Eligible Liabilities (MREL) efficiently, i.e. reaching an optimal liquidity status and MREL compliance in terms of structure and costs versus risk tolerance.

With regards its own issuance, the Group issued EUR 184.3 million in senior bonds in 2024 (2023: EUR 1,565 million).

The Group's total TLTRO participation at the end of 2024 was EUR 0 (2023: EUR 1 billion).

Liquidity Metrics and Reports

The liquidity risk is defined in the Bank as the inability to meet the Bank's cash obligations as they come due because of an inability to liquidate assets or obtain adequate funding. Accordingly, a distinction is made between market liquidity risk, which is the risk that the Bank 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 will not be able to meet efficiently both expected and unexpected current and future cash flows and collateral needs without affecting either daily operations or the financial condition of Bank. 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 Bank's own refinancing cost or spread.

Liquidity risk is within the authority of ALCO. The Local Operating Liquidity Committee (L-OLC) is responsible for operational managing and analysing of the liquidity situation of the Group.

Actual management of liquidity risk is done by Strategic Risk Management. Structural liquidity management is performed by Balance Sheet Management and daily liquidity managing and the fulfilment of minimum required reserves is performed by the Treasury department.

Methods and instruments employed

Short-term insolvency risk is monitored by calculating the survival period (SPA) on weekly basis. This analysis determines the maximum period during which the Bank can survive a set of defined scenarios, including a severe combined market and idiosyncratic crisis while relying on its counterbalancing capacity consist mainly of 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.
Liquidity ratios defined by the regulator (LCR – Liquidity Coverage Ratio, NSFR – Net Stable Funding Ration and local LCR) are periodically monitored and are all at very satisfactory levels. All limits defined by the regulator are observed with large buffer.

Additionally, the static liquidity gap is monitored regularly on weekly basis and reported monthly to ALCO. Funding concentration risk is continuously analysed in respect to counterparties and is also reported to ALCO monthly.

Strategic Risk Management provides the reverse stress testing of liquidity where several assumptions (withdrawal, rollover, reserve haircuts) are modelled in order for the Bank to survive exactly one month. This is done on a monthly basis and is reported to ALCO.

Methods and instruments of risk mitigation

General standards of liquidity risk controlling and management (standards, limits and analysis) have been defined within the Bank and are continuously reviewed and improved by L-OLC and ALCO.

The short-term liquidity risk is managed by limits resulting from the survival period analysis where horizon limits are defined for each scenario as follows:

- ordinary course of business – over 3 months
- name crisis – over 1 months
- market crisis – over 6 months
- combined name and market crisis – over 3 months

For each scenario also the limit for liquidity surplus over given horizon limit is applied. The limit is set at EUR 0 million with warning level in range between EUR 0 and EUR 250 million in 2024 (at EUR 260 million in 2025).

The Group daily monitors its counter-balancing capacity, which consists of cash, excess minimum reserve at the central banks, as well as unencumbered central bank eligible assets and amount of retained covered bonds which could be pledged in central bank. These assets can be mobilized in the short term to offset potential cash outflows in a crisis situation.

Further, short-term risk is managed by regulatory and internal (more severe) limits on LCR and NFSR.

Funding Concentrations management – sum of top 10 biggest clients of each monitored group of wholesale funding providers (public, financial, credit institutions and corporates) may not account for more than EUR 890 million in 2024 (EUR 960 million in 2025).

Based on analysis and measurement, and based on liquidity strategy, medium and long-term (structural) management of liquidity is carried out by BSM while major decisions have to be approved by ALCO. Strategic Risk Management must ensure that the execution is in line with the approved Liquidity Strategy and that the approved limits are being followed. ALCO must be informed on the status of structural liquidity within the regular ALCO liquidity reports.

The Contingency Plan ensures the necessary coordination of all parties involved in the liquidity management process in case of crisis and is reviewed on a regular basis.

Analysis of liquidity risk

In the Group, the liquidity risk is analysed by the following methods.

Liquidity coverage ratio

The Group uses the regulatory liquidity coverage ratio for internal monitoring and steering of the liquidity position as well. In order to keep the LCR above both limits, the regulatory limit and the internal limit, the Bank closely monitors its short-term liquidity inflows and outflows as well as its available counterbalancing capacity.

The following table shows the LCR as at 31 December 2023 and 31 December 2024:

EUR ths.	31.12.2023	31.12.2024
Liquidity buffer	6,222,713	5,872,016
Net liquidity outflow	3,239,431	3,299,893
Liquidity coverage ratio	192.09%	177.95%

Counterbalancing capacity

The 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, amount of retained covered bonds which could be pledged in ECB 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 outflows in a crisis situation.

Term structure of counterbalancing capacity

EUR mil.	< 1 week	1 week-1 month	1-3 months	3-6 months	6-12 months
31.12.2024					
Cash, excess reserve	1,814	-	-	-	-
Liquid assets	4,809	-	-	26	273
Other central bank eligible assets	-	1,182	2	3	6
Thereof retained covered bonds	-	1,085	-	-	-
Thereof credit claims	-	97	2	3	6
Counterbalancing capacity	**6,623**	**1,182**	**2**	**29**	**279**

EUR mil.	< 1 week	1 week-1 month	1-3 months	3-6 months	6-12 months
31.12.2023					
Cash, excess reserve	2,849	-	-	-	-
Liquid assets	3,387	10	9	15	224
Other central bank eligible assets	-	1,039	2	3	5
Thereof retained covered bonds	-	940	-	-	-
Thereof credit claims	-	99	2	3	5
Counterbalancing capacity	**6,236**	**1,049**	**11**	**18**	**229**

The figures above show the total amount of potential liquidity available for the Group in a going concern situation, taking into account the applicable central bank haircuts. In a crisis situation, adverse market movements can decrease this amount. Negative figures are maturing positions of the counterbalancing capacity. Positive figures after one week are positions not immediately available as counterbalancing capacity.

Financial liabilities

Maturities of contractual undiscounted cash flows from financial liabilities were as follows:

EUR ths.	31.12.2024	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years
Non-derivative liabilities	**23,562,887**	**23,889,126**	**16,819,427**	**2,384,718**	**4,520,104**	**164,877**
Deposits by banks	205,924	229,562	16,416	27,455	103,492	82,199
Customer deposits	18,734,723	18,745,576	16,782,127	1,687,872	275,577	-
Debt securities in issue	4,606,446	4,896,966	20,884	669,295	4,124,109	82,678
Subordinated liabilities	15,794	17,022	-	96	16,926	-
Derivative liabilities	**77,353**	**53,890**	**899**	**48,158**	**4,823**	**10**
Derivative liabilities with gross Cash Flow (net)	**45,522**	**35,906**	**380**	**33,639**	**1,877**	**10**
Outflows	-	238,188	115,728	101,923	20,479	58
Inflows	-	(202,282)	(115,348)	(68,284)	(18,602)	(48)
Hedge accounting derivatives with gross Cash Flow (net)	**31,831**	**17,984**	**519**	**14,519**	**2,946**	**-**
Outflows	-	63,826	1,813	27,484	34,529	-
Inflows	-	(45,842)	(1,294)	(12,965)	(31,583)	-
Contingent liabilities	**2,784,007**	**2,784,007**	**2,784,007**	**-**	**-**	**-**
Financial guarantees	6,567	6,567	6,567	-	-	-
Commitments	2,777,440	2,777,440	2,777,440	-	-	-
Other financial liabilities	54,730	54,730	54,730	-	-	-
Trade payables	43,216	43,216	43,216	-	-	-
Lease liabilities	21,191	21,191	1,487	5,932	12,953	819
Total	**26,543,384**	**26,846,160**	**19,703,766**	**2,438,808**	**4,537,880**	**165,706**

EUR ths.	31.12.2023	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years
Non-derivative liabilities	**23,485,458**	**23,796,906**	**16,088,638**	**2,695,467**	**4,804,251**	**208,550**
Deposits by banks	1,247,163	1,249,850	26,772	1,050,117	102,545	70,416
Customer deposits	17,580,176	17,590,600	16,046,699	1,266,127	277,774	-
Debt securities in issue	4,642,317	4,940,007	15,167	379,120	4,407,586	138,134
Subordinated liabilities	15,802	16,449	-	103	16,346	-
Derivative liabilities	**120,823**	**66,447**	**353**	**30,543**	**35,362**	**189**
Derivative liabilities with gross Cash Flow (net)	**56,596**	**32,862**	**353**	**4,484**	**27,872**	**153**
Outflows	-	220,337	80,893	69,117	69,542	785
Inflows	-	(187,475)	(80,540)	(64,633)	(41,670)	(632)
Hedge accounting derivatives with gross Cash Flow (net)	**64,227**	**33,585**	**-**	**26,059**	**7,490**	**36**
Outflows	-	81,197	-	39,224	39,358	2,615
Inflows	-	(47,612)	-	(13,165)	(31,868)	(2,579)
Contingent liabilities	**2,448,908**	**2,448,908**	**2,448,908**	**-**	**-**	**-**
Financial guarantees	14,528	14,528	14,528	-	-	-
Commitments	2,434,380	2,434,380	2,434,380	-	-	-
Other financial liabilities	183,254	183,254	183,254	-	-	-
Trade payables	46,212	46,212	46,212	-	-	-
Lease liabilities	20,156	20,156	1,427	5,984	12,066	679
Total	**26,304,811**	**26,561,883**	**18,768,792**	**2,731,994**	**4,851,679**	**209,418**

As at year-end 2024, the currency composition of the non-derivative liabilities consisted mainly by EUR (approximately 98%).

Financial assets

Maturities of contractual undiscounted cash flows from financial assets were as follows:

EUR ths.	31.12.2024	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years	Undefined
Non-derivative assets	**25,952,317**	**25,952,317**	**2,143,530**	**2,949,599**	**7,837,898**	**12,687,642**	**333,649**
Cash and cash equivalents	1,988,940	1,988,940	1,988,940	-	-	-	-
Financial assets at amortised cost	23,403,750	23,403,750	148,559	2,884,660	7,655,531	12,579,247	135,754
Loans and advances to banks	10,408	10,408	10,408	-	-	-	-
Loans and advances to customers	18,921,732	18,921,732	114,512	2,525,771	5,748,946	10,396,749	135,754
Debt securities	4,471,610	4,471,610	23,639	358,889	1,906,585	2,182,498	-
Finance lease receivables	368,578	368,578	6,031	64,939	182,367	108,395	6,846
Trade and other receivables	163,691	163,691	-	-	-	-	163,691
Non-trading financial assets at fair value through profit or loss	27,358	27,358	-	-	-	-	27,358
Derivative assets	**80,885**	**53,614**	**3,742**	**28,063**	**22,158**	**(349)**	**-**
Derivative assets with gross Cash Flow (net)	**48,101**	**38,715**	**514**	**34,985**	**3,190**	**26**	**-**
Outflows	-	(256,210)	(156,688)	(78,902)	(20,583)	(37)	-
Inflows	-	294,925	157,202	113,887	23,773	63	-
Hedge accounting derivatives with gross Cash Flow (net)	**32,784**	**14,899**	**3,228**	**(6,922)**	**18,968**	**(375)**	**-**
Outflows	-	(76,039)	(8,015)	(23,158)	(38,018)	(6,848)	-
Inflows	-	90,938	11,243	16,236	56,986	6,473	-
Total	**26,033,202**	**26,005,931**	**2,147,272**	**2,977,662**	**7,860,056**	**12,687,293**	**333,649**

EUR ths.	31.12.2023	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years	Undefined
Non-derivative assets	**26,058,378**	**26,058,378**	**3,230,328**	**3,049,437**	**7,326,974**	**12,191,525**	**260,114**
Cash and cash equivalents	3,030,858	3,030,858	3,030,858	-	-	-	-
Financial assets at amortised cost	22,527,144	22,527,144	193,826	2,989,866	7,153,755	12,089,389	100,308
Loans and advances to banks	10,032	10,032	10,032	-	-	-	-
Loans and advances to customers	18,395,931	18,395,931	115,658	2,651,530	5,443,681	10,084,754	100,308
Debt securities	4,121,181	4,121,181	68,136	338,336	1,710,074	2,004,635	-
Finance lease receivables	347,323	347,323	5,644	59,571	173,219	102,136	6,753
Trade and other receivables	133,614	133,614	-	-	-	-	133,614
Non-trading financial assets at fair value through profit or loss	19,439	19,439	-	-	-	-	19,439
Derivative assets	**84,713**	**49,228**	**(3,147)**	**14,160**	**39,011**	**(796)**	**-**
Derivative assets with gross Cash Flow (net)	**60,289**	**37,607**	**966**	**6,763**	**29,764**	**114**	**-**
Outflows	-	(286,227)	(178,242)	(66,313)	(41,058)	(614)	-
Inflows	-	323,834	179,208	73,076	70,822	728	-
Hedge accounting derivatives with gross Cash Flow (net)	**24,424**	**11,621**	**(4,113)**	**7,397**	**9,247**	**(910)**	**-**
Outflows	-	(87,365)	(6,594)	(15,004)	(55,281)	(10,486)	-
Inflows	-	98,986	2,481	22,401	64,528	9,576	-
Total	**26,143,091**	**26,107,606**	**3,227,181**	**3,063,597**	**7,365,985**	**12,190,729**	**260,114**

As at year-end 2024, the currency composition of the non-derivative assets consisted mainly by EUR (approximately 99%).

29. Operational risk

In line with Article 4 Section 52 of regulation (EU) 575/2013 (CRR), the Group defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events, including legal risks. Both quantitative and qualitative methods are used to identify operational risks. Consistent with international practice, the responsibility for managing operational risk rests with the line management.

Methods and instruments employed

The quantitative measurement methods are based on internal loss experience data, which are collected across the Group using a standard methodology and entered into a central data pool. Additionally, in order to be able to model losses that have not occurred in the past but are nonetheless possible, scenarios and external data are also used. The Group sources external data from a leading non-profit risk-loss data consortium.

The Group calculates capital requirements for operational risk based on the Advanced Measurement Approach (AMA) that is subject to regulatory approval. AMA is a sophisticated approach for measuring operational risk. Pursuant to AMA, the required capital is calculated using an internal VaR model, taking into account internal data, external data, scenario analysis, business environment and internal risk control factors. Additionally, the Group received the approval to use insurance contracts for mitigation within the AMA pursuant to Article 323 CRR.

Methods and instruments of risk mitigation

In addition to quantitative methods, qualitative methods are also used to determine operational risk, such as risk and control assessments through expert panels. Additional methods include setting of key risk indicators and risk assessments in connection with product approvals, outsourcing assessments and operational risk decisions. The results of these assessments and processes are reported to line management along with mitigation measures and thus help to reduce operational risks. In order to ensure early detection of changes in the risk profile that may lead to losses, the Group monitors a number of key risk indicators such as system availability, staff turnover, and customer complaints.

The Group uses a group-wide insurance program that has reduced the cost of meeting the Group's traditional property insurance needs. Freed-up resources made it possible to buy additional insurance for previously uninsured bank-specific risks. This program uses a captive reinsurance entity as a vehicle to share losses within the group and access the external market.
The quantitative and qualitative methods used, together with the insurance strategy and the modelling approaches described above, form the operational risk framework of the Group. Information on operational risk is periodically

communicated to the management board via various reports, including the quarterly top management reports, which describe the recent loss history, loss development, qualitative information from risk assessments and key risk indicators as well as the operational VaR for the Group.

Main objectives of effective system of operational risk management are:

- set up a bank-wide framework for operational risk management and to translate this framework into specific policies, procedures or processes that can be implemented and verified within different business units
- properly identify major drivers of operational risk
- develop model for quantification of risk exposure profile and for calculation of both economic and regulatory capital
- prevent or minimize losses due to operational risk by adaptation of suitable processes, preventive measures or by selecting suitable insurance
- implement and update of insurance program
- define outsourcing and internal control system principles
- prepare ORCO meetings
- continuously improve the operational risk management process
- provide quality reporting and documentation.

Non-current assets and other investments

30. Property, equipment, investment properties and right of use assets

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’.

Type of property and equipment	Useful lives in years
Buildings	30 years
Right-of-use assets - buildings	15 - 30 years
Office equipment / Passenger cars/ Other fixed assets	4 - 12 years
IT assets (hardware)	4 years

Land is not depreciated.

Investment properties

Investment property is presented on the statement of financial position in the line item ‘Investment properties’.

The Group uses the cost model for 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 15-30 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 costs

Own property, equipment, investment properties and right of use assets

EUR ths.	Land and buildings	Office equipment / other fixed assets	IT assets (hardware)	Right-of-use assets - Land and buildings	Property and equipment total	Investment properties
Balance as at 1 January 2023	**238,711**	**52,517**	**56,433**	**42,901**	**390,562**	**6,743**
Additions	6,615	4,567	8,857	7,134	27,173	-
Disposals	(11,240)	(10,089)	(8,206)	(381)	(29,916)	(104)
Reclassification	281	-	-	-	281	(281)
Balance as at 31 December 2023	**234,367**	**46,995**	**57,084**	**49,654**	**388,100**	**6,358**
Additions	7,887	5,007	14,086	9,175	36,155	-
Disposals	(2,954)	(4,366)	(5,970)	(2,783)	(16,073)	-
Reclassification	66	11	-	-	77	(66)
Balance as at 31 December 2024	**239,366**	**47,647**	**65,200**	**56,046**	**408,259**	**6,292**

Accumulated depreciation

Own property, equipment, investment properties and right of use assets

EUR ths.	Land and buildings	Office and plant equipment/other fixed assets	IT assets (hardware)	Right-of-use assets - Land and buildings	Property and equipment total	Investment properties
Balance as at 1 January 2023	**(140,166)**	**(43,893)**	**(38,231)**	**(22,217)**	**(244,507)**	**(5,290)**
Amortisation and depreciation	(9,898)	(2,585)	(6,903)	(8,222)	(27,608)	(224)
Disposals	8,434	9,923	8,195	382	26,934	56
Impairment	(632)	-	-	-	(632)	-
Reversal of impairment	2,575	-	-	-	2,575	60
Reclassification	(213)	-	-	-	(213)	213
Balance as at 31 December 2023	**(139,900)**	**(36,555)**	**(36,939)**	**(30,058)**	**(243,451)**	**(5,185)**
Amortisation and depreciation	(10,253)	(3,223)	(7,865)	(8,424)	(29,765)	(210)
Disposals	2,433	4,103	5,969	1,273	13,778	-
Impairment	(1,520)	-	-	-	(1,520)	(1)
Reversal of impairment	2,098	-	-	-	2,098	4
Reclassification	(57)	-	-	-	(57)	57
Balance as at 31 December 2024	**(147,198)**	**(35,675)**	**(38,835)**	**(37,210)**	**(258,918)**	**(5,335)**

Carrying amounts

Own property, equipment, investment properties and right of use assets

EUR ths.	Land and buildings (used by the Group)	Office equipment / other fixed assets	IT assets (hardware)	Right-of-use assets - Land and buildings	Property and equipment total	Investment properties
Balance as at 31 December 2023	**94,467**	**10,440**	**20,145**	**19,596**	**144,648**	**1,173**
Balance as at 31 December 2024	**92,168**	**11,972**	**26,365**	**18,836**	**149,341**	**957**

As at 31 December 2024, land and buildings were impaired in the cumulative amount of EUR 5.2 million (2023: EUR 5.8 million).

Cost of property and equipment, which are fully depreciated but still used by the Group as at 31 December 2024 amounted EUR 51.0 million (2023: EUR 50.9 million) and includes various types of tangible fixed assets.

As at 31 December 2024 the Group owned property and equipment not yet put in use in the amount of EUR 2.6 million (2023: EUR 7.2 million).

Tangible assets are insured for standard risks, such as theft, robbery, vandalism, natural disasters etc.

31. Intangible assets

The Group's intangible assets include computer software 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'.

Type of Intangible assets	Useful lives in years
Software acquired	4 - 8 years
Self-constructed software within the Group	8 years
Others (licenses, patents, etc.)	4 years

Acquisition and production costs

EUR ths.	Software acquired	Self-constructed software within the Group	Others (licenses, patents, etc.)	Total
Balance as at 1 January 2023	**261,565**	**36,425**	**2,722**	**300,712**
Additions	7,152	-	-	7,152
Disposals	(17,275)	-	-	(17,275)
Balance as at 31 December 2023	**251,442**	**36,425**	**2,722**	**290,589**
Additions	6,545	-	-	6,545
Reclassification	(11)	-	-	(11)
Balance as at 31 December 2024	**257,976**	**36,425**	**2,722**	**297,123**

Accumulated depreciation

EUR ths.	Software acquired	Self-constructed software within the Group	Others (licenses, patents, etc.)	Total
Balance as at 1 January 2023	**(243,710)**	**(36,425)**	**(2,709)**	**(282,844)**
Amortisation and depreciation	(6,425)	-	(7)	(6,432)
Disposals	17,275	-	-	17,275
Balance as at 31 December 2023	**(232,860)**	**(36,425)**	**(2,716)**	**(272,001)**
Amortisation and depreciation	(4,480)	-	(7)	(4,487)
Balance as at 31 December 2024	**(237,340)**	**(36,425)**	**(2,723)**	**(276,488)**

Carrying amounts

EUR ths.	Software acquired	Others (licenses, patents, etc.)	Total
Balance as at 31 December 2023	**18,581**	**7**	**18,588**
Balance as at 31 December 2024	**20,635**	**-**	**20,635**

Cost of intangible assets, which are fully depreciated but still used by the Group as at 31 December 2024 amounted EUR 49.1 million (2023: EUR 43.5 million).

As at 31 December 2024 the Group owned intangible assets not yet put in use in the amount of EUR 3.9 million (2023: EUR 5.1 million).

During the year 2024 the Group put in use upgrade of the core banking system, which amounted EUR 7.6 million (2023: EUR 4.4 million).

Intangible assets are insured for standard risks, such as theft, robbery, vandalism, natural disasters etc.

32. Other assets

EUR ths.	31.12.2023	31.12.2024
Client settlement	6,317	12,123
Personnel balances	2,050	2,276
State budget, social and health insurance, taxes	11,775	262
Sundry assets	11,064	12,469
Thereof: deferred cost	9,338	9,471
Other assets	**31,206**	**27,130**

These items represent balances like:
Item Client settlement represents mainly suspense accounts or money in transit accounts that are not allocated to respective client account due to missing information or due to essence of the transaction. The main part of this items belongs to interbank clearing or open settlement with securities transactions.

Sundry assets represent other items that do not fall into the above-mentioned categories mainly deferred costs and suspense accounts.

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 the 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.

33. The 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, the 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'.

Finance leases

The 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:

EUR ths.	31.12.2023	31.12.2024
Outstanding lease payments	393,382	420,476
Gross investment	**393,382**	**420,476**
Unrealised financial income	(41,442)	(47,509)
Net investment	**351,940**	**372,967**
Present value of outstanding lease payments	**351,940**	**372,967**

Maturity analysis by residual maturities

EUR ths.	31.12.2023		31.12.2024	
	Gross investment	Present value of outstanding lease payments	Gross investment	Present value of outstanding lease payments
< 1 year	76,258	66,526	86,792	75,074
1-2 years	68,155	60,219	75,229	65,842
2-3 years	55,804	49,519	60,274	52,914
3-4 years	43,432	38,491	42,683	37,019
4-5 years	28,849	24,999	31,266	26,814
> 5 years	120,884	112,186	124,232	115,304
Total	**393,382**	**351,940**	**420,476**	**372,967**

During 2024, the Group recognised interest income on finance lease receivables in the amount of EUR 11.8 million (2023: EUR 8.5 million). Gains/(losses) from derecognition of finance lease receivables are recognized in line item 'Net other loss 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

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
General governments	1,325	-	-	-	1,325	(7)	-	-	-	(7)	1,318
Other financial corporations	162,653	-	-	-	162,653	(348)	-	-	-	(348)	162,305
Non-financial corporations	190,819	11,975	4,024	639	207,457	(1,076)	(550)	(2,263)	(19)	(3,908)	203,549
Households	1,233	99	200	-	1,532	(6)	(3)	(117)	-	(126)	1,406
Total	**356,030**	**12,074**	**4,224**	**639**	**372,967**	**(1,437)**	**(553)**	**(2,380)**	**(19)**	**(4,389)**	**368,578**

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
General governments	1,300	-	-	-	1,300	(3)	-	-	-	(3)	1,297
Other financial corporations	74,023	-	-	-	74,023	(83)	-	-	-	(83)	73,940
Non-financial corporations	236,529	34,979	3,477	161	275,146	(502)	(1,473)	(2,376)	(40)	(4,391)	270,755
Households	1,173	37	261	-	1,471	(2)	-	(138)	-	(140)	1,331
Total	**313,025**	**35,016**	**3,738**	**161**	**351,940**	**(590)**	**(1,473)**	**(2,514)**	**(40)**	**(4,617)**	**347,323**

Movement in credit loss allowances

Eur ths.	01.01.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	(590)	(188)	4	1,031	(1,694)	-	(1,437)
Stage 2	(1,473)	-	1	(201)	1,120	-	(553)
Stage 3	(2,514)	-	192	(116)	(562)	620	(2,380)
POCI	(40)	-	4	-	17	-	(19)
Total	**(4,617)**	**(188)**	**201**	**714**	**(1,119)**	**620**	**(4,389)**

EUR ths.	01.01.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	(395)	(161)	16	129	(179)	-	(590)
Stage 2	(510)	-	3	(1,176)	210	-	(1,473)
Stage 3	(2,726)	-	302	(112)	(133)	155	(2,514)
POCI	(11)	-	-	-	(29)	-	(40)
Total	**(3,642)**	**(161)**	**321**	**(1,159)**	**(131)**	**155**	**(4,617)**

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10.

One significant driver of the credit loss allowance 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 2024 to a different stage compared to 1 January 2024 (or to the initial recognition date, if originated during the year) are summarized below:

Transfers between stages

EUR ths.	2023	2024
Transfers between Stage 1 and Stage 2	**49,223**	**32,662**
To Stage 2 from Stage 1	31,863	8,768
To Stage 1 from Stage 2	17,360	23,894
Transfers between Stage 2 and Stage 3	**432**	**838**
To Stage 3 from Stage 2	432	838
Transfers between Stage 1 and Stage 3	**302**	**714**
To Stage 3 from Stage 1	302	714

The year-end total gross carrying amount of the finance lease receivables that were initially recognized during the reporting period and not fully de-recognized by 31 December 2024 amounts to EUR 91.5 million (2023: EUR 164.5 million). The gross carrying amounts of the finance lease receivables that were held at 1 January 2024 and fully de-recognized during the year 2024 amounts to EUR 27.3 million (2023: EUR 59.2 million).

34. Leases where the Group is a lessee

Under IFRS 16, the 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. The Group uses the straight-line method of depreciation. The right-of-use assets are presented on the statement of financial position as part of 'Property and equipment, right-of-use assets'.

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 lease payments in an optional renewal period are considered if the Group is reasonably certain to exercise the options. Extension and termination options are included in a number of real estate leases across the Group. The use of extension and termination options gives the 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 the lease payment the 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. In the statement of financial position, the lease liabilities are presented in the line item 'Lease liabilities'.

The Group primarily rents real estate such as buildings and land for headquarters, branches and parking lots. For details related to right of use assets capitalized in statement of financial position arising from leases where the Group is lessee, please see Note 30 Property, equipment, investment properties and right of use assets.

Total cash outflow for leases in 2024 was EUR 9.3 million (2023: EUR 8.9 million).

Accruals, provisions, contingent liabilities and legal proceedings

35. Other liabilities

EUR ths.	31.12.2023	31.12.2024
Client settlement	33,518	27,216
Trade payables	46,212	43,216
Personnel balances and social fund	37,987	40,083
State budget, social and health insurance, taxes	14,982	11,674
Sundry liabilities	387	1,170
Other liabilities	**133,086**	**123,356**

Item Client settlement represents mainly suspense accounts or money in transit accounts that are not allocated to respective client account due to missing information or due to essence of the transaction.

Item Trade payables represents liabilities to suppliers, including accruals and the main part belongs to unbilled deliveries, that are completed but unbilled as end of month.

Item Personnel balances and social fund mainly represents provisions for personnel costs, wage liabilities to employees and social fund contribution.

Item State budget, social and health insurance, taxes consist mainly of withholding tax and VAT tax payables that will be settled with state budget within next month.

Social fund liability, which is included in the line item 'Other liabilities', developed as follows:

EUR ths.	2023	2024
As at 1 January	**6,959**	**7,457**
Additions	3,336	4,055
Withdrawals	(2,838)	(4,523)
As at 31 December	**7,457**	**6,989**

36. Provisions

Provisions are liabilities with uncertain timing or amount. The statement of financial position line item 'Provisions' includes:
- provisions for defined employee benefit plans recognised based on requirements of IAS 19 Employee benefits
- 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 Provisions, contingent liabilities and contingent assets such as provisions or litigation, restructuring, commitments and guarantees not in scope of IFRS 9.

Further details on provisions for off-balance credit risk exposures in Note 26 Credit risk. Legal proceedings that do not meet the criteria for recognition of provisions are described in Note 37 Contingent liabilities.

Following classes of provision can be distinguished in the business of the Group:

EUR ths.	31.12.2023	31.12.2024
Defined employee benefit plans	7,691	10,109
Pending legal issues	11,351	8,602
Loan commitments and financial guarantees given in scope of IFRS 9	11,860	14,387
Commitments and guarantees given out of scope of IFRS 9	1,499	1,883
Provisions	**32,401**	**34,981**

Defined employee benefit plans

Defined employee benefit plans operated by the Group are for severance and jubilee benefits.

All employees that are employed are entitled to receive a severance payment if their employment is terminated by the employer or if they retire after defined employment period. The amount to be paid depends on the number of years of service and the employee's salary at termination of the employment.

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.

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.

Remeasurements consist of actuarial gains and losses on the defined benefit obligations. Remeasurements of severance defined benefit plans are recognised as accumulated OCI in equity specifically under 'Remeasurement of defined benefit pension liabilities' 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

The Group has a defined employee benefit program under which all employees are entitled to a lump-sum payment upon working anniversaries or retirement. The number of employees under this program is disclosed in the note 0 General administrative expenses.

The amounts relating to long-term employee provisions recognised on the statement of financial position, in the income statement and in the statement of other comprehensive income were as follows:

EUR ths.	Long-term employee provision	Severance payments	Working anniversaries provision	Total
Present value of long-term employee benefit obligations – 01.01.2023	**3,495**	**-**	**2,101**	**5,596**
Service cost	231	1,588	184	2,003
Interest cost	60	-	36	96
Payments	(341)	-	(269)	(610)
Actuarial gains/losses recognised in OCI	**423**	**-**	**183**	**606**
Experience adjustments	423	-	183	606
As at 31.12.2023	**3,868**	**1,588**	**2,235**	**7,691**
As at 01.01.2024	**3,868**	**1,588**	**2,235**	**7,691**
Service cost	233	2,144	182	2,559
Interest cost	84	-	48	132
Payments	(567)	-	(212)	(779)
Other changes	(24)	-	(11)	(35)
Actuarial gains/losses recognised in OCI	**535**	**-**	**6**	**541**
Experience adjustments	535	-	6	541
As at 31.12.2024	**4,129**	**3,732**	**2,248**	**10,109**

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.

The actuarial calculation of long-term employee provision used the following assumptions:

Long-term employee provision	2023	2024
Annual discount rate	2.18%	1.87%
Annual rate of salary increase in future	0.00%	0.00%
Annual employee turnover	5,69% - 13,16%	4,96% - 9,13%
Retirement age	64 years	64 years

The actuarial calculation of working anniversaries provision used the following assumptions:

Working anniversary provision	2023	2024
Annual discount rate	2.18%	1.87%
Annual rate of salary increase in future	0.00%	0.00%
Annual employee turnover	5,69% - 13,16%	4,96% - 9,13%
Retirement age	64 years	64 years

In the calculation of long-term employee provisions official mortality tables published by the Statistical Office were used.

Sensitivity to key assumption

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the statement of financial position. The analysis is based on relative change in employee turnover by 10%.

EUR ths.	31.12.2023	31.12.2024
Change in the annual employee turnover +10%	3,621	3,982
Change in the annual employee turnover -10%	4,085	4,294

Financial guarantees

In the ordinary course of business, the Group provides financial guarantees, consisting of various types of letters of credit and guarantees.

The Group as a guarantor recognises financial guarantees as soon as it becomes a contracting party. Financial guarantees are initially measured at fair value. Generally, the initial measurement is the premium received for a guarantee. This amount is subsequently amortised to fee income. If no premium is received at contract inception (i.e. the initial transaction price is zero), this is the price that would be paid to transfer the liability in an orderly transaction between market participants. As a result, the fair value of such a financial guarantee and thus the initial measurement is nil. Subsequent to initial recognition, provisions are recognised based on the expected credit loss impairment model if the amount is higher than the unamortised balance of the initial premium. They are presented on the statement of financial position under the line 'Provisions'. The premium received is recognised in the statement of income under the line item 'Fee and commission income' under 'Net fee and commission income' on a straight-line basis over the life of the guarantee.

If the Group is a guarantee holder, the treatment depends on whether the financial guarantee is considered as integral to the contractual terms of financial assets whose risk is guaranteed. The 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.

Integral financial guarantees are included in the estimates of expected credit losses from the related financial assets. Premiums paid for integral financial guarantees and other credit enhancements are considered in the EIR of the related financial assets.
Financial guarantees which are not considered integral are recognised as reimbursement assets under 'Other assets' in the statement of financial position. In the statement of income, they reduce the impairment loss incurred on guaranteed financial assets under 'Net impairment loss 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'.

Provision for commitments and financial guarantees given

Provisions for commitments and financial guarantees were created to cover losses expected in unused loan commitments, guarantees and letters of credits. The amount of these provisions is estimated with respect to credit risk relating to affected items, as well as time value of money (i.e. current market interest rates used for discounting).

The following table presents movements in the provision for commitments and financial guarantees:

EUR ths.	01.01.2024	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between stages	31.12.2024
Stage 1	3,274	34,188	(9,852)	(24,630)	(122)	2,858
Stage 2	5,313	-	(6,928)	2,629	9,022	10,036
Stage 3	2,259	-	(1,973)	792	145	1,223
POCI	1,014	-	(2,044)	1,300	-	270
Total	**11,860**	**34,188**	**(20,797)**	**(19,909)**	**9,045**	**14,387**

Of which provisions for financial guarantees represent the amount of EUR 0.0 million as at 31. December 2024.

EUR ths.	01.01.2023	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between stages	31.12.2023
Stage 1	4,097	47,172	(13,419)	(31,810)	(2,766)	3,274
Stage 2	10,438	-	(6,276)	(4,656)	5,807	5,313
Stage 3	1,946	-	(2,135)	2,202	246	2,259
POCI	4,556	-	(1,522)	(2,020)	-	1,014
Total	**21,037**	**47,172**	**(23,352)**	**(36,284)**	**3,287**	**11,860**

Of which provisions for financial guarantees represent the amount of EUR 0.5 million as at 31 December 2023.

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases of the credit loss allowances and reclassifications between stages. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10 Net impairment loss from financial instruments.

In column 'Increases due to origination and acquisition' increases of credit risk allowances due to the initial recognition of commitments and guarantees given during the current reporting period are disclosed. Releases of credit risk allowances following the derecognition of the related commitments and guarantees given are reported in column 'Decreases due to derecognition'.

Provisions for pending legal issues and other provisions

Expenses or income related to these provisions are reported in the statement of income under the line item 'Other operating result'.

Provisions for legal issues relate to legal cases where the Group is sued and which arose from normal banking activities. During the reporting period the Group does not participate in any new passive legal cases.

The item 'Other provisions´ includes provision on contribution to Resolution fund and provision on contribution to Deposit protection fund during the year. When the actual amount of contributions is announced, the payment is accounted for as utilisation of particular provision. Both contributions for the year 2024 were paid in full amount, therefore the Group does not disclose these items as other provisions.

The following table presents development of legal issues as well as other provisions:

EUR ths.	01.01.2024	Addition	Use	Release	31.12.2024
Pending legal issues	11,351	1,716	(289)	(4,176)	8,602
Commitments and guarantees given out of scope of IFRS9	1,499	1,076	-	(692)	1,883
Other provisions	-	2,540	(2,540)	-	-
Other	-	2,540	(2,540)	-	-
Provisions for deposit insurance fund	-	2,540	(2,540)	-	-
Total	**12,850**	**5,332**	**(2,829)**	**(4,868)**	**10,485**

EUR ths.	01.01.2023	Addition	Use	Release	31.12.2023
Pending legal issues	9,857	1,708	(214)	-	11,351
Commitments and guarantees given out of scope of IFRS9	2,304	-	-	(805)	1,499
Other provisions	179	6,841	(6,841)	(179)	-
Restructuring provision	179	-	-	(179)	-
Other	-	6,841	(6,841)	-	-
Provisions for deposit insurance fund	-	2,394	(2,394)	-	-
Provisions for recovery resolution fund	-	4,447	(4,447)	-	-
Total	**12,340**	**8,549**	**(7,055)**	**(984)**	**12,850**

The movement of other provisions related to the provisions for Deposit protection fund and Resolution fund accounted for in accordance with IFRIC 21.

Additions and releases of provision for pending legal issues and commitments and guarantees given out of scope of IFRS 9 are included in the line Other operating result in Consolidated Statement of Income.

Additions for provision for deposit insurance fund are included in the line Other administrative expenses in Consolidated Statement of Income.

37. Contingent liabilities

To meet the financial needs of customers, the Group enters into various irrevocable commitments and contingent liabilities. Even though these obligations may not be recognised on the statement of financial position, they do involve credit risk and are therefore part of the overall risk of the Group (see Note 26 Credit risk).

Legal proceedings

The Group is 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 the Group.

Capital instruments, equity and reserves

38. Total equity

in EUR ths.	31.12.2023	31.12.2024
Subscribed capital	212,000	212,000
Legal reserve fund	79,795	79,795
Other funds	39,104	39,104
Retained earnings	1,645,680	1,693,233
Additional equity instruments	480,000	480,000
Other components of equity	(619)	(1,175)
Owners of the parent	**2,455,960**	**2,502,957**
Non-controlling interests	8,645	1,949
Total	**2,464,605**	**2,504,906**

As at 31 December 2024, subscribed capital (also known as registered capital) consists of 212,000 (2023: 212,000) voting shares (ordinary shares). Nominal value of share is EUR 1,000.00. Subscribed capital was fully paid. Retained earnings and other reserves represent accumulated net profit brought forward, as well as income and expenses recognised in other comprehensive income. In December 2023, the Group contributed to its subsidiary in amount of EUR 18.0 million, out of which EUR 7.1 million was attributable to Non-controlling interests. In October 2024, SLSP Social Finance signed an amendment to Company´s Memorandum of Association which led to a decrease in non controlling interet in amount of EUR 6.9 million.

Additional equity instruments

The Bank issued additional tier 1 capital (AT1 bonds) reported in the column 'Additional equity instruments' in the statement of changes in equity. AT1 bonds shall constitute direct, unsecured and subordinated bonds. AT1 bonds are perpetual and can be cancelled only 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

Name	ISIN	Nominal value	Currency	Issue date	Initial fixed rate	Reset rate after the first call date	Coupon payments	First and subsequent calls dates
EUR 100,000,000 Undated Fixed to Fixed AT1 Notes	AT0000A35Y77	100,000,000	EUR	27.6.2023	9,43% p.a.	M/S + 618 bps	Annually	27.6.2028 and each Distribution Payment Date following the First Reset Date
EUR 80,000,000 Undated Fixed to Fixed Resettable Additional Tier 1 Notes	AT0000A2UFJ4	80,000,000	EUR	30.11.2021	4,49% p.a.	M/S + 457 bps	Semi-annually	30.11.2026 and each Distribution Payment Date following the First Reset Date
SLSP AT1 PNC5 IC 2020 II	SK4000018172	150,000,000	EUR	23.11.2020	4,82% p.a.	M/S + 527 bps	Semi-annually	23.11.2025 and each Distribution Payment Date following the First Reset Date
SLSP AT1 PNC5 IC 2020	SK4000016788	150,000,000	EUR	27.2.2020	4,15% p.a.	M/S + 449 bps	Semi-annually	27.2.2025 and each Distribution Payment Date after 27.2.2025 falling one year after the previous Call Redemption Date

Distributions on own equity instruments

Distributions on own equity instruments are recognised when their payment is confirmed. For dividends on common shares as well as for coupons on Additional Tier 1 instruments the decision is taken by the Annual General Meeting.

The following table presents distribution of individual profits of the Bank for the years 2023 (approved) and 2024 (proposed):

Profit distribution (in EUR ths.)	31.12.2023	31.12.2024
Profit for the year	308,576	283,016
Coupon payment for AT1 bond SK4000016788*	6,225	10,380
Coupon payment for AT1 bond SK4000018172	7,230	7,230
Coupon payment for AT1 bond AT0000A2UFJ4	3,592	3,592
Coupon payment for AT1 bond AT0000A35Y77	9,430	9,430
Dividends paid to shareholder from profit for the year	218,062	231,992
Transfer to retained earnings	64,036	20,393
Number of shares with nominal value of EUR 1 000 (in pcs.)	212,000	212,000
Dividend per share (in EUR)	**1,029**	**1,094**

* Based on estimated 5y EUR mid swap rate as of 25th February 2025 (estimation as of 28*th* January 2025), actual rate will/might differ.

Dividends for the year 2023 were paid in March 2024 in amount of EUR 218 million following the resolution of General Assembly of the Bank dated 27 March 2024.

As at 27 February 2024 was paid coupon payment from investment certificate SLSP AT1 PNC5 IC 2020 in amount of EUR 3.1 million.

On 23 May 2024, a coupon was paid from the investment certificate SLSP AT1 PNC5 IC 2020 II in the value of EUR 3.6 million and then on 30 May 2024, a coupon from the investment certificate EUR 80,000,000 Undated Fixed to Fixed Resettable Additional Tier 1 Notes was paid in the amount of EUR 1.8 million.

As at 27 June 2024 was paid coupon payment from investment certificate EUR 100,000,000 Undated Fixed to Fixed AT1 Notes in amount EUR 9.6 million.

As at 27 August 2024 was paid coupon payment from investment certificate SLSP AT1 PNC5 IC 2020 in amount EUR 3.1 million.

On 25 November 2024 was paid from coupon payment from investment certificate SLSP AT1 PNC5 IC 2020 II in amount of EUR 3.6 million and then on 02 December 2024, a coupon from investment certificate EUR 80,000,000 Undated Fixed to Fixed Resettable Additional Tier 1 Notes was paid in the amount of EUR 1.8 million.

Legal reserve fund

According to Commercial Code all companies are required to create a legal reserve fund to cover adverse financial conditions in the future. The Group is obliged to contribute to the fund the amount, which is not less than 10% of its annual net profit until the cumulative amount of annual contributions reaches 20% of its share capital. As at 31 December 2024 Legal reserve fund amounted to EUR 79.8 million (2023: EUR 79.8 million) and in both years exceeded the required 20% of the share capital. Legal reserve fund is not available for distribution to the shareholder.

Other funds

Other funds include only Statutory fund created from distributable profits to strengthen the Group's capital base. This fund is not available for distribution to the shareholder. Once the Group's share capital or legal reserve fund is increased, Statutory fund may be terminated and transferred back to the distributable profits with the approval of the Supervisory Board and of the General Assembly. As at 31 December 2024 Statutory fund amounted EUR 39.1 million (2023: EUR 39.1 million).

Fair value reserve

Fair value reserve represents the unrealised revaluation of financial assets measured at fair value through other comprehensive income. This reserve is not available for distribution to the shareholder.

Remeasurements of defined benefit pension liabilities

This equity component reflects the results of actuarial calculations related to the pension provision. As at 31 December 2024 the remeasurement of the pension provision amounted EUR 1.6 million (2023: EUR 1.3 million), net of deferred tax.

Scope of consolidation

39. Subsidiaries

The following table presents overview of the carrying amounts of investments in subsidiaries, however these subsidiaries are fully consolidated within this consolidated financial statements:

EUR ths.	Cost		Impairment		Net book value	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Subsidiaries						
Procurement Services SK, s.r.o.	3	3	-	-	3	3
SLSP Social Finance, s.r.o.	21,052	34,322	-	-	21,052	34,322
LANED a.s.	25,807	25,807	-	-	25,807	25,807
SLSP Seed Starter, s.r.o.	1,697	2,392	-	-	1,697	2,392
Total	**48,559**	**62,524**	**-**	**-**	**48,559**	**62,524**

Investments in subsidiaries of Slovenská sporiteľňa, a.s.

EUR ths.	Procurement Services SK, s.r.o. 2023	Procurement Services SK, s.r.o. 2024	SLSP Social Finance, s.r.o. 2023	SLSP Social Finance, s.r.o. 2024	LANED a.s. 2023	LANED a.s. 2024	SLSP Seed Starter, s.r.o. 2023	SLSP Seed Starter, s.r.o. 2024
Place of business	Tomášikova 48, 832 75 Bratislava, Slovakia		Tomášikova 48, 832 01 Bratislava, Slovakia		Tomášikova 48, 832 71 Bratislava, Slovakia		Tomášikova 48, 831 04 Bratislava, Slovakia	
Main business activity	Procurement		Advisory services		Real estate company		Advisory services	
Ownership held	51.00%		60.40%		100.00%		100.00%	
Voting rights held	51.00%		60.40%		100.00%		100.00%	
IFRS Classification	Subsidiary		Subsidiary		Subsidiary		Subsidiary	
Reporting currency	EURO		EURO		EURO		EURO	
Dividend income received	19	19	-	-	-	-	-	-
Investee's key financial information for the reporting year								
Cash and cash equivalents	179	232	189	149	8,577	9,417	506	157
Other current assets	26	61	-	-	14	47	372	5
Non-current assets	31	34	29,393	43,002	44,559	43,075	416	1,246
Current liabilities	-	266	7,047	14	18,263	2,001	-	6
Non-current liabilities	175	-	12	7,064	300	14,432	1	-
Operating result	(135)	(866)	(13)	(57)	(36)	1,601	(303)	(599)
Post-tax result from continuing operations	(135)	37	(13)	279	(36)	1,520	(311)	(586)
Total comprehensive result	(135)	37	(13)	279	(36)	1,520	(311)	(586)
Depreciation and amortization	-	-	-	-	-	(3,848)	-	-
Interest income	-	-	10	11	-	-	15	33
Interest expense	-	-	-	(28)	-	(941)	-	-
Tax expense/income	-	(7)	-	(2)	-	(14)	-	(1)

Changes in subsidiaries during the year 2024

During the first half of the year 2024 the Bank contributed to capital funds of subsidiary SLSP Social Finance, s.r.o. in the amount of EUR 13.3 million.

During the year 2024 the Bank invested in the subsidiary SLSP Seed Starter, s.r.o. to increase capital funds in the amount of EUR 0.7 million.

40. Investments in associates and joint ventures

In the case of the 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%.

The following table presents overview of the carrying amounts of investments in associates:

EUR ths.	Cost		Impairment CONS		Equity CONS		Net book value	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Associates								
Prvá stavebná sporiteľňa, a.s.	1,093	1,093	(19,275)	(19,606)	29,942	31,098	11,760	12,585
Slovak Banking Credit Bureau, s.r.o.	3	3	-	-	99	107	102	110
Holding Card Service s.r.o.	7,049	7,049	-	-	2,497	2,322	9,546	9,371
Dostupný Domov j.s.a. (associate of SLSP Social Finance, s.r.o.)	11,391	25,000	339	-	(1,120)	(1,692)	10,610	23,308
Dostupný Nájom j.s.a. (associate of SLSP Social Finance, s.r.o.)	18,002	18,002	-	-	16	443	18,018	18,445
Total	**37,538**	**51,147**	**(18,936)**	**(19,606)**	**31,434**	**32,278**	**50,036**	**63,819**

The following table presents overview of the carrying amounts of investments in joint ventures:

EUR ths.	Cost		Impairment CONS		Equity CONS		Net book value	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Joint ventures								
Monilogi s.r.o.	1,924	2,032	-	-	(1,377)	(1,348)	547	684
Total	**1,924**	**2,032**	**-**	**-**	**(1,377)**	**(1,348)**	**547**	**684**

The Group regularly tests the impairment of the associated company Prvá stavebná sporiteľňa, a.s. (“PSS”) for impairment based on a forecast of the company's business plan for a period of 5 years through the regular budgeting process. In the valuation model a dividend discount method (“DDM”) is applied, which is commonly used for the valuation of financial institutions. The DDM capitalizes expected future dividends that can potentially be paid out to the shareholders (“Flow-to-Equity”) after fulfilling any regulatory capital requirements. For valuation purposes, the flows-to-equity are determined based on the expected profits after tax and regulatory requirements. The valuation relevant flows-to-equity are discounted with the cost of equity based on the commonly used CAPM model-based principles (Capital Asset Pricing Model). The risk-free rate used in the discount rate is derived from the yield curve with a maturity of 30 years of a German bond, which is published by the German Federal Bank. The beta-factor is estimated from a peer group of comparable-stock listed companies. The Country Risk Premium is based on data published by Prof. Damodaran on a regularly update. To determine the Market Risk Premium implicit market returns are considered. The model is most sensitive on changes of discount rate and earnings growth rate.

In 2024 was the impairment of the investment in Prvá stavebná sporiteľňa, a.s. in the amount of EUR 0.3 million and recognised as expense in line item ‘Other operating result’. In 2023 the carrying amount of Prvá stavebná sporiteľňa, a.s. was impaired in the amount of EUR 1.5 million. The impairment loss was disclosed in line item ‘Other operating result’.

Investments in associates and joint ventures of Slovenská sporiteľňa, a.s.

	Monilogi s.r.o.*		Prvá stavebná sporiteľňa, a.s. ("PSS")**		Slovak Banking Credit Bureau, s.r.o.**		Holding Card Service s.r.o.		Dostupný Domov j.s.a. (associate of SLSP Social Finance, s.r.o.)		Dostupný Nájom j.s.a. (associate of SLSP Social Finance, s.r.o.)	
EUR ths.	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Place of business	Mlynské nivy 1 821 09 Bratislava, Slovakia		Bajkalská 30 829 48 Bratislava, Slovakia		Mlynské nivy 14 821 09 Bratislava, Slovakia		Olbrachtova 1929/62 140 00 Praha 4, Czech republic		Farská 48 949 01 Nitra, Slovakia		Farská 48 949 01 Nitra, Slovakia	
Main business activity	Cash handling		Banking		Retail credit register		Equity release company		Rental of real estate and related services		Rental of real estate and related services	
Ownership held	26.00%	28.00%	9.98%		33.33%		21.78%		49.88%	49.94%	49.88%	
Voting rights held	26.00%	28.00%	35.00%		33.33%		21.78%		49.88%	49.94%	49.88%	
IFRS Classification	Joint venture		Associate		Associate		Associate		Associate		Associate	
Reporting currency	EURO		EURO		EURO		EURO		EURO		EURO	
Investee's key financial information for the reporting year												
Cash and cash equivalents	977	984	13,237	711	287	332	20	17	1,499	1,352	60,045	1,676
Other current assets	1,727	466	194,406	106,901	1,114	7	-	-	854	112	10	851
Non-current assets	1,637	2,351	2,917,774	2,906,311	-	-	43,809	43,008	35,408	53,532	-	59,144
Current liabilities	1,831	1,226	2,496,726	2,340,715	1,105	6	-	-	16,482	2,243	-	189
Non-current liabilities	17	7	316,843	350,649	1	2	-	-	5	6,084	-	-
Operating result	(1,980)	3,867	30,348	30,927	(115)	(113)	(3)	(2)	(1,484)	(1,298)	51	1,843
Post-tax result from continuing operations	(2,486)	716	20,798	10,628	33	37	(3)	(2)	(1,385)	(1,144)	51	1,427
Total comprehensive result	(2,486)	716	20,651	10,711	33	37	(3)	(2)	(1,385)	(1,144)	51	1,427
Depreciation and amortization	(324)	(541)	(6,414)	(6,078)	-	-	-	-	(568)	(984)	-	(1)
Interest income	-	-	96,537	95,688	-	-	-	-	-	240	51	2,165
Interest expense	(1)	-	(34,191)	(39,143)	(2)	(2)	-	-	(314)	(181)	-	-
Tax expense/income	-	-	(4,476)	(8,309)	-	-	-	-	-	(50)	-	(416)

*The results for the year ended 31.12.2023 disclosed in the table are unaudited data for 11 months. The results for the year ended 31.12.2024 are unaudited data for 12 months.
**The table discloses unaudited data for 11 months.

Changes in associates and joint ventures during the year 2024

In June 2024, the Bank made a cash deposit in the amount of EUR 0.1 million to the joint venture Monilogi, s.r.o. The Bank's ownership share of joint venture Monilogi, s.r.o have increased from 26% (31.12.2023) to 28%.

During the first half of the year the Bank increased its investment in its associate Dostupný Domov j.s.a. to increase capital funds in the amount of EUR 13.3 million.

Other disclosure matters

41. Related-party transactions and principal shareholders

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The Group is controlled by the only shareholder Erste Group Bank AG, which directly owns 100% share on the voting rights of the Bank. Further related parties include subsidiaries, which are under control of the Bank, associates and joint ventures over which the Bank has significant influence. Moreover, other members of the Erste Group are also related parties of the Bank.

Transactions with related parties occur in the normal course of business and primarily include loans and deposits. These transactions are performed at arm's length, i.e. the terms and conditions applied respect market conditions.

Balances exposures with related parties

	Erste Group Bank AG		Companies of Erste Group		Associates and joint ventures	
EUR ths.	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Assets						
Cash and cash equivalents	7,709	15,926	730	412	-	-
Derivatives	26,167	10,862	6	-	-	-
Derivatives – Hedge accounting	23,027	31,595	-	-	-	-
Securities	-	-	-	-	5,265	5,260
Loans and advances to banks	4,330	3,811	46	507	10,030	10,026
Loans and advances to customers	-	-	3,327	2,639	-	-
Other assets	35	139	-	-	-	-
Total assets	**61,268**	**62,333**	**4,109**	**3,558**	**15,295**	**15,286**
Liabilities						
Derivatives held for trading	32,586	35,977	-	10	-	-
Deposits from banks	10,567	229	3,423	57	113	110
Deposits from customers	-	-	7,305	10,428	-	-
Debt securities issued	506,803	318,554	2,899	2,947	-	-
Derivatives – hedge accounting	64,227	31,831	-	-	-	-
Other liabilities	307	659	2,340	2,305	-	-
Total liabilities	**614,490**	**387,250**	**15,967**	**15,747**	**113**	**110**
Financial guarantees given	19,763	15,835	13,971	13,613	-	-
Financial guarantees received	19,359	15,931	13,812	13,512	-	-

Expenses/Income generated by transactions with related parties

	Erste Group Bank AG		Companies of Erste Group		Associates and joint ventures	
EUR ths.	2023	2024	2023	2024	2023	2024
Interest income	25,263	26,676	30	13	871	1,174
Interest expense	(40,326)	(52,018)	(107)	(78)	(1)	-
Dividend income	-	-	-	435	-	-
Net fee and commission income	130	843	18,215	22,299	-	4
Net trading result	5,630	24,885	(1,846)	376	-	-
General administrative expenses	(3,976)	(4,361)	(22,771)	(25,401)	-	-
Other operating result	331	120	636	668	-	-
Total	**(12,948)**	**(3,855)**	**(5,843)**	**(1,688)**	**870**	**1,178**

Terms of contracts (excluding derivatives) with related parties

	31.12.2024		31.12.2023	
	Maximum maturity	Weighted average contractual interest rate	Maximum maturity	Weighted average contractual interest rate
Assets				
Securities	2031	2.61%	2031	3.32%
Loans and advances to banks	2025	3.19%	2029	4.14%
Loans and advances to customers	2029	4.58%	2028	5.55%
Liabilities				
Deposits from banks	2025	0.06%	2024	2.64%
Deposits from customers	2025	0.34%	2024	0.26%
Debt securities issued	2029	1.17%	2029	0.90%

The maturity of the guarantees received and given is in some cases more than 10 years.

Transactions with related parties are done at arm's length.

The Group received financial guarantees to its parent company Erste Group Bank AG covering clients' exposures in the amount of EUR 15.9 million as at the reporting date.

The Group received financial guarantees to its sister company Česká spořitelna, a.s. covering clients' exposures in the amount of EUR 0.5 million and to its sister company Erste Group Bank Hungary ZRT in amount of EUR 13.0 million as at the reporting date.

The amounts with Erste Group Bank AG reported in the line items 'Interest income' and 'Net trading result' represent results from derivative instruments used to close positions with the clients.

All issued investment certificates disclosed as AT1 instruments in equity at 31 December 2024 were purchased by Erste Group Bank AG (see note 38).

As at 31 December 2024 and in 2023, the Group did not receive any dividends from its associates.

Remuneration of management and supervisory board members

The remuneration of the Board of Directors members and the Supervisory Board members paid during the year 2024 in form of short-term employee benefits amounted to EUR 3.4 million (2023: EUR 3.7 million). The remuneration policy of the Board of Directors members is in compliance with CRD directive as adopted in the national legislation.

42. Audit fees and tax consultancy fees

The following table contains fees charged by the auditors of the Bank and subsidiaries for the financial years 2024 and 2023; the auditors being PricewaterhouseCoopers Slovensko, s.r.o.

EUR ths.	2023	2024
Audit of consolidated financial statements	(711)	(750)
Other assurance services	(157)	(519)
Other non-audit services	(30)	(12)
Total	**(898)**	**(1,281)**

Other assurance services in the amount of EUR 519 thousand (2023: EUR 157 thousand) related to a review of the special-purpose standard reporting forms: Half Year review; ISAE 3402 Custody Type II report; limited assurance for CSRD reporting; NBS loan portfolio ALM; SRB AUP, review of the report for the resolution authority. Other non-audit services in the amount of EUR 12 thousand (2023: EUR 30 thousand) related to agreed-upon procedures on the Bank's compliance with terms of grant agreement.

43. Analysis of remaining maturities

Expected remaining maturities of assets and liabilities

EUR ths.	< 1 year	> 1 year	< 1 year	> 1 year
	31.12.2023		31.12.2024	
Assets				
Cash and cash equivalents	3,030,858	-	1,988,940	-
Financial assets HfT	3,379	56,910	36,067	12,034
Derivatives	3,379	56,910	36,067	12,034
Non-trading financial assets at FVPL	-	19,438	-	27,358
Equity instruments	-	11,922	-	20,732
Debt securities	-	7,516	-	6,626
Financial assets at AC	2,944,893	19,582,251	2,871,143	20,532,607
Debt securities	351,457	3,769,724	310,383	4,161,227
Loans and advances to banks	10,032	-	10,408	-
Loans and advances to customers	2,583,404	15,812,527	2,550,352	16,371,380
Finance lease receivables	61,909	285,414	67,791	300,787
Hedge accounting derivatives	1,819	22,605	863	31,921
Property and equipment, right-of-use assets	-	144,648	-	149,341
Investment properties	-	1,173	-	957
Intangible assets	-	18,588	-	20,635
Investments in associates	-	50,583	-	64,503
Current tax assets	40	-	617	-
Deferred tax assets	-	70,201	-	83,039
Trade and other receivables	133,614	-	163,691	-
Other assets	31,206	-	27,130	-
Total assets	**6,207,718**	**20,251,811**	**5,156,242**	**21,223,182**

EUR ths.	< 1 year	> 1 year	< 1 year	> 1 year
	31.12.2023		31.12.2024	
Liabilities				
Financial liabilities HfT	2,633	53,963	35,507	10,015
Derivatives	2,633	53,963	35,507	10,015
Financial liabilities at AC	18,899,038	4,769,674	19,186,855	4,430,762
Deposits from banks	1,076,316	170,847	43,504	162,420
Deposits from customers	17,306,340	273,836	18,463,030	271,693
Debt securities in issued	333,128	4,324,991	625,591	3,996,649
Other financial liabilities	183,254	-	54,730	-
Lease liabilities	7,411	12,745	7,419	13,772
Hedge accounting derivatives	7,569	56,658	5,999	25,832
Provisions	14,947	17,454	20,003	14,978
Current tax liabilities	19,746	-	20	-
Deferred tax liabilities	-	-	-	-
Other Liabilities	133,086	-	123,356	-
Total liabilities	**19,084,430**	**4,910,494**	**19,379,159**	**4,495,359**

44. Events after the balance sheet date

There are no significant events after the balance sheet date that require disclosure or adjustment to these consolidated financial statements.

Statement of 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.

Ing. Peter Krutil

Chairman of the Board of Directors
and Chief Executive Officer

Ing. Pavel Cetkovský

Member of the Board of Directors
and Deputy of Chief Executive Officer

Bratislava, 18 February 2025

Separate Financial Statements

prepared in accordance with the International Financial Reporting Standards
as adopted by the European Union

for the year ended 31 December 2024

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Independent Auditor's Report

To the Shareholder, Supervisory Board, and Board of Directors of Slovenská sporiteľňa, a.s.

Report on the audit of the separate financial statements

Our opinion

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of Slovenská sporiteľňa, a.s. (the "Bank") as at 31 December 2024, and the Bank's separate financial performance and separate cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Our opinion is consistent with our additional report to the Audit Committee dated 21 February 2025.

What we have audited

The Bank's separate financial statements comprise:

- the separate statement of income for the year ended 31 December 2024;
- the separate statement of comprehensive income for the year ended 31 December 2024;
- the separate statement of financial position as at 31 December 2024;
- the separate statement of changes in equity for the year ended 31 December 2024;
- the separate statement of cash flows for the year ended 31 December 2024; and
- the notes to the separate financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of the Act No. 423/2015 on Statutory Audit and on the amendments and supplements to the Act on Accounting No. 431/2002, as amended (hereafter the "Act on Statutory Audit") that are relevant to our audit of the separate financial statements in the Slovak Republic. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the Act on Statutory Audit.

PricewaterhouseCoopers Slovensko, s.r.o., Karadžičova 2, 815 32 Bratislava, Slovak Republic
T: +421 259 350 111, www.pwc.com/sk/en

The firm's ID No.: 35 739 347. The firm is registered in the Commercial Register of Bratislava III City Court, Ref. No.: 16611/B, Section: Sro.
IČO spoločnosti je 35 739 347. Spoločnosť je zapísaná v Obchodnom registri Mestského súdu Bratislava III, pod Vložkou č.: 16611/B, Oddiel: Sro.

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To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Bank, to its parent or to its subsidiaries within the European Union are in accordance with the applicable law and regulations in the Slovak Republic and that we have not provided non-audit services that are prohibited under Regulation (EU) No. 537/2014.

The non-audit services that we have provided to the Bank, in the period from 1 January 2024 to 31 December 2024, are disclosed in Note 42 to the separate financial statements.

Our audit approach

Overview

Materiality	Overall materiality: EUR 22.46 million, which represents approximately 5% of the profit before income tax (in the separate statement of income the line named: "Pre-tax result from continuing operations").
Key audit matters	The audit of the credit loss allowance estimate required our significant attention given the nature of this estimate and its significance to the separate financial statements.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the separate financial statements. In particular, we considered where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the separate financial statements as a whole, taking into account the structure of the Bank, the accounting processes and controls, and the industry in which the Bank operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the separate financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the separate financial statements as a whole.

Overall materiality	EUR 22.46 million
How we determined it	We determined the materiality as approximately 5% of the profit before income tax.
Rationale for the materiality benchmark applied	Performance of the Bank is most commonly evaluated by the financial statements' users based on the Bank's profitability. The quantitative threshold of approximately 5% was applied to profit before income tax.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Credit loss allowance estimate	
As explained in the Notes 14, 15 and 33 to the separate financial statements, management estimated total credit loss allowances for loans and advances to customers, finance lease receivables and trade and other receivables at EUR 352.5 million. The carrying value of loans and advances to customers, finance lease receivables and trade and other receivables measured at amortised cost may be materially misstated if individual or collective credit loss allowances are not appropriately identified and estimated. The estimates required for measuring credit loss allowances are significant estimates.	We assessed and tested the design and operating effectiveness of manual and automated controls related to the timely identification of defaulted loans. We tested design and operating effectiveness of the IT general controls, including access to programs and data, program changes and computer operations related to quantification of credit loss allowances. We verified that models used for accurate quantification of credit loss allowances are in line with the requirements of IFRS 9. A sample of loan exposures was examined in order to test accuracy of credit loss allowances calculated on an individual basis. We considered management's assumptions, including forecasts of future cash flows, by comparing them to historical performance of the customer and expected future performance. We assessed external and internal valuations of the underlying collateral and compared them to the values used by management in the expected credit loss quantification.

The identification of significant increase in credit risk or default; the estimation of credit loss including estimates of future cash flows and valuation of collateral as well as application of comprehensive credit models are judgmental. In 2024, the Bank deployed new retail LGD and PD models. Incorporation of forward-looking information in the macro models together with application of stage overlays in the ECL calculation represent a significant management judgement. In 2024, the estimate of credit loss allowances continued to be significantly influenced by the current geopolitical and macroeconomic situation. Due to the significance of the amount of the credit loss allowances and material impact of the credit loss allowances on the net result for the year, we consider the credit loss allowance estimate as a key audit matter.	On a sample basis, we assessed the underlying models, including the new models, reasonableness of assumptions, and completeness and accuracy of the underlying data, which were used by the Bank to estimate collective credit loss allowances for loans that share similar credit risk characteristics. The underlying models and expert judgement applied by the Bank in response to the current macroeconomic situation were assessed by our specialists dealing with financial risk management and modelling. The specialists assessed reasonableness of the forward-looking information considering external sources of macro predictions prepared by local and global authorities and its impact on the risk parameters and accuracy of the collective credit loss allowances. Our specialists have assessed a validation process implemented by the Bank and interpreted the results of the validation report. The specialists also assessed the design and application of the models for compliance with the relevant reporting standards, including introduction of additional criteria used for identification of significant increase in credit risk. They assessed the relevance of the criteria used in application of stage overlays and tested on a sample basis that the criteria were applied appropriately.

Reporting on other information including the Annual Report

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and separate financial statements and our auditor's reports thereon).

Our opinion on the separate financial statements does not cover the other information.

In connection with our audit of the separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Annual Report, excluding the requirements related to sustainability reporting, we considered whether it includes the disclosures required by the Act on Accounting No. 431/2002, as amended (hereafter the "Accounting Act").

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Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Annual Report for the financial year for which the separate financial statements are prepared is consistent with the separate financial statements; and
- the Annual Report, excluding the requirements related to sustainability reporting, has been prepared in accordance with the Accounting Act.

In addition, in light of the knowledge and understanding of the Bank and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Annual Report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the separate financial statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Bank'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 Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 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 separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate 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 risk 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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 Bank'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 separate 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 Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate 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.

Report on other legal and regulatory requirements

Appointment as an independent auditor

We were first appointed as auditors of the Bank on 27 March 2017. Our appointment has been renewed annually by the shareholder's resolution representing a total period of uninterrupted engagement appointment of eight years. Our appointment for the year ended 31 December 2024 was approved by the shareholder's resolution on 20 February 2024.

The engagement partner on the audit resulting in this independent auditor's report is Rastislav Petruška.

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SKAU licence No. 161

Slovenská komora audítorov SKAU Č. licencie 161 PricewaterhouseCoopers Slovensko, s.r.o.

Mgr. Rastislav Petruška, FCCA
UDVA licence No. 1108

21 February 2025, except for *Reporting on other information including the Annual Report* section of our report for which the date of our report is 25 April 2025.

Bratislava, Slovak Republic

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Content

Separate Statement of Income

for the year ended 31 December 2024

EUR ths.	Notes	2023	2024
Net interest income	2	521,555	567,619
Interest income		761,169	914,734
Other similar income		47,642	59,987
Interest expenses		(218,058)	(320,348)
Other similar expenses		(69,198)	(86,754)
Net fee and commission income	3	207,504	232,345
Fee and commission income		223,629	247,132
Fee and commission expenses		(16,125)	(14,787)
Dividend income	4	590	511
Net trading result	5	21,621	18,581
Net gain from financial instruments measured at fair value through profit or loss	6	2,467	7,105
Rental income from investment properties & other operating leases	7	411	463
Personnel expenses	8	(175,842)	(190,632)
Other administrative expenses	8	(121,496)	(128,052)
Depreciation and amortisation	8	(36,422)	(36,391)
Net gain/ (loss) from derecognition of financial assets measured at amortised cost	9	4	(10,426)
Net other loss from derecognition of financial instruments not measured at fair value through profit or loss		(147)	(24)
Net impairment loss from financial instruments	10	(15,194)	(13,049)
Other operating result	11	(6,740)	1,271
Levies on banking activities		(4,447)	-
Pre-tax result from continuing operations		**398,311**	**449,321**
Taxes on income	12	(89,735)	(166,305)
Net result for the period		**308,576**	**283,016**

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. 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 (also see note 38 Total equity). As in the previous year no subscription and conversion rights were outstanding during the financial year. Diluted earnings per share were equal to the basic earnings per share.

		2023	2024
Net result attributable to owners of the parent	EUR ths.	308,576	283,016
Number of outstanding shares	pcs.	212,000	212,000
Basic and diluted earnings per share	**EUR**	**1,456**	**1,335**

The notes on pages 364 to 475 are an integral part of these separate financial statements.

Separate Statement of Comprehensive Income

for the year ended 31 December 2024

For a detailed split of income tax items within other comprehensive income please refer to note 12 Taxes on income.

EUR ths.	2023	2024
Net result for the period	**308,576**	**283,016**
Other comprehensive result		
Items that may not be reclassified to profit or loss	**(334)**	**(357)**
Remeasurement of defined benefit plans	(423)	(534)
Deferred taxes relating to items that may not be reclassified	89	177
Total other comprehensive income	**(334)**	**(357)**
Total comprehensive income	**308,242**	**282,659**

The notes on pages 364 to 475 are an integral part of these separate financial statements.

Separate Statement of Financial Position

as at 31 December 2024

EUR ths.	Notes	31.12.2023	31.12.2024
Assets			
Cash and cash equivalents	13	3,030,858	1,988,940
Financial assets held for trading	17	60,289	48,101
Derivatives	17	60,289	48,101
Non-trading financial assets at fair value through profit or loss	18	24,038	32,041
Equity instruments	18	11,511	20,185
Debt securities	18	12,527	11,856
Financial assets at amortised cost	14	22,545,036	23,419,431
Pledged as collateral	23	4,937,680	3,217,703
Debt securities	14	4,121,181	4,471,610
Loans and advances to banks	14	10,032	10,408
Loans and advances to customers	14	18,413,823	18,937,413
Finance lease receivables	33	347,323	368,578
Hedge accounting derivatives	20	24,424	32,784
Investment properties	30	1,173	957
Investments in subsidiaries, associates and joint ventures	39, 40	58,628	72,701
Current tax assets	12	-	584
Trade and other receivables	15	133,577	163,622
Other assets	32	30,127	24,423
Deferred tax assets	12	68,399	80,589
Intangible assets	31	18,588	20,635
Property and equipment, right-of-use assets	30	158,797	161,301
Total assets		**26,501,257**	**26,414,687**
Liabilities and Equity			
Financial liabilities held for trading	17	56,596	45,522
Derivatives	17	56,596	45,522
Financial liabilities at amortised cost	16	23,677,088	23,626,495
Deposits from banks	16	1,247,163	205,924
Deposits from customers	16	17,589,627	18,744,678
Debt securities issued	16	4,657,044	4,621,163
Other financial liabilities	16	183,254	54,730
Lease liabilities	34	77,106	73,217
Hedge accounting derivatives	20	64,227	31,831
Provisions	36	32,401	34,981
Current tax liabilities	12	19,746	-
Other liabilities	35	132,649	123,077
Equity		2,441,444	2,479,564
Equity attributable to owners of the parent	38	2,441,444	2,479,564
Subscribed capital	38	212,000	212,000
Legal reserve fund	38	79,795	79,795
Other funds	38	39,104	39,104
Retained earnings	38	1,631,835	1,670,312
Additional equity instruments	38	480,000	480,000
Other components of equity	38	(1,290)	(1,647)
Total liabilities and equity		**26,501,257**	**26,414,687**

The notes on pages 364 to 475 are an integral part of these separate financial statements.

Separate Statement of Changes in Equity

for the year ended 31 December 2024

EUR ths.	Subscribed capital	Legal reserve fund	Other funds	Retained earnings	Remeasurement of defined benefit pension liabilities	Additional equity instruments	Equity attributable to owners of the parent	Total equity
As at 01.01.2024	**212,000**	**79,795**	**39,104**	**1,631,835**	**(1,290)**	**480,000**	**2,441,444**	**2,441,444**
Dividends paid / Distribution for Investment certificate	-	-	-	(244,539)	-	-	**(244,539)**	**(244,539)**
Total comprehensive income	-	-	-	283,016	(357)	-	**282,659**	**282,659**
Net result for the period	-	-	-	283,016	-	-	**283,016**	**283,016**
Other comprehensive result	-	-	-	-	(357)	-	**(357)**	**(357)**
Change from remeasurement of defined benefit pension liabilities	-	-	-	-	(357)	-	**(357)**	**(357)**
As at 31.12.2024	**212,000**	**79,795**	**39,104**	**1,670,312**	**(1,647)**	**480,000**	**2,479,564**	**2,479,564**

For more details on deferred tax please refer to note 12.

For more details on changes in equity please refer to note 38.

EUR ths.	Subscribed capital	Legal reserve fund	Other funds	Retained earnings	Remeasurement of defined benefit pension liabilities	Additional equity instruments	Equity attributable to owners of the parent	Total equity
As at 01.01.2023	**212,000**	**79,795**	**39,104**	**1,447,237**	**(956)**	**380,000**	**2,157,180**	**2,157,180**
Dividends paid / Distribution for Investment certificate	-	-	-	(123,978)	-	-	**(123,978)**	**(123,978)**
Capital increases	-	-	-	-	-	100,000	**100,000**	**100,000**
Total comprehensive income	-	-	-	308,576	(334)	-	**308,242**	**308,242**
Net result for the period	-	-	-	308,576	-	-	**308,576**	**308,576**
Other comprehensive result	-	-	-	-	(334)	-	**(334)**	**(334)**
Change from remeasurement of defined benefit pension liabilities	-	-	-	-	(334)	-	**(334)**	**(334)**
As at 31.12.2023	**212,000**	**79,795**	**39,104**	**1,631,835**	**(1,290)**	**480,000**	**2,441,444**	**2,441,444**

The notes on pages 364 to 475 are an integral part of these separate financial statements.

Separate Statement of Cash Flows

for the year ended 31 December 2024

EUR ths.		2023	2024
Net result for the period	**Notes**	**308,576**	**283,016**
Non-cash adjustments for items in net profit/loss for the year			
Net allocation of credit loss allowances and other provisions	10	17,343	15,494
Depreciation, amortisation, impairment and reversal of impairment of assets	30, 31	34,419	35,810
Net gain/ (loss) from measurement and derecognition of financial assets and financial liabilities	6	(2,563)	3,688
Accrued interest, amortisation of discount and premium	2	65,712	14,219
Fair value adjust - hedging	20	54,423	32,189
Other adjustments		1,507	(12,332)
Cash flows from operations before changes in operating assets and liabilities			
Financial assets held for trading	17	16,850	12,188
Non-trading financial assets at fair value through profit or loss	18		
Equity instruments	18	746	(3,499)
Debt securities	18	(376)	2,234
Financial assets at amortised cost	14		
Debt securities	14	38,608	(344,314)
Loans and advances to banks	14	(10,006)	(376)
Loans and advances to customers	14	(909,618)	(547,043)
Finance lease receivables	33	(62,823)	(21,255)
Hedge accounting derivatives	20	(7,545)	(8,360)
Trade and other receivables	15	21,949	(30,045)
Other assets from operating activities	32, 12	(5,641)	4,943
Financial liabilities held for trading	17	(16,937)	(11,074)
Financial liabilities measured at amortised cost	16		
Deposits from banks	16	73,535	(1,041,239)
Deposits from customers	16	629,967	1,142,560
Other financial liabilities	16	69,464	(128,524)
Hedge accounting derivatives	20	(39,039)	(32,396)
Provisions	36	(9,474)	3,100
Other liabilities from operating activities	35, 12	13,917	(32,639)
Cash flow from operating activities		**282,994**	**(663,655)**
Dividends received from subsidiaries, associates and other investments	4	590	511
Purchase of share in subsidiaries, associates and joint ventures	40	(19,969)	(14,073)
Purchase of intangible assets, property and equipment	30, 31	(26,143)	(32,007)
Proceeds from sale of intangible assets, property and equipment	30, 31	2,760	844
Cash flow from investing activities		**(42,762)**	**(44,725)**
Dividends paid	38	(123,978)	(244,539)
AT1 certificate - issue	38	100,000	-
Repayment of subordinated debt	16	(4,250)	-
Issue of the bonds	16	1,610,469	266,113
Repayment of the bonds		(30,625)	(339,600)
Lease liabilities	34	(15,485)	(15,599)
Cash flow from financing activities		**1,536,131**	**(333,625)**

Cash and cash equivalents at beginning of the year	13	**1,254,543**	**3,030,858**
Cash flows from operating activities		282,994	(663,655)
Cash flow from investing activities		(42,762)	(44,725)
Cash flow from financing activities		1,536,131	(333,625)
Effect of foreign exchange rate changes on cash and cash equivalents		(48)	87
Cash and cash equivalents at end of period	13	**3,030,858**	**1,988,940**

Cash flows related to taxes, interest and dividends (included in cash flow from operating activities)		**539,093**	**405,387**
Payments for taxes on income	12	(76,254)	(198,599)
Interest paid	2	(139,974)	(331,536)
Interest received	2	754,731	935,011
Dividends received	4	590	511

Further information related to net debt reconciliation are provided in note 16.

The notes on pages 364 to 475 are an integral part of these separate financial statements.

Notes to the Separate Financial Statements

General information

Slovenská sporiteľňa, a.s. (hereinafter referred to as 'the Bank') has its registered office at Tomášikova 48, 832 37 Bratislava, Slovak Republic. The Bank was incorporated as a joint stock company on 15 March 1994 and registered in the Commercial Register on 1 April 1994. The identification number of the Bank is 00 151 653. The tax identification number of the Bank is 2020411536.

The Bank is a universal bank offering a wide range of banking and financial services to commercial, financial and private customers, principally in the Slovak Republic.

The Bank's sole shareholder is Erste Group Bank AG, which has its registered office at Am Belvedere 1, 1100 Vienna, and which is the ultimate 100% parent company of the Bank. Information on the shareholding structure of the ultimate parent company is disclosed in the 2024 financial statements of Erste Group Bank AG or up-to-date information is available on its homepage.

The Board of Directors of the Bank had five members as at 31 December 2024:
Ing. Peter Krutil (chairman), Ing. Pavel Cetkovský (member), RNDr. Milan Hain, PhD. (member), Mgr. Ing. Norbert Hovančák (member) and Mgr. Juraj Barta, CFA (member).

The chairman of the Board of Directors is also the Chief Executive Officer (CEO) of the Bank. Other members of the Board of Directors are the deputies of the Chief Executive Officer.

The Supervisory Board of the Bank had five members as at 31 December 2024:
Mag. Jan Homan (vice-chairman), Paul Formanko, MBA (member), JUDr. Vazil Hudák (member), Mgr. Alena Adamcová (member) and Juraj Futák (member). David O´Mahony was member and chairman of the Supervisory Board till June 30, 2024.

The Bank is subject to various regulatory requirements of local, Slovak regulatory bodies defined by Slovak legislation as well as European regulatory bodies defined by EU legislation.

The Bank is under direct supervision of the European Central Bank within a Single Supervision Mechanism.

These separate financial statements have been prepared and authorized for issue by the management board as at the signing date of this report. However, these separate financial statements are subject of approval on the supervisory board (21 February 2025) and the annual general meeting (27 March 2025).

Material accounting policy information

These separate financial statements are directed to primary users, being investors who lend or provide equity capital to the reporting entity. These separate financial statements assume that the primary users have a reasonable knowledge of business and economic activities and review and analyse the information diligently. At times, even well-informed and diligent users may need to seek the aid of an adviser to understand information about complex economic phenomena reported in these separate financial statements.

These separate financial statements aim disclosing only information that management considers is material for the primary users. Management seeks not to reduce the understandability of these separate financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

a) Basis of preparation

The separate financial statements of the Bank for the financial year ending on 31 December 2024 and the related comparative information were prepared in compliance with applicable International Financial Reporting Standards as adopted by the European Union on the basis of IAS Regulation (EC) No. 1606/2002.

The principal accounting policies applied in the preparation of these separate financial statements are set out in respective parts of these statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

These separate financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments at fair value, and by the revaluation of financial instruments categorised at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVOCI").

These separate financial statements have been prepared on the basis that the Bank will be able to continue as a going concern for the foreseeable future.

The Bank 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.

Balances in brackets represent negative amounts. Except as otherwise indicated, all amounts are stated in thousands of EUR ('EUR ths.'). The tables in this report may contain rounding differences.

The Bank's shareholders and management have the power to amend the separate financial statements after issue.

b) Accounting and measurement methods

Foreign currency translation

The separate financial statements are presented in Euro, which is the functional currency of the Bank. The functional currency is the currency of the primary business environment in which an entity operates.
For foreign currency translation, reference rates of the European Central Bank are used.

i. Transactions and balances in foreign currency

Transactions in foreign currencies are initially recorded at the functional currency exchange rate effective as at the date of the transaction. Subsequently, monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate as at 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 at 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.

c) Material accounting judgements, assumptions and estimates

The separate 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:

- SPPI assessment of financial instruments (Chapter Financial instruments – Material accounting policy information)
- Business model assessment of financial instruments (Chapter Financial instruments – Material accounting policy information)
- Impairment of financial instruments (Chapter Financial instruments – Material accounting policy information, Note 26 Credit risk)

Details about effects of these factors on the expected credit losses estimation are described in Note 26 Credit risk.

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 2024. As regards new standards and interpretations and their amendments, only those that are relevant for the business of the Bank are listed below.

Effective standards and interpretations

The following amendments of standard have become mandatory for the financial year 2024 and have been endorsed by the EU:

Amendments to IAS 1 Presentation of Financial Statements: Classification of liabilities as current or non-current. The amendments to IAS 1 were originally issued in January 2020, subsequently amended in November 2022 and become ultimately effective for annual periods beginning on or after 1 January 2024.

Application of the above-mentioned amendments in 2024 did not have a significant impact on the Bank'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. The amendments to IAS 21 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 Bank 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 IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability. The amendments to IAS 21 were issued in August 2023 and become effective for annual periods beginning on or after 1 January 2025. The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Application of these amendments is not expected to have a significant impact on Bank's financial statements.

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. Bank intends to early apply these amendments in 2025.

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. Bank 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 Bank's financial statements. Bank 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 Bank's financial statements.

Performance / Return

1. Segment reporting

The segment reporting of the Bank 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 the Bank the function of the chief operating decision maker is executed by the Board of Directors. In addition, the Bank's segment reporting follows the standards of the Erste Group issued for the purpose to unify presentation, measurement and steering of the Bank.

Business segments

The segment reporting comprises four business segments reflecting management structure of the Bank and its internal management reporting in 2024.

The Bank applies account manager principle for the definition of segments / business lines. It means that each client has assigned one account manager from a particular segment / business line. Subsequently, profit or loss on business transactions with the client is allocated to that account manager.

Retail segment comprises the entire business activities with private individuals, free professionals and micros with turnover of less than EUR 300 thousand, which are in the responsibility of account managers in the Retail network. Retail products and services, including current accounts and savings, loans pledged by real estate, mortgage and consumer loans, credit cards, investment and cross selling products (e.g. insurance, asset management products and building society products) are offered via various distribution channels, such as branch network and digital banking. The Retail segment is divided into 8 regions and 160 branches (status as at 31 December 2024).

The Corporates segment comprises business done with corporate customers of different turnover size (small and medium-sized enterprises, micros with turnover of more than EUR 300 thousand and Large Corporate customers) as well as commercial real estate and public sector business.

Asset Liability Management (ALM), Local Corporate Center (LCC) segment and Free Capital (FCAP) Segment comprises on the one side the management of Bank's assets and liabilities in the light of uncertainty of cash flows, cost of funds and return on investments in order to determine the optimal trade-off between risk, return and liquidity. Furthermore, it comprises funding transactions, hedging activities, investments into securities other than held for trading purpose, management of own issues and FX positions. On the other side it also includes the local corporate center which comprises all non-core banking business activities such as non-profit servicing participations, intragroup eliminations within the respective partial group, dividends, refinancing costs of participations, all non-banking balance sheet positions (e.g. fixed assets) which cannot be allocated to other business segments. Apart from that the Local Corporate Center includes received dividends and reconciliations to the accounting result. The segment comprises also Free Capital which is defined as the difference of the total average IFRS equity and the average economical equity allocated to all operating segments.

Group Markets (GM) segment comprises trading and markets services, as well as business with financial institutions. This segment is divided into Treasury trading and market services (GMT) and Financial institutions (GMFI):

- Treasury trading and Market services (GMT) comprises all activities related to active risk taking and managing in regulatory trading books of the Bank, additional to that the execution of trades against the market using the trading books of the Bank for market making, short-term liquidity management and warehousing purposes. Specifically, revenues and fair value results not directly attributable to client transactions (which

can be valid also for ALM deals) and generally risk premiums and execution fees are taken into account. It also includes 20% compensation fee from Retail for the treasury sales services.
- Financial institutions (GMFI) are companies that provide financial services for their clients or members and act as professional and active participant on financial markets for the purpose of proprietary trading or on behalf of their clients (banks, central banks, development banks, investment banks, investment funds, brokerages, insurance companies, pension funds, credit unions, building societies, asset management companies, government debt agencies, sovereign wealth funds, exchanges).

Measurement

The profit and loss statement of the segment report is based on the measures reported to the Bank´s Board of Directors for the purpose of allocating resources to the segments and assessing their performance. Management reporting as well as the segment report of Bank are based on IFRS. Accounting standards and methods as well as measurements used in segment reporting are the same as for the separate 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. Other operating result is 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 the Bank to assess the performance of the segments. The average allocated equity is determined by credit risk, market risk and operational risk. In line with the regular internal reporting prepared for the Board of Directors, total assets, total liabilities, as well as risk weighted assets and allocated equity are disclosed per segment. Total average allocated capital for the Bank equals average total equity of the Bank. For measuring and assessing the profitability of segments within the Bank, 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 average 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).

Business Segments	Retail		Corporates		Group markets		Asset Liability Management, Local Corporate Center and Free Capital		Total	
EUR ths.	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Net interest income	429,131	463,482	144,103	148,506	9,560	10,207	(61,239)	(54,576)	521,555	567,619
Net fee and commission income	162,913	182,842	33,762	39,641	16,741	19,484	(5,912)	(9,622)	207,504	232,345
Fee and commission income	164,369	184,774	34,390	40,172	17,093	20,039	7,777	2,147	223,629	247,132
Fee and commission expenses	(1,457)	(1,932)	(627)	(531)	(352)	(555)	(13,689)	(11,769)	(16,125)	(14,787)
Dividend income	-	-	-	-	-	-	590	511	590	511
Net trading result	4,822	5,052	7,745	6,517	4,370	4,645	4,684	2,367	21,621	18,581
Net gain from financial instruments measured at fair value through profit or loss	-	-	-	-	-	-	2,467	7,105	2,467	7,105
Rental income from investment properties & other operating leases	-	-	-	-	-	-	411	463	411	463
General administrative expenses	(270,120)	(289,189)	(57,305)	(62,271)	(5,241)	(4,799)	(1,094)	1,184	(333,760)	(355,075)
Net gain/ (loss) from derecognition of financial assets measured at amortised cost	-	-	-	-	-	-	4	(10,426)	4	(10,426)
Net other loss from derecognition of financial instruments not measured at fair value through profit or loss	-	-	-	-	-	-	(147)	(24)	(147)	(24)
Net impairment gain/ (loss) from financial instruments	(18,981)	(2,782)	3,427	(10,637)	(53)	352	413	18	(15,194)	(13,049)
Other operating result	(728)	-	123	(382)	(181)	(1)	(5,954)	1,654	(6,740)	1,271
Levies on banking activities	(728)	-	(684)	-	(180)	-	(2,855)	-	(4,447)	-
Pre-tax result from continuing operations	**307,037**	**359,405**	**131,855**	**121,374**	**25,196**	**29,888**	**(65,777)**	**(61,346)**	**398,311**	**449,321**
Taxes on income	(64,478)	(75,474)	(27,698)	(25,489)	(5,291)	(6,277)	7,732	(59,065)	(89,735)	(166,305)
Net result for the period	**242,559**	**283,931**	**104,157**	**95,885**	**19,905**	**23,611**	**(58,045)**	**(120,411)**	**308,576**	**283,016**
Net result attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-
Net result attributable to owners of the parent	**242,559**	**283,931**	**104,157**	**95,885**	**19,905**	**23,611**	**(58,045)**	**(120,411)**	**308,576**	**283,016**
Operating income	596,866	651,374	185,610	194,665	30,671	34,336	(58,999)	(53,751)	754,148	826,624
Operating expenses	(270,120)	(289,189)	(57,305)	(62,271)	(5,241)	(4,799)	(1,094)	1,184	(333,760)	(355,075)
Operating result	**326,746**	**362,185**	**128,305**	**132,394**	**25,430**	**29,537**	**(60,093)**	**(52,567)**	**420,388**	**471,549**
Risk-weighted assets (credit risk, eop)*	3,594,858	3,408,546	6,031,262	6,330,798	1,955	78,514	363,624	381,543	9,991,699	10,199,401
Average allocated capital**	472,955	453,735	555,116	612,707	6,370	17,878	484,125	439,778	1,518,566	1,524,098
Cost/income ratio	45.27%	44.40%	30.87%	31.99%	17.09%	13.98%	(1.85%)	2.20%	44.26%	42.95%
Return on allocated capital	51.29%	62.58%	18.76%	15.65%	312.48%	132.07%	(11.99%)	(27.38%)	20.32%	18.57%
Total assets (eop)	12,371,908	12,893,324	6,597,102	6,571,238	69,555	149,049	7,462,692	6,801,076	26,501,257	26,414,687
Total liabilities excluding equity (eop)	13,357,446	14,152,430	3,488,324	3,831,354	825,563	833,581	6,388,480	5,117,758	24,059,813	23,935,123
Impairments	**(18,981)**	**(2,782)**	**3,427**	**(10,637)**	**(53)**	**353**	**413**	**17**	**(15,194)**	**(13,049)**
Net impairment gain/ (loss) on financial assets AC/FVOCI and finance lease receivables	(20,038)	(3,159)	(4,555)	(7,605)	(43)	340	413	17	(24,223)	(10,407)
Net impairment gain/ (loss) on commitments and guarantees given	1,057	377	7,982	(3,032)	(10)	13	-	-	9,029	(2,642)

* Credit RWA (eop) after intercompany transactions according to Pillar 1, calculated by Erste Group for the purpose of segment report and management purposes (without subsidiaries Credit RWA).

** Average allocated capital is calculated based on Erste Group controlling methodology.

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 policy information'.

'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 and finance lease receivables.

'Interest expenses' relate to interest expense from financial liabilities measured at amortised cost calculated using effective interest rate as discussed in chapter 'Financial instruments – Material accounting policy information'.

'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, negative interest on financial assets and lease liabilities.

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.

EUR ths.	2023	2024
Financial assets at AC	761,169	914,734
Demand deposits	66,865	77,896
Loans and advances	593,911	723,123
Debt securities	100,393	113,715
Interest income	**761,169**	**914,734**
Non-trading financial assets at FVPL	24	24
Financial assets HfT	35,053	42,490
Hedge accounting derivatives, interest rate risk	3,997	5,619
Other assets	8,546	11,848
Negative interest from financial liabilities	22	6
Other similar income	**47,642**	**59,987**
Interest and other similar income	**808,811**	**974,721**
Financial liabilities at AC	(218,058)	(320,348)
Deposits	(130,274)	(189,700)
Debt securities in issue	(87,784)	(130,648)
Interest expenses	**(218,058)**	**(320,348)**
Financial liabilities HfT	(33,180)	(40,663)
Hedge accounting derivatives, interest rate risk	(33,494)	(43,526)
Other liabilities	(2,524)	(2,565)
Other similar expenses	**(69,198)**	**(86,754)**
Interest and other similar expenses	**(287,256)**	**(407,102)**
Net interest income	**521,555**	**567,619**

An amount of EUR 12.0 million (2023: EUR 8.7 million) relating to impaired financial assets is included in interest income.

Interest expense on financial liabilities at AC resulting from the TLTRO programme of the ECB amounted to EUR 9.8 million in 2024 (2023: EUR 24.6 million). For more details refer to Note 16 Financial liabilities at amortised costs.

Interest on derivatives relates to the hedged items presented in the line item 'Financial assets / liabilities at AC'.

3. Net fee and commission income

The Bank 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. The Bank 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 Bank'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 the Bank 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.

EUR ths.	2023		2024	
	Income	Expenses	Income	Expenses
Securities	4,602	(911)	5,327	(768)
Own issues	619	-	876	-
Transfer orders	604	(870)	562	(619)
Other	3,379	(41)	3,889	(149)
Custody	4,457	(2,247)	5,784	(2,948)
Collective investment	-	-	3,333	-
Other	4,457	(2,247)	2,451	(2,948)
Payment services	117,627	(8,810)	123,342	(8,709)
Card business	55,209	(5,189)	54,586	(5,465)
Current accounts	62,418	(3,621)	62,980	-
Other	-	-	5,776	(3,244)
Customer resources distributed but not managed	71,907	(107)	85,014	(192)
Collective investment	23,691	-	29,227	-
Insurance products (as agent)	48,187	(107)	55,787	(192)
Other	29	-	-	-
Lending Business	23,928	(1,096)	26,916	(576)
Guarantees given, guarantees received	5,847	(9)	7,283	(8)
Loan commitments given, loan commitments received	3,871	-	3,845	-
Other lending business	14,210	(1,087)	15,788	(568)
Other	1,108	(2,954)	749	(1,594)
Total fee and commission income and expenses	**223,629**	**(16,125)**	**247,132**	**(14,787)**
Net fee and commission income	**207,504**		**232,345**	

Collective investment in the line ´Customer resources distributed but not managed´ and custody fees relate to fees earned by the Bank on trust and other investment activities in which the Bank holds or invests assets on behalf of its customers and amount to EUR 21,920.6 million (2023: EUR 18,159.9 million).

4. Dividend income

EUR ths.	2023	2024
Non-trading financial assets at fair value through profit or loss	571	492
Financial assets at amortised cost	19	19
Dividend income	**590**	**511**

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. Further, the net trading result includes any ineffective portions recorded in fair value 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 policy information, Accounting and measurement methods, Foreign currency translations, i. Transactions and balances in foreign currency. Detailed information relating to hedge accounting can be found in Note 20 Hedge accounting.

The Bank has adopted a business model of centralised financial markets trading in cooperation with its parent company. Within this model Erste Group Bank AG conducts all trading operations on a central trading book in order to manage effectively market risks from the Bank trading activities (i.e. transactions with retail, corporate and other institutional clients), with the exception of equity risk trading and transactions for the Bank's liquidity management purposes.

Trading gains from the market positions of Erste Group Bank AG are distributed according to the approved rules to local banks within the Group based on their financial results and are reported in the income statement line item 'Net trading result'. The basic principle underlying these rules is that Erste Group Bank AG absorbs potential losses in individual groups of assets in exchange for the risk premium derived from the VaR indicator. This business model of financial markets trading also includes reallocation of trading costs to the participating subsidiaries of Erste Group Bank AG based on their cost/income ratio.

EUR ths.	2023	2024
Securities trading	4,298	3,799
Derivatives trading	16,889	15,236
Result from hedge accounting	434	(454)
Net trading result	**21,621**	**18,581**

The line item 'Securities trading' includes net gains from the Erste Group Bank AG's market positions attributable to the Bank.

6. Net gain 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 are presented under this line item. This concerns non-trading financial assets mandatorily measured at fair value through profit or loss.

EUR ths.	2023	2024
Result from measurement/sale of financial assets mandatorily at FVPL	2,467	7,105
Net gain from financial instruments measured at fair value through profit or loss	**2,467**	**7,105**

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 we refer to Note 11 Other operating result.

EUR ths.	2023	2024
Investment properties	411	463
Rental income from investment properties & other operating leases	**411**	**463**

8. General administrative expenses

Personnel expenses

Personnel expenses include wages and salaries, bonuses, 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 41 Related-party transactions and principal shareholders.

As at 31 December 2024 the Bank had 3,481 employees, thereof five members of the Board of Directors. As at 31 December 2023 the Bank had 3,509 employees, thereof five members of the Board of Directors.

WeShare program

The WeShare-Participation program and the WeShare-Investment Plus program are cash-settled share-based payment transactions. Both programs are offered to employees of the Bank.

Under the WeShare-Investment Plus program all employees, who had been employed by the Bank, from April 2024 until June 2024 could voluntarily invest in Erste Group shares and receive free shares depending on the amount of their personal investment. The WeShare-Investment Plus program was settled in June 2024. The number of free shares, which were granted under this program for the period, is 22,906 (2023: 31,737). Personnel expenses in the amount of EUR 1.0 million (2023: EUR 1.0 million) were recorded.

Under the WeShare-Participation program all employees, who have been employed by the Bank for at least six months in year 2023 and have active employment status in June 2024 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 17,821 (2023: 28,808). Based on the number of entitled employees, personnel expenses in the amount of EUR 0.4 million (2023: EUR 0.4 million) were recorded and a corresponding reserve in retained earnings was created.

Other administrative expenses

Other administrative expenses include primarily information technology expenses, expenses for office space, office operating and administrative 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.

Expenses for leases complying with recognition exemptions for short-term leases (less than 12 months) and leases of low-value items under IFRS 16 are disclosed in the category 'Other administrative expenses' under the line item 'Expenses for office premises' in total amount of EUR 0.7 million (2023: EUR 0.5 million).

The Bank is legally obliged to make a contribution to the Deposit Protection Fund, which is accounted for in accordance with the IFRIC 21. The amount of this annual contribution is calculated based on the Bank's customer deposit liabilities. The contribution to the Deposit Protection Fund was paid in April 2024.

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.

EUR ths.	2023	2024
Personnel expenses	**(175,842)**	**(190,632)**
Wages and salaries	(122,942)	(132,737)
Compulsory social security	(43,267)	(47,751)
Long-term employee provisions	(2,007)	(3,148)
Other personnel expenses	(7,626)	(6,996)
Other administrative expenses	**(121,496)**	**(128,052)**
Deposit insurance contribution	(2,394)	(2,540)
IT expenses	(55,685)	(57,860)
Expenses for office premises	(16,275)	(16,597)
Office operating and administrative expenses	(13,721)	(14,662)
Advertising/marketing	(15,517)	(15,801)
Legal and consulting costs	(5,263)	(6,975)
Sundry administrative expenses	(12,641)	(13,617)
Depreciation and amortisation	**(36,422)**	**(36,391)**
Software and other intangible assets	(6,432)	(4,487)
Owner occupied real estate	(20,296)	(20,627)
Investment properties	(224)	(210)
Office furniture and equipment and sundry property and equipment	(9,470)	(11,067)
General administrative expenses	**(333,760)**	**(355,075)**

Personnel expenses include expenses of EUR 21.4 million (2023: EUR 19.7 million) for defined contribution plans.

9. Net gain/(loss) 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 'Net impairment loss from financial instruments'.

EUR ths.	2023	2024
Gains from derecognition of financial assets at AC	4	-
Losses from derecognition of financial assets at AC	-	(10,426)
Net gain/ (loss) from derecognition of financial assets measured at amortised cost	**4**	**(10,426)**

In order to optimise the portfolio of debt securities measured at amortised cost certain bonds were sold during 2024 within existing internal retrospective thresholds for the 'held to collect' business model assessment.

10. Net impairment loss from financial instruments

Net impairment losses on financial instruments comprise impairment losses and reversals of impairment on all kinds of financial instruments, loan commitments and guarantees 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 could be 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.

EUR ths.	2023	2024
Financial assets at AC	(23,202)	(10,054)
Net allocation to credit loss allowances	(21,445)	(8,766)
Direct write-offs	(1,990)	(1,558)
Recoveries recorded directly to the income statement	233	270
Finance lease receivables	(1,021)	(353)
Net allocation to credit loss allowances	(1,131)	(389)
Direct write-offs	-	(1)
Recoveries recorded directly to the income statement	110	37
Credit loss allowances for loan commitments and financial guarantees given	9,029	(2,642)
Net impairment loss from financial instruments	**(15,194)**	**(13,049)**

The following table reconciles the movements of credit risk allowances disclosed in notes 14, 15, 33 and 36 to Net impairment loss from financial instruments disclosed in Income statement. The reconciliation specifies items that represents movements in credit risk allowances that are not recognized through income statement.

EUR ths.	2023	2024
Net movements from notes 14, 15, 33 and 36	**(1,469)**	**7,859**
Financial assets at amortised cost	(9,828)	6,990
Finance lease receivables	(976)	230
Trade and other receivables	306	3,281
Commitments and financial guarantees given	9,029	(2,642)
Items not recognized through income statement - use	**22,600**	**32,834**
Financial assets at amortised cost	22,474	28,789
Finance lease receivables	126	619
Trade and other receivables	-	3,426
Items recognized through income statement – net allocations and releases	**(24,098)**	**(24,975)**
Financial assets at amortised cost	(32,302)	(21,799)
Finance lease receivables	(1,131)	(389)
Trade and other receivables	306	(145)
Commitments and financial guarantees given	9,029	(2,642)
Net impairment loss from financial instruments	**(15,194)**	**(13,049)**
Items reconciled to movements in notes 14, 15, 33 and 36	**(24,098)**	**(24,975)**
Net allocation of loss allowances for financial assets at amortised cost	(31,996)	(21,944)
Net allocation of loss allowances for finance lease receivables	(1,131)	(389)
Net allocation of loss allowances for commitments and guarantees given	9,029	(2,642)
Items not recognized as movement in notes 14, 15, 33 and 36	**8,904**	**11,926**
Unwinding correction	10,551	13,178
Direct write-offs	(1,990)	(1,559)
Recoveries recorded directly to the income statement	343	307

11. Other operating result

The other operating result reflects all other income and expenses not directly attributable to the Bank’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. The Bank recognises a liability or a provision for the levy when the activity that triggers payment, as identified by the relevant legislation, occurs.

EUR ths.	2023	2024
Other operating expenses	**(12,493)**	**(6,555)**
Net allocation to other provisions	(917)	-
Levies on banking activities	(4,447)	-
Recovery and resolution fund contributions	(4,447)	-
Other taxes	(148)	(179)
Other	(6,981)	(6,376)
Other operating income	**5,753**	**7,826**
Net release of other provisions	-	2,077
Result from properties/movables/other intangible assets other than goodwill	1,814	1,101
Result from other operating income	3,939	4,648
Other operating result	**(6,740)**	**1,271**

Other in Other operating expenses consists mainly of insurance premiums in the amount of EUR 3.4 million (2023: EUR 3.1 million), debt collection and legal costs in the amount of EUR 2.4 million (2023: EUR 1.9 million).
Result from other operating expenses/income consists mainly of income from insurance claim in the amount of EUR 2.1 million (2023: EUR 0 million) and income from services provided to third parties within the Erste Group in the amount of EUR 0.8 million (2023: EUR 0.7 million).

Levies on banking activities

Single Resolution Board (SRB) has confirmed that the financial means available in the Single Resolution Fund (SRF) at 31 December 2023 reached the target level of at least 1% of covered deposits held in the Member States participating in the Single Resolution Mechanism (SRM). Therefore, no regular annual contributions were collected in 2024 from the institutions falling in scope of the SRF. Contributions would only be collected in the event of specific circumstances or resolution actions involving the use of the SRF. The target level verification exercise will be performed each year by SRB to confirm that the available financial means at the SRF are at least 1% of the amount of covered deposits of all credit institutions in the SRM participating Member States. If the result of such exercise should prescribe so, the SRB will restart the regular collection of contributions to SRF. Disclosed amounts of EUR 4.4 million as of 31 December 2023 represented the yearly contribution.

12. 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.

Change in tax rate

On 25.10.2024, Act No. 278/2024 Coll. was published in the Collection of Laws of the Slovak Republic, amending and supplementing Act No. 595/2003 Coll. on income tax. A new income tax rate of 24% of the tax base was introduced (original tax rate: 21%). It is paid by legal entities that achieve taxable income in excess of EUR 5,000,000 in the relevant tax period. It will be used for the first time when filing a tax return for the tax period starting no earlier than 1 January 2025. As a result, deferred tax balances as of 31.12.2024 were recalculated at a rate of 24%.

Special levy on profits from regulated activities

On December,19 2023, The parliament of the Slovak republic approved the amendment to Act No. 235/2012 Coll. on a special levy on Business in Regulated Industries, effective from 31.12.2023. The amendment to the law extends the scope to persons authorized to perform activities based on a permission issued or granted by the National Bank of Slovakia, which also includes banks. The levy period is a calendar month, and the bank is obliged to pay the levy starting with January 2024. The special levy is calculated as the product of the levy rate and the levy base. The levy base is the pre-tax profit reported according to international accounting standards adjusted according to Section 17 subsection 1 letter c) Act no. 595/2003 Coll on income tax, multiplied by a coefficient, which is calculated as the share of revenues from activities in the area carried out on the basis of a permission issued or granted by the National Bank of Slovakia to total revenues. The monthly levy rate is 0.025 for accounting period 2024, 0.0208 for accounting period 2025, 0.0167 for accounting period 2026, 0.0125 for accounting period 2027 and for accounting period 2028 and others in the amount of 0.00363. The levy base is based on a taxable profit in scope of IAS 12 and is considered as an income tax.

As a result, the theoretical income tax rate applicable is as follows:

EUR ths.	2023	2024
Standard income tax rate for the year	21.00%	21.00%
Special levy rate	-	30.00%
Effect of deductibility of special levy from standard rate*	-	(11.77%)
Tax rate applicable on profit	**21.00%**	**39.23%**

* the effect is calculated as special levy rate in %*((1- income tax rate in %)/(1+ special levy rate in%)-1)

Taxes on income consist of current taxes on income calculated in each of the Bank based on the results reported for tax purposes, corrections to taxes on income for previous years, the change in deferred taxes and special levy on profits from regulated activities.

EUR ths.	2023	2024
Current tax (expense) / income	(88,065)	(74,825)
current period	(88,632)	(75,262)
prior period	567	437
Deferred tax (expense) / income	(1,670)	12,013
current period	(1,493)	12,013
prior period	(177)	-
Special levy on profits from regulated activities	-	(103,493)
Total	**(89,735)**	**(166,305)**

The following table reconciles the income taxes reported in the income statement to the pre-tax result from continuing operations multiplied by the nominal Slovak tax rate.

EUR ths.	2023	2024
Pre-tax result from continuing operations	398,311	449,321
Statutory tax rate	21%	39.23%
Income tax expense for the financial year at the Slovak statutory tax rate (21%)	83,645	176,269
Impact of tax-exempt earnings of investments and other tax-exempt income	(945)	(2,810)
thereof - Permanently tax-exempt (income) from dividends	(115)	(97)
thereof - Permanently tax-exempt (income) from revaluation of asset	(609)	(1,343)
thereof - Other	(221)	(1,370)
Tax rate change	-	(10,008)
Tax increases due to non-deductible expenses, additional business tax and similar elements	7,425	3,291
thereof - Permanently non-deductible expenses with fines, penalties, litigations and similar topics	317	355
thereof - Permanent differences coming from financial assets	3,850	82
thereof - Permanent differences coming from other asset	1,047	383
Thereof - Permanent differences coming from general administrative expenses	-	891
thereof - Other	2,211	1,580
Tax expenses / earnings not attributable to the reporting period	(390)	(437)
Total	**89,735**	**166,305**

The following table shows the income tax effects relating to each component of other comprehensive income:

EUR ths.	2023 Pre-tax amount	2023 Income tax	2023 Net-of-tax amount	2024 Pre-tax amount	2024 Income tax	2024 Net-of-tax amount
Remeasurement of defined benefit plans	(423)	89	(334)	(534)	177	(357)
Other comprehensive income	**(423)**	**89**	**(334)**	**(534)**	**177**	**(357)**

Major components of deferred tax assets and deferred tax liabilities and current tax position

	Tax assets		Tax liabilities		Through PL	Through OCI	Total
EUR ths.	31.12.2023	31.12.2024	31.12.2023	31.12.2024	Net variance		
Temporary differences related to the following items:							
Assets							
Financial assets at fair value through profit or loss	88	101	-	-	(13)	-	**(13)**
Financial assets at AC	55,841	62,735	-	-	(6,894)	-	**(6,894)**
Property, equipment and investment properties	530	1,105	-	-	(575)	-	**(575)**
RoU Assets	336	633	-	-	(297)	-	**(297)**
Other assets	10	7	-	-	3	-	**3**
Liabilities							
Long-term employee provisions (tax valuation different)	1,282	1,539	-	-	(80)	(177)	**(257)**
Other provisions (tax valuation different)	2,188	3,163	-	-	(975)	-	**(975)**
Other liabilities	8,124	11,306	-	-	(3,182)	-	**(3,182)**
Total deferred tax before tax loss carried forward	**68,399**	**80,589**	**-**	**-**	**(12,013)**	**(177)**	**(12,190)**
Tax loss carried forward	-	-	-	-	-	-	-
Total deferred taxes	**68,399**	**80,589**	**-**	**-**	**(12,013)**	**(177)**	**(12,190)**
Current taxes	**-**	**584**	**(19,746)**	**-**	**178,318**	**-**	**178,318**
Total taxes	**68,399**	**81,173**	**(19,746)**	**-**	**166,305**	**(177)**	**166,128**

	Tax assets		Tax liabilities		Through PL	Through OCI	Total
EUR ths.	31.12.2022	31.12.2023	31.12.2022	31.12.2023	Net variance		
Temporary differences related to the following items:							
Assets							
Financial assets at fair value through profit or loss	88	88	-	-	-	-	-
Financial assets at AC	55,526	55,841	-	-	(315)	-	**(315)**
Property, equipment and investment properties	-	530	(220)	-	(749)	-	**(749)**
RoU Assets	99	336	-	-	(236)	-	**(236)**
Other assets	-	10	-	-	(10)	-	**(10)**
Liabilities							
Long-term employee provisions (tax valuation different)	1,175	1,282	-	-	(18)	(89)	**(107)**
Other provisions (tax valuation different)	5,045	2,188	-	-	2,857	-	**2,857**
Other liabilities	8,265	8,124	-	-	141	-	**141**
Total deferred tax before tax loss carried forward	**70,198**	**68,399**	**(220)**	**-**	**1,670**	**(89)**	**1,581**
Tax loss carried forward	-	-	-	-	-	-	-
Effect of netting according IAS 12.71	(220)	-	220	-	-	-	-
Total deferred taxes	**69,979**	**68,399**	**-**	**-**	**1,670**	**(89)**	**1,581**
Current taxes	**-**	**-**	**(7,374)**	**(19,746)**	**88,065**	**-**	**88,065**
Total taxes	**69,979**	**68,399**	**(7,374)**	**(19,746)**	**89,735**	**(89)**	**89,646**

The Bank´s separate deferred tax asset position in amount of EUR 80.6 million as at 31 December 2024 (2023: EUR 68.4 million) is expected to be recoverable in the foreseeable future. These expectations result from year-end recoverability assessments undertaken by the Bank. 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 decreased.

OECD Pillar Two model rules

The Bank is within the scope of the OECD Pillar Two models. Pillar Two legislation was enacted in Slovakia, the jurisdiction in which the Bank is incorporated. The average expected effective tax rate for the year 2024 is higher than 15%, and the expected average effective tax rates for the following accounting periods also meet the criteria for the application of the "Exception from the calculation of the compensatory tax based on the qualified administration by individual states" in the Pillar Two legislation. Consequently, the Bank does not have to be exposed to the payment of Pillar Two income taxes in relation to Slovakia. As of 31 December 2024, the Bank did not report any related payable tax. The Bank applies the exemption for the recognition and disclosure of information on deferred tax assets and liabilities related to income tax for Pillar Two, as outlined in the amendments to IAS 12 issued in May 2023.

Financial instruments – Material accounting policy information

Accounting and measurement methods for financial instruments

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.

a) 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 amortized 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.

b) Fair value

Details on valuation techniques applied for fair value measurement and on the fair value hierarchy are disclosed in Note 19 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
- Financial assets at fair value through other comprehensive income
- Financial assets at fair value through profit or loss

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 are in the respective Note 16 Financial liabilities at amortised costs.

Impairment of financial instruments

The Bank recognises loss allowances for impairment on its debt instrument financial assets, other than those measured at fair value through profit or loss, 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, the Bank 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. 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. 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. Interest income is calculated by applying the EIR to the gross carrying amount of the financial asset.

Financial instruments in Stage 3 are credit-impaired. In respect of applying the 'credit-impaired' concept of IFRS 9, the Bank 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. The Bank 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 Bank which are considered as integral to the contractual terms of financial assets whose risk is guaranteed. Bank 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 statement of financial position. In the statement of income, they reduce the impairment loss incurred on guaranteed financial assets under 'Net impairment loss 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'.

For financial assets measured at amortised cost, the net carrying amount of the financial asset presented on the statement of financial position is the difference between the gross carrying amount and the cumulative loss allowance. However, for financial assets measured at fair value through other comprehensive income, the loss allowance is recognised in the accumulated OCI, specifically under 'Fair value reserve' in the statement of changes in equity and under 'Retained earnings and other reserves' in the statement of financial position. Loss allowances for loan commitments and financial guarantees are presented under the statement of financial position line item 'Provisions'.

In the statement of income, impairment losses and their reversals (gains) on all kinds of financial instruments are presented in the line item 'Net impairment loss from financial instruments'.

Derecognition of financial instruments including treatment of contractual modifications

a) 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 'Net gain/(loss) from derecognition of financial assets measured at amortised cost' or, for financial assets at fair value through other comprehensive income, in the line 'Net other loss from derecognition of financial instruments not measured at fair value through profit or loss'. For financial assets measured at fair value through profit or loss the derecognition gains or losses are recognised together with the measurement result in the lines 'Net trading result' or 'Net gain from financial instruments measured at fair value through profit or loss'.

b) 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, the Bank 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, the Bank 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); and
- 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; or
- 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 'Net impairment loss 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 'Net impairment loss from financial instruments'. The remaining difference is presented in the line 'Net gain/(loss) from derecognition of financial assets measured at amortised cost'.

For financial assets measured at fair value through profit or loss, irrespective of whether they are in default, the derecognition gains and losses are included in the same line items of the statement of income as their measurement result, i.e. in 'Net gain from financial instruments measured at fair value through profit or loss'.

For debt instrument assets not measured at fair value through profit or loss 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. 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.

c) Write-offs

The Bank 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.

The Bank 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).

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.

d) 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', 'Net gain 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

a) 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 the Bank, 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, the Bank 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.

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 the Bank's business. No specific guidance currently exists in IFRS 9 for assessing the SPPI compliance of such features. The Bank has concluded that ESG-related interest adjustments have a de minimis effect on the contractual cash flows of the existing loan portfolio. As a result, they do not affect the SPPI assessment.

For project financing loans the Bank 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.

b) Business model assessment

For each SPPI-compliant financial asset at initial recognition, the Bank 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 realized 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 the Bank, 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 financial 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, the Bank 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.

c) 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, Bank 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, estimation techniques used to measure 12-month and lifetime expected credit losses and definition of default is provided in Note 26 Credit risk. The development of loan loss provisions is described in Note 14 Financial assets at amortised cost, Note 15 Trade and other receivables, Note 33 The Bank as a lessor, Note 26 Credit risk and Note 37 Contingent liabilities.

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.

In the statement of financial position, 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 equivalents'.

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 'Net impairment loss from financial instruments'. Gains and losses from derecognition (such as sales) of the assets are reported under the line item 'Net gain/(loss) from derecognition of financial assets measured at amortised cost'.

At the Bank, financial assets at amortised cost constitute the largest measurement category, which includes loan business to customers, 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 and cash and cash equivalents.

For description of financial liabilities measured at amortised cost refer to Note 16.

13. Cash and cash equivalents

Cash equivalents 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 140.9 million (2023: EUR 157.9 million) at the reporting date. The mandatory minimum reserve requirement is calculated from defined statement of financial position 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 any restraints.

EUR ths.	31.12.2023	31.12.2024
Cash on hand	362,937	420,346
Cash balances at central banks	2,658,749	1,551,042
Other demand deposits at credit institutions	9,172	17,552
Cash and cash equivalents	**3,030,858**	**1,988,940**

14. 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 or 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 policy information'.

Gross carrying amounts and credit loss allowances per impairment buckets

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
General governments	4,005,756	-	-	-	4,005,756	(542)	-	-	-	(542)	4,005,214
Credit institutions	340,178	-	-	-	340,178	(245)	-	-	-	(245)	339,933
Other financial corporations	524	10,131	-	-	10,655	(7)	(242)	-	-	(249)	10,406
Non-financial corporations	98,113	18,430	-	-	116,543	(35)	(451)	-	-	(486)	116,057
Total	**4,444,571**	**28,561**	**-**	**-**	**4,473,132**	**(829)**	**(693)**	**-**	**-**	**(1,522)**	**4,471,610**

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
General governments	3,638,012	-	-	-	3,638,012	(493)	-	-	-	(493)	3,637,519
Credit institutions	361,814	-	-	-	361,814	(295)	-	-	-	(295)	361,519
Other financial corporations	15,183	10,654	-	-	25,837	(12)	(368)	-	-	(380)	25,457
Non-financial corporations	78,722	18,428	-	-	97,150	(41)	(423)	-	-	(464)	96,686
Total	**4,093,731**	**29,082**	**-**	**-**	**4,122,813**	**(841)**	**(791)**	**-**	**-**	**(1,632)**	**4,121,181**

Movement in credit loss allowances

EUR ths.	01.01.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	(841)	(83)	102	88	(95)	-	(829)
Stage 2	(791)	-	-	(73)	171	-	(693)
Stage 3	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-
Total	**(1,632)**	**(83)**	**102**	**15**	**76**	**-**	**(1,522)**

EUR ths.	01.01.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	(850)	(83)	70	328	(306)	-	(841)
Stage 2	(1,054)	-	-	-	263	-	(791)
Stage 3	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-
Total	**(1,904)**	**(83)**	**70**	**328**	**(43)**	**-**	**(1,632)**

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10.

The year-end total gross carrying amounts of amortised cost debt securities that were initially recognized (purchased) during the year 2024 and not fully derecognized by 31 December 2024 amounts to EUR 841.9 million (2023: EUR 398.1 million). The gross carrying amounts of amortised cost debt securities that were held at 1 January 2024 and derecognized during the year 2024 amounts to EUR 360.6 million (2023: EUR 435.9 million).

Loans and advances to banks

Gross carrying amounts and credit loss allowances per impairment buckets

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
Credit institutions	10,423	-	-	-	10,423	(15)	-	-	-	(15)	10,408
Total	**10,423**	**-**	**-**	**-**	**10,423**	**(15)**	**-**	**-**	**-**	**(15)**	**10,408**

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
Credit institutions	10,058	2	-	-	10,060	(28)	-	-	-	(28)	10,032
Total	**10,058**	**2**	**-**	**-**	**10,060**	**(28)**	**-**	**-**	**-**	**(28)**	**10,032**

Movement in credit loss allowances

EUR ths.	01.01.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	(28)	(20)	6	-	27	-	(15)
Stage 2	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-
Total	**(28)**	**(20)**	**6**	**-**	**27**	**-**	**(15)**

EUR ths.	01.01.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	-	(28)	-	-	-	-	(28)
Stage 2	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-
Total	**-**	**(28)**	**-**	**-**	**-**	**-**	**(28)**

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10.

The year-end total gross carrying amounts of amortised cost loans and advances to banks that were initially recognized during the year 2024 and not fully de-recognized by 31 December 2024 amounts to EUR 10.4 million (2023: EUR 10.0 million). The gross carrying amounts of amortised cost loans and advances to banks that were held as at 1 January 2024 and fully de-recognized during the year 2024 amounts to EUR 10.4 million (2023: EUR 0.0 million).

Loans and advances to customers

Gross carrying amounts and credit loss allowances per impairment buckets

The following table represents gross carrying amounts and credit loss allowances per impairment buckets by sector of loans and advances to customers.

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
General governments	380,172	938	-	26	381,136	(585)	(34)	-	-	(619)	380,517
Other financial corporations	204,994	28,936	65	10	234,005	(419)	(987)	(58)	-	(1,464)	232,541
Non-financial corporations	3,415,955	1,502,867	117,063	113,985	5,149,870	(13,498)	(81,269)	(56,726)	(13,075)	(164,568)	4,985,302
Households	12,781,423	484,177	244,486	7,572	13,517,658	(16,080)	(29,748)	(129,102)	(3,675)	(178,604)	13,339,053
Total	**16,782,544**	**2,016,918**	**361,614**	**121,593**	**19,282,669**	**(30,582)**	**(112,038)**	**(185,886)**	**(16,750)**	**(345,255)**	**18,937,413**

The amounts represent the maximum exposure to credit risk. As at 31 December 2024 the Bank had no reverse repo agreements.

As at 31 December 2024, 15 largest customers accounted for 5.2% of the gross loan portfolio amounting to EUR 985.0 million.

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
General governments	427,959	661	3	-	428,623	(728)	(20)	-	-	(748)	427,875
Other financial corporations	297,414	5,064	84	18	302,580	(566)	(439)	(58)	(1)	(1,064)	301,516
Non-financial corporations	3,435,517	1,323,694	117,853	107,944	4,985,008	(13,648)	(65,517)	(56,781)	(22,175)	(158,121)	4,826,887
Households	12,344,572	480,689	218,179	6,290	13,049,730	(21,867)	(40,444)	(126,896)	(2,978)	(192,185)	12,857,545
Total	**16,505,462**	**1,810,108**	**336,119**	**114,252**	**18,765,941**	**(36,809)**	**(106,420)**	**(183,735)**	**(25,154)**	**(352,118)**	**18,413,823**

As at 31 December 2023, 15 largest customers accounted for 5.2% of the gross loan portfolio amounting to EUR 960.7 million.

The following table represents gross carrying amounts and credit loss allowances per impairment buckets by asset classes of loans and advances to customers.

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
Lending for house purchase	10,797,397	210,247	144,853	6,010	11,158,507	(6,234)	(6,433)	(54,648)	(2,855)	(70,170)	11,088,337
Credit for consumption	1,401,836	224,416	89,381	164	1,715,797	(8,528)	(18,903)	(65,584)	(54)	(93,069)	1,622,728
Corporate loans and others	4,583,311	1,582,255	127,380	115,419	6,408,365	(15,820)	(86,702)	(65,654)	(13,841)	(182,016)	6,226,348
Total	**16,782,544**	**2,016,918**	**361,614**	**121,593**	**19,282,669**	**(30,582)**	**(112,038)**	**(185,886)**	**(16,750)**	**(345,255)**	**18,937,413**

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
Lending for house purchase	10,377,588	256,714	144,136	4,590	10,783,028	(10,689)	(17,968)	(68,980)	(1,989)	(99,626)	10,683,402
Credit for consumption	1,366,414	169,450	65,535	192	1,601,591	(9,883)	(17,344)	(50,461)	(66)	(77,754)	1,523,837
Corporate loans and others	4,761,460	1,383,944	126,448	109,470	6,381,322	(16,237)	(71,108)	(64,294)	(23,099)	(174,738)	6,206,584
Total	**16,505,462**	**1,810,108**	**336,119**	**114,252**	**18,765,941**	**(36,809)**	**(106,420)**	**(183,735)**	**(25,154)**	**(352,118)**	**18,413,823**

Movement in credit loss allowances

The following table represents movement in credit loss allowances by sector of loans and advances to customers.

EUR ths.	01.01.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	(36,809)	(42,054)	830	13,643	33,701	108	(30,581)
General governments	(728)	(124)	-	2	265	-	(585)
Other financial corporations	(566)	(135)	2	7	273	-	(419)
Non-financial corporations	(13,648)	(28,730)	127	1,897	26,853	3	(13,498)
Households	(21,867)	(13,065)	701	11,737	6,310	105	(16,079)
Stage 2	(106,420)	(2,359)	880	(58,145)	53,737	268	(112,039)
General governments	(20)	-	-	(33)	19	-	(34)
Other financial corporations	(439)	-	-	(581)	33	-	(987)
Non-financial corporations	(65,517)	(1,929)	513	(44,083)	29,707	40	(81,269)
Households	(40,444)	(430)	367	(13,448)	23,978	228	(29,749)
Stage 3	(183,735)	(1,337)	20,803	(14,276)	(13,337)	5,996	(185,886)
Other financial corporations	(58)	-	54	(2)	(53)	1	(58)
Non-financial corporations	(56,781)	(1,279)	2,717	(2,819)	(211)	1,647	(56,726)
Households	(126,896)	(58)	18,032	(11,455)	(13,073)	4,348	(129,102)
POCI	(25,154)	-	459	-	7,106	840	(16,749)
Other financial corporations	(1)	-	-	-	-	1	-
Non-financial corporations	(22,175)	-	125	-	8,623	352	(13,075)
Households	(2,978)	-	334	-	(1,517)	487	(3,674)
Total	**(352,118)**	**(45,750)**	**22,972**	**(58,778)**	**81,207**	**7,212**	**(345,255)**

EUR ths.	01.01.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	(42,630)	(36,287)	769	15,092	26,230	17	(36,809)
General governments	(524)	(49)	1	97	(253)	-	(728)
Other financial corporations	(240)	(222)	2	1,652	(1,758)	-	(566)
Non-financial corporations	(14,110)	(23,940)	184	4,029	20,187	2	(13,648)
Households	(27,756)	(12,076)	582	9,314	8,054	15	(21,867)
Stage 2	(109,256)	(1,427)	458	(33,600)	37,159	246	(106,420)
General governments	(19)	-	-	(18)	17	-	(20)
Other financial corporations	(842)	-	-	(67)	470	-	(439)
Non-financial corporations	(71,822)	(1,073)	88	(15,666)	22,929	27	(65,517)
Households	(36,573)	(354)	370	(17,849)	13,743	219	(40,444)
Stage 3	(158,694)	(203)	12,090	(8,587)	(33,416)	5,075	(183,735)
Other financial corporations	(91)	-	23	-	10	-	(58)
Non-financial corporations	(42,428)	(132)	1,419	(2,202)	(14,136)	698	(56,781)
Households	(116,175)	(71)	10,648	(6,385)	(19,290)	4,377	(126,896)
POCI	(31,466)	-	358	-	5,714	240	(25,154)
Other financial corporations	(1)	-	-	-	-	-	(1)
Non-financial corporations	(29,358)	-	172	-	6,991	20	(22,175)
Households	(2,107)	-	186	-	(1,277)	220	(2,978)
Total	**(342,046)**	**(37,917)**	**13,675**	**(27,095)**	**35,687**	**5,578**	**(352,118)**

The following table represents movement in credit loss allowances by asset classes of loans and advances to customers.

EUR ths.	1.1.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	**(36,809)**	**(42,054)**	**830**	**13,643**	**33,701**	**108**	**(30,581)**
Lending for house purchase	(10,689)	(123)	14	8,242	(3,676)	(1)	(6,233)
Credit for consumption	(9,883)	(14,961)	206	1,315	14,776	18	(8,529)
Corporate loans and others	(16,237)	(26,970)	610	4,086	22,601	91	(15,819)
Stage 2	**(106,420)**	**(2,359)**	**880**	**(58,145)**	**53,737**	**268**	**(112,039)**
Lending for house purchase	(17,968)	(27)	269	(2,309)	13,602	-	(6,433)
Credit for consumption	(17,344)	-	52	(9,548)	7,912	25	(18,903)
Corporate loans and others	(71,108)	(2,332)	559	(46,288)	32,223	243	(86,703)
Stage 3	**(183,735)**	**(1,337)**	**20,803**	**(14,276)**	**(13,337)**	**5,996**	**(185,886)**
Lending for house purchase	(68,980)	(95)	2,951	(5,722)	16,005	1,193	(54,648)
Credit for consumption	(50,461)	(132)	15,474	(5,469)	(27,501)	2,505	(65,584)
Corporate loans and others	(64,294)	(1,110)	2,378	(3,085)	(1,841)	2,298	(65,654)
POCI	**(25,154)**	**-**	**459**	**-**	**7,106**	**840**	**(16,749)**
Lending for house purchase	(1,989)	-	-	-	(866)	-	(2,855)
Credit for consumption	(66)	-	-	-	8	4	(54)
Corporate loans and others	(23,099)	-	459	-	7,964	836	(13,840)
Total	**(352,118)**	**(45,750)**	**22,972**	**(58,778)**	**81,207**	**7,212**	**(345,255)**

EUR ths.	01.01.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	**(42,630)**	**(36,287)**	**769**	**15,092**	**26,230**	**17**	**(36,809)**
Lending for house purchase	(18,578)	(207)	26	7,836	234	-	(10,689)
Credit for consumption	(8,039)	(13,666)	95	1,788	9,939	-	(9,883)
Corporate loans and others	(16,013)	(22,414)	648	5,468	16,057	17	(16,237)
Stage 2	**(109,256)**	**(1,427)**	**458**	**(33,600)**	**37,159**	**246**	**(106,420)**
Lending for house purchase	(19,242)	(51)	273	(6,917)	7,969	-	(17,968)
Credit for consumption	(14,493)	(3)	37	(8,178)	5,271	22	(17,344)
Corporate loans and others	(75,521)	(1,373)	148	(18,505)	23,919	224	(71,108)
Stage 3	**(158,694)**	**(203)**	**12,090**	**(8,587)**	**(33,416)**	**5,075**	**(183,735)**
Lending for house purchase	(66,070)	(354)	2,680	(3,465)	(2,431)	660	(68,980)
Credit for consumption	(42,704)	(116)	9,680	(2,892)	(17,728)	3,299	(50,461)
Corporate loans and others	(49,920)	267	(270)	(2,230)	(13,257)	1,116	(64,294)
POCI	**(31,466)**	**-**	**358**	**-**	**5,714**	**240**	**(25,154)**
Lending for house purchase	(1,114)	-	16	-	(891)	-	(1,989)
Credit for consumption	(84)	-	1	-	12	5	(66)
Corporate loans and others	(30,268)	-	341	-	6,593	235	(23,099)
Total	**(342,046)**	**(37,917)**	**13,675**	**(27,095)**	**35,687**	**5,578**	**(352,118)**

In column 'Additions' increases of credit loss allowance due to the initial recognition of loans and advances to customers at amortised cost during the current reporting period are disclosed. Credit loss allowances recognized against drawings from non-revolving loan commitments are deemed as additions for the purpose of presenting current period's movement in credit loss allowance. Therefore, additions in Stages 2 and 3 reflect transfers from Stage 1 having occurred between commitment and drawing dates of related credit facilities. Releases of credit loss allowance following the derecognition of the related loans and advances to customers at amortised cost are reported in column 'Derecognitions'.

In column 'Transfers between stages' credit loss allowance net changes due to changes in credit risk that triggered re-assignments of the related loans and advances to customers at amortised cost from Stage 1 at 1 January 2024 (or initial recognition date, if later) to Stages 2 or 3 at 31 December 2024 or vice-versa are reported. The effects of transfers from Stage 1 to Stages 2 or 3 on the related credit loss allowances are adverse (incremental year-on-year allocations) 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 credit loss allowances are favourable (incremental year-on-year releases) and presented in line

'Stage 1'. The P&L-neutral effect from cross-stage transferring of the related credit loss allowance amounts recognized 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)'. This column also captures the passage-of-time adverse effect ('unwinding correction') over the lifetime expected cash shortfalls of 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.

The use of credit loss allowance triggered by full or partial write-offs of amortised cost loans and advances to customers is reported in column 'Write-offs'.

One significant driver of the credit loss allowance movements for the year has been the transfer of the related instruments across different impairment stages. The year-end gross carrying amount of amortised cost loans and advances to customers that were assigned at 31 December 2024 to a different stage compared to 1 January 2024 (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	
EUR ths.	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
As at 31.12.2024								
General governments	812	407	-	-	-	-	-	26
Other financial corporations	24,982	88	28	-	14	-	-	-
Non-financial corporations	797,043	405,572	18,450	519	18,426	207	927	1,165
Households	250,134	128,851	56,794	18,080	53,294	15,605	656	292
Total	**1,072,971**	**534,918**	**75,272**	**18,599**	**71,734**	**15,812**	**1,583**	**1,483**
As at 31.12.2023								
General governments	661	817	-	-	-	-	-	-
Other financial corporations	4,593	39,917	2	-	-	-	-	-
Non-financial corporations	346,162	500,582	45,739	1,218	22,833	660	997	80,444
Households	251,321	139,824	42,595	13,329	39,654	9,334	1,719	203
Total	**602,737**	**681,140**	**88,336**	**14,547**	**62,487**	**9,994**	**2,716**	**80,647**

The year-end total gross carrying amount of the amortised cost loans and advances to customers that were initially recognized during the reporting period and not fully de-recognized by 31 December 2024 amounts to EUR 3,733.5 million (2023: EUR 3,682.7 million). The gross carrying amount of the amortised cost loans and advances to customers that were held at 1 January 2024 and fully de-recognized during the reporting period amounts to EUR 1,433.8 million (2023: EUR 1,238.0 million).

Mandate loans

During the year 2024 the Bank cooperated with 8 external companies (2023: 7 companies). Based on the mandate contracts the management and administration of certain non-performing receivables is outsourced to the external company temporary. In case of mandate loans, the Bank maintains risks and rewards associated with the underlying exposures. External service providers are rewarded by commission from the claimed amount of loans, which are subject to the mandate contracts.

As at 31 December 2024 the total amount of gross loans outsourced was EUR 106.6 million – lending for house purchase EUR 38.2 million, credit for consumption EUR 56.9 million, corporate loans and others EUR 11.5 million (2023: EUR 79.7 million - lending for house purchase EUR 32.2 million, credit for consumption EUR 37.9 million, corporate loans and others EUR 9.6 million). These loans were categorised in stage 3.

Write off and sale of receivables

During the year 2024 the Bank sold loan receivables in the amount of EUR 28.5 million (2023: EUR 25.9 million) for a consideration of EUR 6.5 million (2023: EUR 7.7 million) and used the corresponding allowances amounting EUR 21.6 million (2023: EUR 16.5 million). Once loan receivables are sold, the Bank transfers all risks and rewards attributable to them and does not have any continuing involvement in the loan receivables subsequent to their sale.

In the year 2024 the Bank has written off loans and finance lease receivables in the amount of EUR 12.2 million (2023: EUR 6.5 million) and used the respective allowances amounting EUR 11.2 million (2023: EUR 4.9 million).

15. Trade and other receivables

The trade and other receivables comprise receivables from factoring transactions and other trade receivables.

Gross carrying amounts and credit loss allowances per impairment buckets

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
General governments	8,029	-	-	-	8,029	-	-	-	-	-	8,029
Credit institutions	3,951	2	-	-	3,953	-	-	-	-	-	3,953
Other financial corporations	2,936	-	-	-	2,936	(2)	-	-	-	(2)	2,934
Non-financial corporations	147,048	2,904	1,181	366	151,499	(812)	(817)	(864)	(348)	(2,841)	148,658
Households	48	-	-	-	48	-	-	-	-	-	48
Total	**162,012**	**2,906**	**1,181**	**366**	**166,465**	**(814)**	**(817)**	**(864)**	**(348)**	**(2,843)**	**163,622**

Gross carrying amount for trade and other receivables where simplified approach to ECL calculation is applied represents EUR 19.0 million and credit loss allowances EUR 0.7 million.

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
General governments	1,070	-	-	-	1,070	-	-	-	-	-	1,070
Credit institutions	4,359	-	-	-	4,359	-	-	-	-	-	4,359
Other financial corporations	2,620	-	-	-	2,620	(6)	-	-	-	(6)	2,614
Non-financial corporations	124,669	1,973	4,397	580	131,619	(893)	(726)	(4,054)	(444)	(6,117)	125,502
Households	33	-	-	-	33	(1)	-	-	-	(1)	32
Total	**132,751**	**1,973**	**4,397**	**580**	**139,701**	**(900)**	**(726)**	**(4,054)**	**(444)**	**(6,124)**	**133,577**

Of which the gross carrying amount of EUR 19.2 million and credit loss allowances of EUR 0.7 million in Stage 1 represents other trade receivables as at 31 December 2023.

Movement in credit loss allowances

EUR ths.	01.01.2024	Additions	Other changes in credit risk (net)	Transfers between stages	Write offs	31.12.2024
Stage 1	**(900)**	**(862)**	**948**	**-**	**-**	**(814)**
Other financial corporations	(6)	(2)	6	-	-	(2)
Non-financial corporations	(893)	(860)	941	-	-	(812)
Households	(1)	-	1	-	-	-
Stage 2	**(726)**	**-**	**(89)**	**(2)**	**-**	**(817)**
Non-financial corporations	(726)	-	(89)	(2)	-	(817)
Stage 3	**(4,054)**	**-**	**(216)**	**(20)**	**3,426**	**(864)**
Non-financial corporations	(4,054)	-	(98)	(20)	3,308	(864)
Households	-	-	(118)	-	118	-
POCI	**(444)**	**-**	**96**	**-**	**-**	**(348)**
Non-financial corporations	(444)	-	96	-	-	(348)
Total	**(6,124)**	**(862)**	**739**	**(22)**	**3,426**	**(2,843)**

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10 .

Detail description of columns from the above table are disclosed in the note 14 Financial assets at amortised cost.

EUR ths.	01.01.2023	Additions	Other changes in credit risk (net)	Transfers between stages	31.12.2023
Stage 1	**(627)**	**(919)**	**646**	**-**	**(900)**
Other financial corporations	(23)	(6)	23	-	(6)
Non-financial corporations	(604)	(912)	623	-	(893)
Households	-	(1)	-	-	(1)
Stage 2	**(956)**	**-**	**230**	**-**	**(726)**
Non-financial corporations	(956)	-	230	-	(726)
Stage 3	**(4,379)**	**-**	**349**	**(24)**	**(4,054)**
Non-financial corporations	(4,379)	-	349	(24)	(4,054)
POCI	**(468)**	**-**	**24**	**-**	**(444)**
Non-financial corporations	(468)	-	24	-	(444)
Total	**(6,430)**	**(919)**	**1,249**	**(24)**	**(6,124)**

Transfers of gross carrying amount between impairment stages

EUR ths.	2023	2024
Transfers between Stage 1 and Stage 2	**723**	**1,088**
To Stage 2 from Stage 1	723	1,045
To Stage 1 from Stage 2	-	43
Transfers between Stage 2 and Stage 3	**-**	**7**
To Stage 3 from Stage 2	-	7
Transfers between Stage 1 and Stage 3	**377**	**346**
To Stage 3 from Stage 1	377	346

16. 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 ‘Net other loss from derecognition of financial instruments not measured at fair value through profit or loss’.

Deposits from banks

EUR ths.	31.12.2023	31.12.2024
Overnight deposits	6,198	3,676
Term deposits	1,230,613	202,248
Repurchase agreements	10,352	-
Deposits from banks	**1,247,163**	**205,924**

Financial liabilities stemming from the TLTRO programme of the ECB are presented under ‘Term deposits´. All remaining tranches of the programme matured in 2024. As a result, the carrying amount of the TLTRO III liabilities was EUR 0.0 million at the end of 2024 (2023: EUR 1,024.3 million). Consequently, the collateral pledged for these liabilities has been released.

The Bank assessed an appropriate accounting treatment of the TLTRO. The conclusion was that such instruments do not qualify as below-market interest rate loans and therefore are not related to IAS 20 government grants accounting. The reason was that the TLTRO was considered as a separate market organised by the ECB as part of its monetary policy. As a result, the IFRS 9 amortised cost accounting treatment applied.

In 2024, interest expenses recognised for financial liabilities from TLTRO III before their repayment amounted to EUR 9.8 million (2023: EUR 24.6 million).

Deposits from customers

EUR ths.	31.12.2023	31.12.2024
Overnight deposits	**14,386,588**	**15,069,074**
Savings deposits	3,856,388	4,330,328
Households	3,856,388	4,330,328
Non-savings deposits	10,530,200	10,738,746
General governments	200,923	238,811
Other financial corporations	250,798	301,927
Non-financial corporations	2,537,431	2,678,232
Households	7,541,048	7,519,776
Term deposits	**3,203,039**	**3,675,604**
Deposits with agreed maturity	3,203,039	3,675,604
Savings deposits	704,209	336,101
Households	704,209	336,101
Non-savings deposits	2,498,830	3,339,503
General governments	101,348	154,078
Other financial corporations	555,654	490,924
Non-financial corporations	791,499	915,382
Households	1,050,329	1,779,119
Deposits from customers	**17,589,627**	**18,744,678**
General governments	302,271	392,889
Other financial corporations	806,452	792,851
Non-financial corporations	3,328,930	3,593,614
Households	13,151,974	13,965,324

Debt securities issued

EUR ths.	31.12.2023	31.12.2024
Subordinated debt securities issues	15,802	15,794
Senior non-preferred bonds	30,888	30,665
Other debt securities issued	4,610,354	4,574,704
Bonds	1,472,766	1,647,907
Mortgage covered bonds	3,137,588	2,926,797
Debt securities issued	**4,657,044**	**4,621,163**

Net debt reconciliation

The table below presents an analysis of debt of the Bank and the movements in the debt. The debt items are those that are reported under the financing activities in the statement of cash flows of the Bank.

EUR ths.	2023	2024
Debt securities issued		
Opening balance as at 1 January	2,988,434	4,657,044
Cash-flows reported within financing activities	1,575,593	(73,487)
Interest paid	(49,190)	(129,345)
Non-cash adjustments - interest expense	87,784	130,648
Non-cash adjustments - revaluation of hedge item	54,423	36,302
Closing balance as at 31 December	4,657,044	4,621,163
Lease liability		
Opening balance as at 1 January	81,718	77,106
Cash-flows reported within financing activities	(15,485)	(15,599)
Non-cash adjustments	10,873	11,710
Closing balance as at 31 December	77,106	73,217

Non-cash adjustments represent effects of amortization and deferrals.

Subordinated debt securities issued

The subordinated debt securities issued listed in the following table do not include embedded derivatives, which should be separated and disclosed under the statement of financial position line item ‘Financial liabilities held for trading‘.

The interest rate shown below represents actual interest expense of the Bank.

EUR ths.	Issue Date	Maturity Date	Interest Rate	Number of securities	Nominal	Currency	2023	2024
Subordinated Bonds	September 2018	September 2028	2.88%	33	100,000	EUR	3,326	3,327
Subordinated Bonds	September 2018	September 2028	5.24%	33	100,000	EUR	3,357	3,348
Subordinated Bonds	November 2018	November 2028	2.45%	91	100,000	EUR	9,119	9,119
Total							**15,802**	**15,794**

Subordinated liabilities

Issued subordinated capital and supplementary capital are either reported in the item Financial liabilities at amortised costs or Financial liabilities at fair value through profit or loss. Securitized and non-securitized assets are subordinated if the claims can only be satisfied after the claims of other, non-subordinated creditors in the event of liquidation or bankruptcy. Supplementary capital is defined in accordance with Art. 63 of Regulation (EU) No 575/2013 (CRR). Corresponding instruments have an original maturity of at least five years, are of a subordinated nature and may not, among other things, contain any incentive for early repayment, grant the holder the right to accelerate repayment or include interest or dividend payments that are influenced in their amount by the creditworthiness of the issuer.

In the reporting period, expenses for subordinated liabilities amounted to EUR 0.5 million (2023: EUR 0.7 million).

Senior non-preferred bonds

In February 2020 the Bank issued senior non-preferred bonds in the number of 300 securities with the notional value of EUR 0.1 million, interest rate 4.42% and maturity date in February 2026 in the total amount of EUR 30.7 million as at 31 December 2024 (2023: EUR 30.9 million).

Other debt securities issued

All securities listed in the following table are issued in book-entry form as bearer or registered securities with annual or semi-annual coupon payments. Their transferability is not limited. There are no pre-emptive rights and exchange rights related to these securities. The bonds are traded on the Bratislava Stock Exchange.

The stated interest rate corresponds with the actual interest costs of the Bank.

EUR ths.	Issue Date	Maturity Date	Interest Rate	Number of securities	Nominal	Currency	2023	2024
Senior Unsecured Bonds	June 2019	December 2025	0.60%	5,572	1,000	EUR	5,452	5,409
Covered Bonds	June 2019	June 2026	0.13%	5,000	100,000	EUR	483,090	491,208
Senior Unsecured Bonds	February 2020	February 2024	-	170	100,000	EUR	17,000	-
Senior Unsecured Bonds	March 2020	March 2025	0.00%	53	2,000,000	CZK	4,227	4,199
Senior Unsecured Bonds	June 2020	June 2025	0.80%	4,930	1,000	EUR	4,788	4,785
Senior Unsecured Bonds	June 2020	June 2025	0.63%	45	100,000	EUR	4,510	4,513
Senior Unsecured Bonds	October 2020	October 2025	0.25%	1,000	100,000	EUR	99,834	99,962
Senior Unsecured Bonds	March 2021	March 2027	4.39%	1,000	100,000	EUR	103,045	102,420
Senior Unsecured Bonds	June 2021	June 2024	-	1,299	1,000	USD	1,180	-
Senior Unsecured Bonds	June 2021	June 2028	0.38%	1,302	100,000	EUR	152,886	153,205
Covered Bonds	July 2007	July 2027	4.95%	250	66,388	EUR	18,290	18,068
Covered Bonds	January 2013	January 2025	3.10%	87	50,000	EUR	4,411	4,411
Covered Bonds	June 2013	June 2028	3.00%	132	50,000	EUR	6,614	6,615
Covered Bonds	February 2014	February 2029	2.80%	97	50,000	EUR	4,899	4,899
Covered Bonds	August 2015	August 2025	1.38%	100	100,000	EUR	10,043	10,052
Covered Bonds	March 2016	March 2026	1.00%	90	100,000	EUR	9,046	9,057
Covered Bonds	March 2017	March 2025	0.75%	1,000	100,000	EUR	100,564	100,609
Senior Unsecured Bonds	November 2017	November 2027	1.38%	44	100,000	EUR	4,405	4,406
Senior Unsecured Bonds	June 2018	June 2024	-	4,608	1,000	EUR	4,416	-
Senior Unsecured Bonds	August 2018	August 2024	-	4,621	1,000	EUR	4,494	-
Covered Bonds	August 2018	August 2025	0.63%	2,500	100,000	EUR	240,576	247,345
Senior Unsecured Bonds	September 2018	September 2024	-	4,530	1,000	EUR	4,350	-
Senior Unsecured Bonds	November 2018	November 2024	-	4,699	1,000	EUR	4,496	-
Senior Unsecured Bonds	December 2018	December 2024	-	4,794	1,000	EUR	4,533	-
Covered Bonds	December 2018	December 2024	-	2,500	100,000	EUR	242,756	-
Senior Unsecured Bonds	February 2019	February 2025	0.70%	9,490	1,000	EUR	9,071	8,951
Senior Unsecured Bonds	March 2019	March 2025	0.00%	100	50,000	EUR	4,959	4,994
Covered Bonds	April 2022	April 2027	1.13%	5,000	100,000	EUR	479,248	490,296
Senior Unsecured Bonds	May 2022	May 2026	2.00%	19,562	1,000	EUR	19,922	19,805
Senior Unsecured Bonds	June 2022	June 2025	2.70%	29,561	1,000	EUR	30,149	29,935
Senior Unsecured Bonds	July 2022	December 2029	5.00%	285	200,000	USD	49,118	51,453
Senior Unsecured Bonds	September 2022	September 2025	3.00%	61,741	1,000	EUR	61,798	61,922
Covered Bonds	October 2022	April 2028	3.50%	5,000	100,000	EUR	519,982	520,868
Senior Unsecured Bonds	October 2022	April 2026	3.30%	49,295	1,000	EUR	50,857	50,391
Senior Unsecured Bonds	October 2022	October 2025	4.35%	4,995	1,000	USD	4,555	4,845
Senior Unsecured Bonds	October 2022	October 2034	4.88%	320	100,000	EUR	33,590	33,807
Senior Unsecured Bonds	October 2022	October 2025	4.63%	250	100,000	EUR	25,172	25,203
Senior Unsecured Bonds	October 2022	October 2025	-	-	100,000	EUR	5,036	-
Senior Unsecured Bonds	November 2022	November 2025	4.50%	3,759	1,000	USD	3,417	3,635
Senior Unsecured Bonds	November 2022	November 2024	-	-	1,000	EUR	49,905	-
Senior Unsecured Bonds	November 2022	May 2026	4.73%	1,340	100,000	EUR	134,988	134,802
Covered Bonds	January 2023	January 2026	3.25%	5,000	100,000	EUR	513,388	519,797
Senior Unsecured Bonds	February 2023	February 2026	3.75%	73,523	1,000	EUR	76,920	75,923
Senior Unsecured Bonds	February 2023	February 2025	4.45%	4,828	1,000	USD	4,678	4,821
Senior Unsecured Bonds	June 2023	June 2026	4.50%	1,806	50,000	EUR	92,547	91,942
Covered Bonds	August 2023	September 2027	3.88%	5,000	100,000	EUR	504,681	503,572
Senior Unsecured Bonds	July 2023	July 2029	4.85%	529	100,000	EUR	14,430	54,755
Senior Unsecured Bonds	September 2023	September 2033	5.41%	100	100,000	EUR	9,651	10,130
Senior Unsecured Bonds	September 2023	September 2027	4.75%	393	50,000	EUR	20,010	19,662
Senior Unsecured Bonds	October 2023	October 2028	5.38%	3,310	100,000	EUR	302,167	334,754
Senior Unsecured Bonds	November 2023	November 2027	4.75%	1,185	50,000	EUR	50,210	59,805

The table continues on the following page.

EUR ths.	Issue Date	Maturity Date	Interest Rate	Number of securities	Nominal	Currency	2023	2024
Senior Unsecured Bonds	January 2024	January 2034	4.10%	50	100,000	EUR	-	5,203
Senior Unsecured Bonds	February 2024	February 2034	4.70%	20	100,000	EUR	-	1,978
Senior Unsecured Bonds	February 2024	February 2028	4.00%	517	50,000	EUR	-	26,780
Senior Unsecured Bonds	March 2024	March 2028	4.00%	799	50,000	EUR	-	41,165
Senior Unsecured Bonds	March 2024	August 2029	4.41%	100	100,000	EUR	-	10,114
Senior Unsecured Bonds	March 2024	March 2030	5.56%	146	100,000	EUR	-	14,816
Senior Unsecured Bonds	April 2024	April 2027	4.00%	91	50,000	EUR	-	4,581
Senior Unsecured Bonds	May 2024	May 2027	4.13%	100	100,000	EUR	-	9,966
Senior Unsecured Bonds	May 2024	May 2029	4.17%	250	100,000	EUR	-	25,618
Senior Unsecured Bonds	June 2024	June 2027	3.87%	150	100,000	EUR	-	14,902
Senior Unsecured Bonds	September 2024	September 2027	3.75%	300	50,000	EUR	-	15,008
Senior Unsecured Bonds	December 2024	December 2028	3.45%	346	50,000	EUR	-	17,342
Total							**4,610,354**	**4,574,704**

In May 2020 the Bank issued retained covered bond in the value of 500 mil. EUR with interest rate 0.125% and maturity of 7.5 years, which was not placed in the market and according to IFRS is therefore not possible to recognize this bond in the statement of financial position.
In June 2022 the Bank issued another retained covered bond in the value of 500 mil. EUR with an interest rate of 2.00% and maturity of 6 years, which was also not placed in the market and according to IFRS, it is therefore not possible to recognize this bond in the statement of financial position.

Other financial liabilities

As at 31 December 2024 other financial liabilities in amount of EUR 54.7 million (2023: EUR 183.3 million) represent suspense accounts (payments with other banks).

Financial instruments at fair value through profit or loss

There are various reasons for assigning the fair value through profit or loss measurement category to debt instrument financial assets.

Fair value through profit or loss 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 the Bank, 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. Another reason for the fair value through profit or loss measurement are financial assets whose contractual cash flows are not considered as SPPI.

On the statement of financial position, debt instrument financial assets measured at fair value through profit or loss are presented as 'Financial assets held for trading', sub-item 'Derivatives' and 'Non-trading financial assets at fair value through profit or loss', sub-items 'Debt securities'. Non-trading financial assets at fair value through profit or loss are disclosed in Note 18 which is 'mandatorily at fair value through profit or loss'. Financial assets are mandatorily measured at fair value through profit or loss because they are held as part of residual business models that are other than held for trading.
Investments in equity instruments that are not held for trading are also measured at fair value through profit or loss (unless they are designated at fair value through other comprehensive income). They are presented in the statement of financial position 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 18.

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 fair value through profit or loss. They are described more detail in the Note 17 Derivative financial instruments.

In the statement of income, the profit or loss effects of non-derivative financial assets measured at fair value through profit or loss 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 'Net gain from financial instruments measured at fair value through profit or loss' in case of non-trading financial assets at fair value through profit or loss. For investments in funds, which are not consolidated by the Group, the interest or dividend component is not separated from the fair value gains or losses.

Financial liabilities at fair value through profit or loss consist of financial liabilities held for trading and financial liabilities designated at fair value through profit or loss. On the statement of financial position, financial liabilities at fair value through profit or loss are presented as 'Financial liabilities held for trading', sub-items 'Derivatives'. Accounting policy related to financial liabilities at fair value through profit or loss can be found in Note 17 Derivative financial instruments.

17. Derivative financial instruments

Derivative financial instruments are used by the Bank to manage exposures to interest rates, foreign currencies and other market price risks. Derivatives used by the Bank include mainly interest rate swaps, futures, forward rate agreements, interest rate options, currency swaps and currency options as well as credit default swaps.

Derivative financial instruments are carried at fair value (dirty price) on the statement of financial position. 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 statement of financial position 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 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).

The description of the treatment of derivatives – hedge accounting can be found in Note 20 Hedge accounting.

Derivatives held for trading

	31.12.2023			31.12.2024		
EUR ths.	Notional value	Positive fair value	Negative fair value	Notional value	Positive fair value	Negative fair value
Derivatives held in the trading book	**2,915,206**	**60,289**	**56,556**	**2,885,962**	**48,044**	**45,522**
Interest rate	2,472,100	29,351	27,095	2,435,273	16,676	14,543
Foreign exchange	443,106	30,938	29,461	450,689	31,368	30,979
Derivatives held in the banking book	**10,000**	**-**	**40**	**12,000**	**57**	**-**
Equity	10,000	-	40	12,000	57	-
Total gross amounts	**2,925,206**	**60,289**	**56,596**	**2,897,962**	**48,101**	**45,522**

The Bank disclosed derivative instruments in the banking book that are used for economical hedging of financial instruments on asset or liability side and are not designated as hedge accounting.

The Bank maintains strict control limits on net open derivative positions, i.e. the difference between purchase and sale contracts, by both amount and term. At any time, the amount subject to credit risk is limited to the current fair value of instruments that are favourable to the Bank (i.e. assets), which in relation to derivatives is only a small fraction of the contract or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as a part of the overall lending limits vis-à-vis customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except for trading with clients, where the Bank in most cases requires margin deposits.

Embedded derivatives

As a part of ordinary business activity, the Bank issues complex debt instruments, which contain embedded derivatives.

Embedded derivatives that meet the prescribed criteria are separated are accounted for as stand-alone derivatives and presented on the statement of financial position under the line item ‘Derivatives’ in financial assets held for trading and financial liabilities held for trading. Derivatives that are not closely related and are separated relate to bonds and deposits.

18. Non-trading financial assets at fair value through profit or loss

	31.12.2023		31.12.2024	
EUR ths.	Designated at fair value	Mandatorily at fair value	Designated at fair value	Mandatorily at fair value
Equity instruments	-	11,511	-	20,185
Debt securities	-	12,527	-	11,856
Other financial corporations	-	7,516	-	6,626
Non-financial corporations	-	5,011	-	5,230
Non-trading financial assets at fair value through profit or loss	**-**	**24,038**	**-**	**32,041**

´Equity Instruments´ and ´Debt securities´ classified under category ´Mandatorily at fair value´ represents such equity instruments that the Bank does not hold for strategic business decisions.

In July 2024 the Bank converted part of Visa Inc. shares and newly acquired shares in the amount of 3,1 mil. EUR were classified to line item ´Equity instruments mandatorily at fair value´ within the category ´Non-trading financial assets at fair value through profit or loss´.

Financial instruments – other disclosure matters

19. Fair value of financial instruments

The measurement of fair value at the Bank 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 derivatives as well as liquid OTC bonds.

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position 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 and/or disclosed on a recurring basis.

Financial instruments carried at fair value

Description of valuation models and parameters

The Bank 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.

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 modelling techniques including methods described for OTC-derivatives.

Equity instruments

Non-trading equity instruments which have quoted market prices in an active market are valued by using the quoted market price. For other investments in non-trading equity instruments 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 methods.

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.

In rare cases, techniques for non-trading equity instruments may also include the comparable company multiple methods. These are valuation technique that uses 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.

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 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 derivatives, the OIS curves are applied for discounting.
The Bank 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 and notional size. Parameters are reviewed on a regular basis or in case of significant market moves. Netting is not applied when determining the bid-ask-spread adjustments.

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 all derivatives and the credit quality of the counterparty. DVA is driven by the expected negative exposure and the Bank's credit quality. The Bank has implemented an approach, where the modelling of the expected exposure is based on option replication strategies. For products where an option replication is not feasible the exposure is computed with Monte-Carlo simulation techniques. One of the two modelling approaches is considered for the most relevant portfolios and products. The methodology for the remaining entities and products is determined by market value plus add-on considerations. The probability of default by counterparties that are not traded in an active market is determined from internal PDs mapped to a basket of liquid titles present in the central European market. Market based valuation concepts are incorporated for this. Counterparties with liquid bond or CDS markets are valued by the respective single-name market-based PD derived from the prices. The Bank's probability of default has been derived from the buy-back levels of the Bank's issuances. Netting has only been considered for a few counterparties where the impact was material. In these cases, netting has been applied for both CVA and DVA. For counterparties with CSA-agreements in place no CVA was taken into account for all cases with immaterial threshold amounts.

Based on an analysis carried out by the Bank 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 risk management unit which is independent of the trading units. The risk management unit is also responsible for appropriateness of input date 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

The fair value of financial instruments assigned to Level 1 of the fair value hierarchy is determined based on quoted prices in active markets for identical financial assets and liabilities. The evaluated fair value can qualify as Level 1 if transactions occur with sufficient frequency, volume and pricing consistency on an ongoing basis.

Level 1 measurement 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. If all the significant inputs in the valuation model are observable the instrument is classified as Level 2 of the fair value

hierarchy. For Level 2 valuations typically yield curves, credit spreads and implied volatilities are used as observable market parameters.
Level 2 measurement include OTC 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

In some cases, the fair value can be determined neither on the basis of sufficiently frequent quoted market prices nor on the basis of valuation models that rely entirely on observable market data. In these cases individual valuation parameters which are not observable in the market are estimated on the basis of reasonable assumptions. 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.

These include shares, participations and funds not quoted, illiquid bonds (including own issued bonds) as well as collateralized mortgage obligations (CMO) and loans. 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.
- Fund units issued by investment funds fully consolidated by the Group as well as own issues, if price updates are not provided on a regular basis

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

	31.12.2023				31.12.2024			
EUR ths.	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Financial assets HfT	-	30,553	29,736	60,289	-	48,101	-	48,101
Derivatives	-	30,553	29,736	60,289	-	48,101	-	48,101
Non-trading financial assets at FVPL	-	5,011	19,026	24,037	-	5,230	26,811	32,041
Equity instruments	-	-	11,510	11,510	-	-	20,185	20,185
Debt securities	-	5,011	7,516	12,527	-	5,230	6,626	11,856
Hedge accounting derivatives	-	24,424	-	24,424	-	32,784	-	32,784
Total assets	**-**	**59,988**	**48,762**	**108,750**	**-**	**86,115**	**26,811**	**112,926**
Liabilities								
Financial liabilities HfT	-	48,732	7,864	56,596	-	45,522	-	45,522
Derivatives	-	48,732	7,864	56,596	-	45,522	-	45,522
Hedge accounting derivatives	-	64,227	-	64,227	-	31,831	-	31,831
Total liabilities	**-**	**112,959**	**7,864**	**120,823**	**-**	**77,353**	**-**	**77,353**

Derivatives transacted via Clearing Houses are presented after netting in compliance with their statement of financial position treatment. The netted derivatives are allocated to Level 2.

Valuation process for financial instruments categorized 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

Transfers into and out of Level 1 and Level 2 are mainly due to changes in the market activity and consequently in the observability of valuation parameters. In the year 2024 and 2023 these transfers were immaterial.

Movements in Level 3

Development of fair value of financial instruments in Level 3

EUR ths.	01.01.2024	Gain/(loss) in profit or loss	Purchases	Settlements	Transfer out of Level 3	31.12.2024
Assets						
Financial assets HfT	29,736	-	-	-	(29,736)	-
Derivatives	29,736	-	-	-	(29,736)	-
Non-trading financial assets at FVPL	19,026	6,534	4,344	(3,039)	-	26,811
Equity instruments	11,510	5,175	3,500	-	-	20,185
Debt securities	7,516	1,359	844	(3,039)	-	6,626
Total assets	**48,762**	**6,534**	**4,344**	**(3,039)**	**(29,736)**	**26,811**
Liabilities						
Financial liabilities HfT	7,864	-	-	-	(7,864)	-
Derivatives	7,864	-	-	-	(7,864)	-
Total liabilities	**7,864**	**-**	**-**	**-**	**(7,864)**	**-**

EUR ths.	01.01.2023	Gain/loss in profit or loss	Purchases	Transfers into Level 3	Transfer out of Level 3	31.12.2023
Assets						
Financial assets HfT	-	-	-	29,736	-	29,736
Derivatives	-	-	-	29,736	-	29,736
Non-trading financial assets at FVPL	16,246	2,203	577	-	-	19,026
Equity instruments	9,694	1,816	-	-	-	11,510
Debt securities	6,552	387	577	-	-	7,516
Total assets	**16,246**	**2,203**	**577**	**29,736**	**-**	**48,762**
Liabilities						
Financial liabilities HfT	-	-	-	7,864	-	7,864
Derivatives	-	-	-	7,864	-	7,864
Total liabilities	**-**	**-**	**-**	**7,864**	**-**	**7,864**

Transfers into and out of Level 3 mainly result from changes in valuation models with observable or non-observable parameters.

Gains in profit or loss on Level 3 instruments held at the end of the reporting period

EUR ths.	2023	2024
Assets		
Financial assets HfT	8,116	-
Derivatives	8,116	-
Non-trading financial assets at FVPL	2,203	6,533
Equity instruments	1,816	5,174
Debt securities	387	1,359
Total assets	**10,319**	**6,533**
Derivatives	6,487	-
Total liabilities	**6,487**	**-**

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 statement of financial position the parameters were chosen to reflect the market situation at the reporting date.

Range of unobservable valuation parameters used in Level 3 measurements

Financial assets	Type of instrument	Fair value in EUR million	Valuation technique	Significant unobservable inputs	Range of unobservable inputs (weighted average)
31.12.2024					
Financial assets at FVPL	Non-trading equity instruments (participations)	20.19	Approved budgets	Risk spread used in discounting future cash flows	N/A
	Non-trading debt instrument	3.97	Fair value of the bank's share in the investment fund reduced by management fees (value calculated by the fund manager)	Valuation of investment in the fund at fair value	N/A
		2.66	Theoretical price derived from market prices of similar shares of the issuer	Adjustment by conversion factor	N/A
31.12.2023					
Financial assets at FVPL	Non-trading equity instruments (participations)	11.51	Approved budgets	Risk spread used in discounting future cash flows	N/A
	Non-trading debt instrument	3.31	Fair value of the bank's share in the investment fund reduced by management fees (value calculated by the fund manager)	Valuation of investment in the fund at fair value	N/A
		4.21	Theoretical price derived from market prices of similar shares of the issuer	Adjustment by conversion factor	N/A
Financial assets and liabilities HfT	Derivatives	21.9	Credit risk parameters derived from similar counterparties in similar industries	Probability of default, Loss given default	1.5 – 4.0% 30 – 40%

Sensitivity analysis using reasonably possible alternatives per product type

Sensitivity analysis is not calculated for equity instruments, participations or funds.

Financial instruments not carried at fair value with fair value disclosed in the notes

EUR ths.	Carrying amount	Fair value	Level 1	Level 2	Level 3
31.12.2024					
Assets					
Cash and cash equivalents	1,988,940	1,988,940	420,346	1,568,594	-
Financial assets at AC	23,419,431	23,377,190	4,147,474	187,267	19,042,449
Loans and advances to banks	10,408	10,424	-	-	10,424
Loans and advances to customers	18,937,413	19,022,329	-	-	19,022,329
of which: Lending for house purchase	11,088,337	11,138,056	-	-	11,138,056
of which: Credit for consumption	1,622,728	1,628,799	-	-	1,628,799
of which: Corporate loans and others	6,226,348	6,255,474	-	-	6,255,474
Debt securities	4,471,610	4,344,437	4,147,474	187,267	9,696
Finance lease receivables	368,578	368,797	-	-	368,797
Trade and other receivables	163,622	162,191	-	-	162,191
Liabilities					

Financial liabilities at AC	23,626,495	23,677,500	2,408,166	2,039,682	19,229,652
Deposits from banks	205,924	204,563	-	-	204,563
Deposits from customers	18,744,678	18,753,066	-	-	18,753,066
Debt securities in issue	4,621,163	4,665,141	2,408,166	2,039,682	217,293
Other financial liabilities	54,730	54,730	-	-	54,730

EUR ths.	Carrying amount	Fair value	Level 1	Level 2	Level 3
31.12.2023					
Assets					
Cash and cash equivalents	3,030,858	3,030,858	362,937	2,667,921	-
Financial assets at AC	22,545,036	21,879,881	3,662,129	256,859	17,960,893
Loans and advances to banks	10,032	10,032	-	-	10,032
Loans and advances to customers	18,413,823	17,942,246	-	-	17,942,246
of which: Lending for house purchase	10,683,401	10,409,799	-	-	10,409,799
of which: Credit for consumption	1,523,839	1,484,814	-	-	1,484,814
of which: Corporate loans and others	6,206,583	6,047,633	-	-	6,047,633
Debt securities	4,121,181	3,927,603	3,662,129	256,859	8,615
Finance lease receivables	347,323	341,874	-	-	341,874
Trade and other receivables	133,577	132,060	-	-	132,060
Liabilities					
Financial liabilities at AC	23,677,088	23,673,115	2,346,354	1,922,924	19,403,837
Deposits from banks	1,247,163	1,247,163	-	-	1,247,163
Deposits from customers	17,589,627	17,590,067	-	-	17,590,067
Debt securities in issue	4,657,044	4,652,631	2,346,354	1,922,924	383,353
Other financial liabilities	183,254	183,254	-	-	183,254

As at 31 December 2024 fair value of financial guarantees given amounts EUR -0.2 million (2023: EUR -0.4 million) and fair value of irrevocable commitments given amounts EUR 61.7 million (2023: EUR 34.1 million). All these amounts are in level 3. 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, of finance lease receivables and of trade and other receivables 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. For the calculation of fair value loans and advances were grouped into homogeneous portfolios based on rating method, rating grade, maturity and the country where they were granted. 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. These positions are assigned to the Level 3 category. 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 amortized cost is determined based on quoted prices in active markets, if available. For issued 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 the Bank'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. Moreover optionality is taken into account when calculating the fair value.

For off-balance sheet liabilities (i.e. financial guarantees and unused loan commitments) the following fair value approaches are applied:
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.

20. Hedge accounting

The Bank applies hedge accounting to hedge exposures to interest rate risk. As permitted by the transitional provisions of IFRS 9, the Bank has elected to continue to apply the hedge accounting requirements of IAS 39.

On the statement of financial position, 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.

Fair value hedges

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.

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.

Notional amounts of hedged items

		Notional amount	
EUR ths.	**Type of hedged items**	**31.12.2023**	**31.12.2024**
Fair value hedges		**1,928,104**	**2,091,387**
Assets	Bonds at AC	291,223	201,224
Liabilities	Issued bonds	1,636,881	1,890,163

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.

The Bank is hedging the interest rate risk arising from bonds positions in investment portfolios (assets) and from own issued bonds (liabilities). Each fair value hedge is concluded to hedge only interest rate risk of a particular bond position or part of this bond position. The hedge instrument swaps the interest rate behaviour of the hedged item form fixed to floating interest rate. The credit risk inherent in these positions is not subject of the hedging.

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
- 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
- credit risk adjustments (CVA, DVA) on the hedging derivatives

Quantitative disclosures

In the tables below, detailed information related to hedging instruments and hedged items in fair value as at 31 December 2024 are reported. The indicated values for fair value hedges include single hedges, which due to immateriality are not shown separately.

Hedging instruments

The hedging instruments are presented in the line 'Hedge accounting derivatives' in the statement of financial position.

EUR ths.	Carrying amount	Average fixed rate	Change in FV for the period used for calculating hedge ineffectiveness	Notional	Timing of the nominal amounts of the instruments				
					≤ 3 months	> 3 months and ≤ 1 year	> 1 year and ≤ 3 years	> 3 years and ≤ 5 years	> 5 years
31.12.2024									
Fair value hedges	**64,615**	**2.2%**	**31,736**	**2,091,387**	**-**	**307,700**	**1,307,821**	**404,866**	**71,000**
Interest rate risk assets	32,784	2.4%	(3,991)	201,224	-	60,000	41,224	50,000	50,000
Interest rate risk liabilities	31,831	2.2%	35,727	1,890,163	-	247,700	1,266,597	354,866	21,000
Total	**64,615**	**2.2%**	**31,736**	**2,091,387**	**-**	**307,700**	**1,307,821**	**404,866**	**71,000**
31.12.2023									
Fair value hedges	**88,651**	**1.8%**	**46,711**	**1,928,104**	**-**	**340,000**	**598,923**	**816,597**	**172,584**
Interest rate risk assets	24,424	3.5%	(7,909)	291,223	-	90,000	101,223	-	100,000
Interest rate risk liabilities	64,227	1.4%	54,620	1,636,881	-	250,000	497,700	816,597	72,584
Total	**88,651**	**1.8%**	**46,711**	**1,928,104**	**-**	**340,000**	**598,923**	**816,597**	**172,584**

Hedged items in fair value hedges

EUR ths.	Carrying amount	Hedge adjustments	
		included in the carrying amount	Thereof: for the period used for recognition of hedge ineffectiveness
31.12.2024			
Financial assets at AC	**206,013**	**(3,586)**	**4,113**
Interest rate risk	206,013	(3,586)	4,113
Financial liabilities at AC	**1,915,854**	**(10,722)**	**(36,303)**
Interest rate risk	1,915,854	(10,722)	(36,303)
31.12.2023			
Financial assets at AC	**293,804**	**(7,699)**	**8,146**
Interest rate risk	293,804	(7,699)	8,146
Financial liabilities at AC	**(1,610,044)**	**47,025**	**(54,423)**
Interest rate risk	(1,610,044)	47,025	(54,423)

The hedged items are disclosed in the following line items in the statement of financial position:

- Financial assets at amortised cost / debt securities
- Financial liabilities at amortised cost / debt securities issued

Ineffectiveness from fair value hedges is presented under 'Net trading result' in the statement of income.

Hedging Instrument to Hedged Item ratio (in EUR ths.)

31.12.2024

Nominal of hedge instrument	ISIN of hedged item	Nominal of hedge item	Ratio
16,597	SK4120005505	16,597	1.00
41,224	SK4120004987	648,873	0.06
50,000	SK4120009762	331,000	0.15
60,000	SK4120007543	239,250	0.25
50,000	SK4120011420	192,000	0.26
131,400	SK4120014507	250,000	0.99
116,300			
250,000	SK4000015400	500,000	0.50
500,000	SK4000020673	500,000	1.00
54,866	SK4000021242	54,866	1.00
300,000	SK4000021820	500,000	0.60
21,000	SK4000021879	32,000	0.66
500,000	SK4000022398	500,000	1.00

31.12.2023

Nominal hedge instrument	Hedged item	Nominal hedge item	Ratio
16,597	SK4120005505	16,597	1.00
41,224	SK4120004987	648,873	0.06
50,000	SK4120009762	331,000	0.15
50,000	SK4120008871	265,000	0.34
15,000			
25,000			
60,000	SK4120007543	239,250	0.25
50,000	SK4120011420	192,000	0.26
131,400	SK4120014507	250,000	0.99
116,300			
72,300	SK4120014812	250,000	1.00
177,700			
250,000	SK4000015400	500,000	0.50
500,000	SK4000020673	500,000	1.00
51,584	SK4000021242	51,584	1.00
300,000	SK4000021820	500,000	0.60
21,000	SK4000021879	32,000	0.66

Fair value hedge of assets

As at 31 December 2024 the Bank held in portfolio of financial assets at amortised cost fixed rate bonds denominated in EUR with nominal value of EUR 201.2 million (2023: EUR 291.2 million). As the purchases of these bonds increased exposure to interest rate risk in the period from five to fifteen years, the Bank entered into interest rate swap deals in order to hedge the changes of fair value caused by changes of risk-free interest rates, paying fixed and receiving floating rates.

During the year 2024 the hedges were effective in hedging fair value exposure to interest rate movements. During the period the Bank recognised a net loss on the hedging instruments in the amount of EUR 4.0 million (2023: net loss EUR 7.9 million). On the other hand, a net gain on the hedged item attributable to the hedged risk amounted to EUR 4.1 million (2023: net gain EUR 8.1 million).

Fair value hedge of liabilities

The Bank uses hedging to secure its issued fixed rate covered bonds (former mortgage bonds). The list of bonds is disclosed in the note 16 Financial liabilities at amortised cost. As at 31 December 2024 the Bank holds covered bonds in total nominal value of EUR 1,890.2 million (2023: EUR 1,636.9 million).

During the year 2024 the hedges were effective in hedging fair value exposure to interest rate movements. During the period the Bank recognised a net gain on the hedging instruments in the amount of EUR 35.7 million (2023: net gain EUR 54.6 million). On the other hand, a net loss on the hedged item attributable to the hedged risk amounted to EUR 36.3 million (2023: net loss EUR 54.4 million).

21. Offsetting of financial instruments

The following table shows netting effects on the statement of financial position of the Bank as well as the impacts of offsetting financial instruments which are subject to offsetting agreements.

Financial assets subject to offsetting and potential offsetting agreements

EUR ths.	Financial assets (gross)	Amounts offset (gross)	Financial assets in statement of financial position (net)	Potential effects of netting agreements not qualifying for statement of financial position offsetting		Net amount after potential offsetting
				Financial instruments	Other financial collateral received	
31.12.2024						
Derivatives	48,101	-	48,101	10,862	-	37,239
Hedge accounting	32,784	-	32,784	27,658	-	5,126
Total	**80,885**	**-**	**80,885**	**38,520**	**-**	**42,365**
31.12.2023						
Derivatives	60,289	-	60,289	26,165	-	34,124
Hedge accounting	24,424	-	24,424	19,090	-	5,334
Total	**84,713**	**-**	**84,713**	**45,255**	**-**	**39,458**

Financial liabilities subject to offsetting and potential offsetting agreements

EUR ths.	Financial liabilities (gross)	Amounts offset (gross)	Financial liabilities in statement of financial position (net)	Potential effects of netting agreements not qualifying for statement of financial position offsetting		Net amount after potential offsetting
				Financial instruments	Other financial collateral pledged	
31.12.2024						
Derivatives	45,522	-	45,522	10,862	22,953	11,707
Hedge accounting	31,831	-	31,831	27,658	3,309	864
Total	**77,353**	**-**	**77,353**	**38,520**	**26,262**	**12,571**
31.12.2023						
Derivatives	56,596	-	56,596	26,165	23,786	6,645
Hedge accounting	64,227	-	64,227	19,090	41,200	3,937
Repurchase agreements	10,352	-	10,352	-	10,352	-
Total	**131,175**	**-**	**131,175**	**45,255**	**75,338**	**10,582**

The Bank employs master netting 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.

22. 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 the Bank retains substantially all risks and rewards of ownership, because the securities are repurchased at a fixed price when the transaction ends. Furthermore, the Bank 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 the Bank 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 the Bank. 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 the Bank under repurchase agreements remain on the Bank's balance sheet and are presented separately under the original balance sheet items in the '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 the Bank. 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 the Bank as a lender because the securities are received at the end of the securities lending transaction. Furthermore, the Bank 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 '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'. 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'.

	31.12.2023		31.12.2024	
EUR ths.	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
Repurchase agreements	**11,041**	**10,352**	**-**	**-**
Financial assets at AC	11,041	10,352	-	-
Total	**11,041**	**10,352**	**-**	**-**

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:

	31.12.2023			31.12.2024		
EUR ths.	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	10,373	10,352	21	-	-	-
Total	**10,373**	**10,352**	**21**	**-**	**-**	**-**

23. Financial assets pledged as collaterals

Carrying amount of financial assets pledged as collaterals

EUR ths.	31.12.2023	31.12.2024
Financial assets at AC	4,937,680	3,217,703
Total	**4,937,680**	**3,217,703**

	Carrying amount of transferred assets					Carrying amount of associated liabilities		
EUR ths.	Total	Repurchase agreements	Assets pledged for derivatives	Assets pledged for covered bonds	Other transferred assets	Total	Repurchase agreements	Other associated liabilities
As at 31.12.2024								
Financial assets at amortised cost								
Debt securities	**130,446**	-	26,262	89,036	15,148	**162,772**	-	162,772
Loans and advances to customers	**3,087,257**	-	-	3,087,257	-	**2,832,936**	-	2,832,936
Assets pledged as collateral	**3,217,703**	**-**	**26,262**	**3,176,293**	**15,148**	**2,995,708**	**-**	**2,995,708**

	Carrying amount of transferred assets					Carrying amount of associated liabilities		
EUR ths.	Total	Repurchase agreements	Assets pledged for derivatives	Assets pledged for covered bonds	Other transferred assets	Total	Repurchase agreements	Other associated liabilities
As at 31.12.2023								
Financial assets at amortised cost								
Debt securities	**437,723**	11,041	64,986	50,150	311,546	**468,081**	10,352	457,729
Loans and advances to customers	**4,499,957**	-	-	3,412,377	1,087,580	**3,802,929**	-	3,802,929
Assets pledged as collateral	**4,937,680**	**11,041**	**64,986**	**3,462,527**	**1,399,126**	**4,271,010**	**10,352**	**4,260,658**

The financial assets pledged as collateral consist of loans and advances to customers, bonds and other interest-bearing securities. Collaterals were pledged as a result of refinancing transactions with the respective National Bank, loans backing issued mortgage bonds and other collateral arrangements.

In March 2021, the Bank entered into TLTRO III with central bank in the amount of EUR 1,000 million which was shown within other associated liabilities. At 23 November 2022 the Bank partially repaid this tranche in amount of EUR 250 million and during the first half of the year 2024 was repaid the remaining part of the tranche in amount of EUR 750 million.

In June 2021, the Bank entered into TLTRO III with central bank in the amount of EUR 250 million which is shown within other associated liabilities. During the first half of the year 2024 the whole tranche was repaid in amount of EUR 250 million.

As a result, the collateral pledged for these liabilities has been released.

Risk and capital management

24. Risk management

Risk policy and strategy

A core function of the Bank is taking risks in a conscious and selective manner and professionally steering those risks. Adequate risk policy and risk strategy is essential to the Bank's fundamental financial health and operational business success.

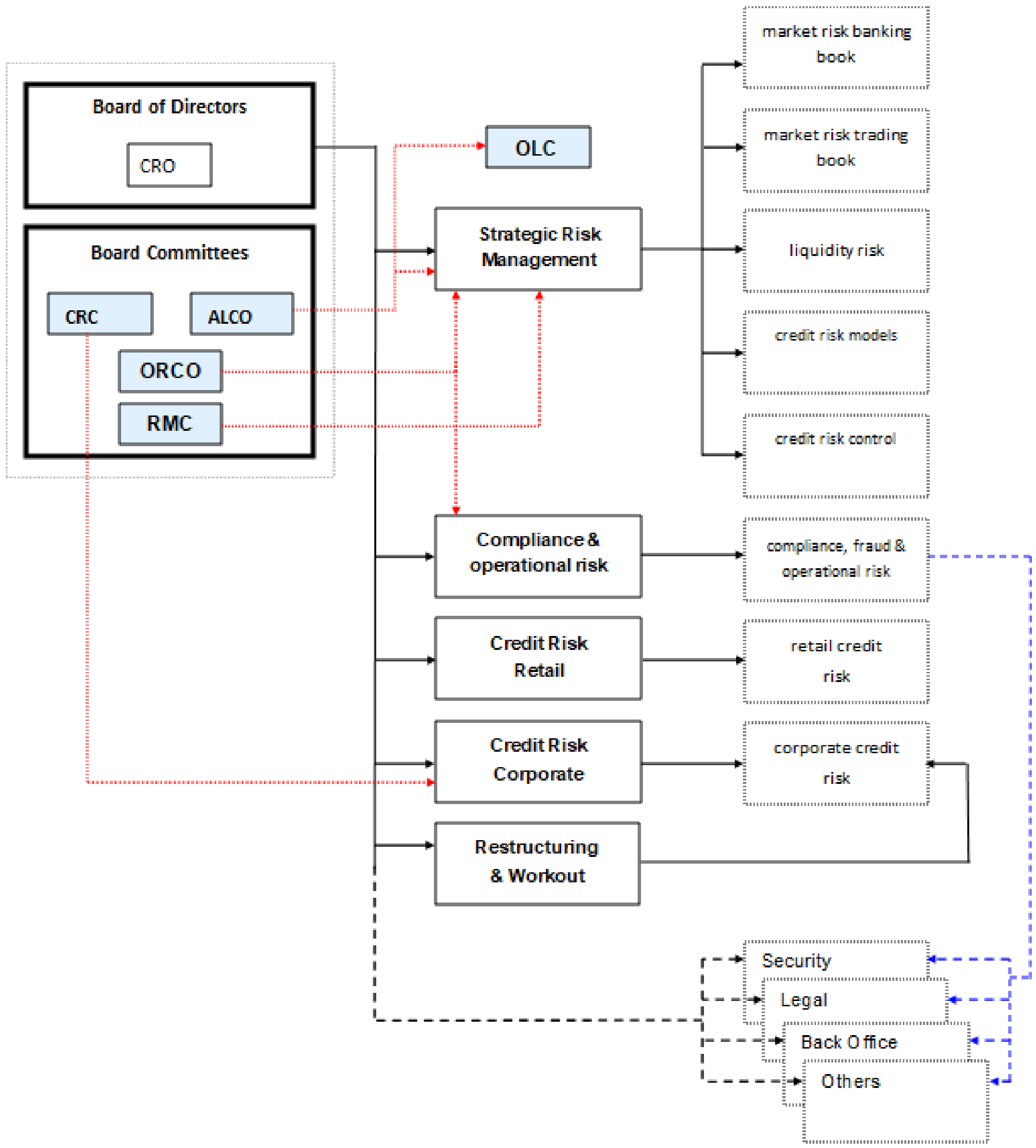
The Bank has developed a risk management framework that is forward-looking and tailored to its business and risk profile. This framework is based on a clear risk strategy that sets out general principles according to which risk taking must be performed. The risk strategy is consistent with the business strategy and incorporates the expected impact of external environment on the planned business and risk development.

The risk strategy describes the current 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.

The Bank uses the Internet as the medium for publishing 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 the Bank at https://www.slsp.sk/sk/informacie-o-banke/investori/financne-ukazovatele.

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 following chart presents the organisational structure of risk in the Bank:



Risk management structure

The ultimate risk management body is the Board of Directors. However, it may delegate some of its authority for particular risk management areas to the respective committees. The Board of Directors also designates one of its members to serve as the Chief Risk Officer ('CRO').

Asset & Liability Committee ('ALCO') has the ultimate authority over market risk of both trading and banking books (including interest rate risk) and over liquidity risk.

Credit Risk Committee ('CRC') is the ultimate decision making body for corporate credit risk.

Operational Risk and Compliance Committee ('ORCO') is the authorized body to make decisions on operational risk strategies and procedures, risk appetite and tolerance levels, also decides on mitigation measures for operational risk, compliance, financial crime, security, and anti-money laundering issues.

ALCO, CRC and ORCO are composed of the members of the Board of Directors and senior managers. The Chief Risk Officer is a member of all three committees.

Operating Liquidity Committee ('OLC') governs the execution of liquidity management. OLC reports directly to ALCO. It analyses the liquidity situation of the Bank on a regular basis and proposes measures to be taken. OLC consists of members of Treasury, Balance Sheet Management (BSM) and Strategic Risk Management (SRM).

Risk Management Committee ('RMC') is a committee consisting of selected members of the Board of Directors and senior managers. It is responsible for the development and maintenance of effective system of risk management, approval and monitoring of risk management strategy and procedures, ICAAP and risk appetite, as well as for comprehensive stress testing.

The bottom (executive) level of the risk management organisation consists of five crucial units:

- Corporate Credit Risk Management Division
- Retail Credit Risk Management Division
- Strategic Risk Management
- Compliance & Security
- Restructuring & Work.

In the chart above, black lines show the assignment of different risk types to the respective units. Solid black lines show the areas directly subordinated to the Chief Risk Officer. Strategic Risk Management and Corporate Credit Risk Management may also report directly to their respective committees as shown by red / dotted lines.

Risk management is not limited to risk management units only. Rather, all organisational units have to be risk-aware and should contribute to risk management.

All responsibilities regarding risk management are in detail described in the Bank's risk management strategy.

Corporate Credit Risk Management

Corporate Credit Risk Management Division formulates the credit policy and internal provisions on the credit approval process for corporate clients. It is responsible for risk analysis of counterparties and credit facilities (financial analysis, rating assignment, credit transaction assessment). Furthermore, it monitors the development of the credit portfolio of corporate clients. It regularly reviews assigned ratings and counterparty financial situation. It also designs, sets and monitors limits, maintains deal and limits documentation for corporate clients.

Retail Credit Risk Management

Retail Credit Risk Management Division formulates the credit policy and internal actions on the credit approval process for retail clients and designs and oversees processes in retail lending activity. It is responsible for risk assessment of counterparties and credit facilities (rating assignment, credit transaction assessment). Furthermore, it monitors the development of credit portfolio of retail clients. It also designs, sets and monitors limits, maintains deal and limits documentation, as well as performs early and late collection and retail collateral management.

Strategic Risk Management

Strategic Risk Management ('SRM') is responsible for integrated risk management ('ICAAP'), liquidity risk, market risk (overall, as well as particular trading and banking books), credit risk control, provisioning, credit risk statistical and rating models. SRM is not involved in the operative credit decision-making. However it is responsible for the design of rating systems, testing and monitoring of accuracy and selectivity of internal rating grades, production and analysis of summary reports from the Bank's rating systems. SRM is also responsible for the design and implementation of models for calculation of risk parameters (PD, LGD, CCF, etc.), standard risk costs and portfolio provisions. It is also responsible for the design and implementation of models for calculation of risk-weighted assets according to capital requirements regulation and directive and model for economic capital. In addition to this, SRM has two other specific roles:

- credit exposures to Groups, sovereigns and countries, which are governed centrally by Erste Holding (credit analysis, limit setting), are locally monitored by SRM;
- credit lines of Treasury clients (approved by Credit Risk Corporate or Credit Committee) are determined and monitored by SRM.

Compliance & Operational Risk Management

Compliance & Operational Risk Management is responsible for compliance risk management (e.g. code of ethics, full compliance with legal requirements, anti-money laundering program, MiFID rules), for fraud risk management (prevention, detection, investigation, deterrence and recovery of financial fraud) and operational risk. Within operational risk, it coordinates activities of global scope of other relevant departments (blue / dashed lines in the chart).

Restructuring & Work out

Restructuring & Work out is responsible for effective debt recovery and write-off management of corporate clients. It is also responsible for monitoring, restructuring of receivables over-due, specific provisions and collateral management.

Legal services

Legal services Division provides legal support and counsel for the management board, the business units and the central functions, and mitigate legal risk. It also attends to legal sourcing and to dispute resolution and litigation.

Comprehensive risk and capital management

Internal Capital Adequacy Assessment Process ('ICAAP') is a process in which all significant risks that the Bank faces must be covered by internal capital (i.e. coverage potential). This means that all material risks are determined, quantified, aggregated, and compared to the coverage potential. Limits and lower trigger levels are defined and regularly monitored, so that corrective actions may be taken, thus avoiding situations when risk exposures are not sufficiently covered by capital.

Objectives of ICAAP are to integrate risk management for different risk types into a single high-level process, which then enables to continuously monitor and adjust capital levels to changing risk profiles. It is a comprehensive process that within the Bank consists of the following steps:

- Risk appetite statement (RAS), limits and risk strategy
- Risk materiality assessment (RMA)
- Risk-bearing capacity calculation (RCC)
- Stress testing
- Capital allocation and performance management

In addition to the ICAAP's ultimate goal of assuring capital adequacy and sustainability at all times, the whole process serves to support the Bank's management in pursuing its strategy.

Risk appetite

The Bank defines the maximum level of risk it is willing to accept in order to meet its business objectives within the Bank's risk appetite (RAS). The RAS acts as a binding constraint to the Bank's business activities within its overall risk appetite via triggers and limits approved by the management board. It is integrated and embedded into Bank's structural processes; including business and risk strategy, budget process, capital and liquidity planning, recovery plan, stress testing and remuneration framework. The RAS consists of a set of core and supporting risk metrics 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 Bank's 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 the Bank has sufficient resources to support its business at any given point in time and absorb stress events;
- set boundaries for the Bank's risk target setting;
- support the Bank's financial strength and the robustness of its systems and controls.

To foster risk-return steering and ensure proactive management of the risk profile, the Bank 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 the Bank is willing to accept. In order to ensure that the Bank 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 Bank Risk Strategy based on 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 Bank risk strategy. Mitigating actions are undertaken as part of the regular risk management process to ensure that the Bank remains within its RAS.

Risk materiality assessment

The risk materiality assessment serves the purpose of identification of the most important risk types which are to be the major focus and which will be included in the economic capital calculation. It is an annual process based on both, quantitative and qualitative factors, which is conducted for each identified risk type the Bank faces.

The output of the risk materiality assessment is the set of material risks, which have to be quantified and covered by capital. It also includes other risk management practices to control and mitigate the identified risks (material or non-material).

Stress testing

Risk exposure calculation models carry inherent statistical error since they must work at extreme confidence interval and time horizon. 99.9% confidence on one-year horizon means an extreme loss that occurs once in thousand years. At this level the model is impossible to back test, therefore it must be stress tested.

Stress testing is also used to analyse risks which are not covered by capital as well as to identify potential vulnerabilities of covered risks which may not be properly covered by the calculation model used. Further, stress testing should also provide management with steering impulses and should yield to corrective actions, if deemed necessary.

Stress testing focuses on impact of severe, yet plausible scenarios on the Bank's positions, thus providing further assurance of internal capital adequacy. Should stress testing results show potentially higher losses than calculated risk exposures, the ICAAP profile has to be adjusted either via add-ons to risk exposures or via capital cushion.

Risk-bearing capacity calculation

The risk-bearing capacity calculation ('RCC') is ultimately the tool to define capital adequacy required by the ICAAP. Within the RCC, risk exposure for each particular material risk is quantified. The figures are aggregated into a capital requirement and compared to the coverage potential and the Bank´s own funds. The integral forecast, risk appetite limit, as well as a traffic light system support management in its discussions and decision processes.

The Board of Directors, Risk management committees and Supervisory board is briefed regularly, at least on a quarterly basis, in relation to the results of the capital adequacy calculation. The report includes movements in risks and available capital and coverage potential, the degree of risk limits' utilization, potential losses in stress scenarios and the overall status of capital adequacy. It also contains a comprehensive forecast of risk-weighted assets and capital adequacy.

Besides the Pillar 1 risk types (credit, market in trading book, FX in banking book and operational risks) and in the context of Pillar 2, interest rate risks in the banking book, business risk, liquidity risk, residual credit risk and credit risk for sovereign counterparties are explicitly considered within the required economic capital via internal models. The economic capital requirement for unexpected losses is computed on a one-year time horizon with a 99.92 % confidence level. During the year 2024 the utilization of the economic capital was in the range 52 – 56%.

Other risks, namely credit concentration risk and macroeconomic risks in particular are managed by means of a proactive management framework that includes forward-looking scenarios, stress testing, trigger levels and / or are covered by capital buffer. The capital buffer is proposed by Strategic risk management typically during the risk materiality assessment process and is approved by the Board of Directors.

The coverage potential required to cover risks and unexpected losses is based on regulatory own funds combined with profit of the current year, considering subordinated liabilities and regulatory deductibles, as well. The coverage potential must be sufficient to absorb unexpected losses resulting from the Bank's operations.

Capital management

Within capital management, the volume of internal capital (coverage potential) is compared against the calculated risk exposures and should any discrepancies arise, measures must be taken in order to correct the situation. This is carried out quarterly, but the frequency may be increased should the situation require so and is also forward-looking in that it considers forecasted figures.

Capital management is also part of the Bank's business strategy (worked out through budget) which determines risk appetite and capital coverage levels. Comprehensive limit framework is established for each major risk type in order to ensure day-to-day adherence to the approved risk profile and capital levels.

Risk planning and forecasting

The responsibility for risk management includes ensuring sound risk planning and forecasting processes. The forecasts determined by risk management are the result of close co-operation with all stakeholders in the overall planning process. The risk planning and forecasting process includes both, forward- and backward-looking component, focusing on portfolio and economic environment changes.

Capital allocation

An important task integral to the risk planning process is the allocation of capital to business lines. Each particular risk (Pillar I and Pillar II) is allocated to business lines based on their risk consumption. The process is done with close cooperation between Strategic Risk Management and Accounting and Controlling.

25. Own funds and capital requirements

Regulatory requirements

Since 1 January 2014 the Bank has been calculating the regulatory own funds and the regulatory capital requirements according to the Capital Requirements Regulation (CRR, Regulation (EU) No. 575/2013) and the Capital Requirement Directive (CRD IV, Directive (EU) 2013/36/EU)[5]. Both the CRD IV and CRD V[6] were transposed into national law in the Act on Banks 483/2001.

All requirements as defined in the CRR and technical standards issued by the European Banking Authority (EBA) are fully applied by the Bank for regulatory purposes and for the disclosure of regulatory information.

According to information provided internally to key management, the Bank fulfilled all regulatory capital requirements during the year 2024 and throughout the year 2023 consisting of Pillar 1 requirement, Pillar 2 requirement and combined buffer requirement.

Accounting principles

The financial and regulatory figures published by the Bank are based on IFRS. Eligible capital components are derived from the statement of financial position and income statement which were prepared in accordance with IFRS. Adjustments to the accounting figures are considered due to the different definitions in the scopes of consolidation.

The unified reporting date of the separate financial statements and separate regulatory figures of the Bank is 31 December of each respective year.

Own funds

Own funds according to CRR consist of 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.

[5] Both CRD IV and CRR have been amended since the entry into force in 2014 inter alia with directive (EU) 2019/878 (CRD V) as well as regulations (EU) 2019/876 (CRR 2) and (EU) 2020/873 (CRR Quick Fix).
[6] CRDV has been transposed by an amendment of the ABA (BGBl I 2021/98; BWG-Novelle) which entered into force on 31 May 2021.

Capital buffer requirements are set out in Act on Banks 483/2001

- capital conservation buffer Article 33b
- Global Systemic Important Institution (G-SII) Article 33a and Article 33d (5)
- Other Systemic Important Institution (O-SII) buffer Article 33a and Article 33d (6)
- systemic risk buffer Article 33a, Article 33e
- countercyclical buffer Article 33a, Article 33c

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 2023 SREP process performed by the European Central Bank (ECB) the Bank applies a Pillar 2 requirement (P2R) of 1.5% as at 31 December 2024. The minimum CET1 ratio of 5.34% encompasses the Pillar 1 minimum requirement of 4.5% and the Pillar 2 requirement of 0.84% (56.25% of 1.5%) as at 31 December 2024.

According to SREP, the Bank is expected to meet a Pillar 2 Guidance (P2G) of 1.0%. The Pillar 2 Guidance is not MDA (maximum distributable amount) relevant.

	31.12.2023	31.12.2024
Pillar 1		
Minimum CET1 requirement	4.50%	4.50%
Minimum Tier 1 requirement	6.00%	6.00%
Minimum Own Funds requirements	8.00%	8.00%
Combined buffer requirement (CBR)	**5.99%**	**5.98%**
Capital conservation buffer	2.50%	2.50%
Institution-specific countercyclical capital buffer	1.49%	1.48%
Systemic risk buffer (SRB)	0.00%	0.00%
O-SII capital buffer	2.00%	2.00%
Minimum CET 1 requirement (incl. CBR)	10.49%	10.48%
Minimum Tier 1 requirement (incl. CBR)	11.99%	11.98%
Minimum Own Funds requirement (incl. CBR)	13.99%	13.98%
Pillar2		
Minimum CET1 requirement	0.84%	0.84%
Minimum T1 requirement	1.13%	1.13%
Minimum Own Funds requirement	1.50%	1.50%
Total CET1 requirement for Pillar 1 and Pillar 2	**11.33%**	**11.32%**
Total Tier 1 requirement for Pillar 1 and Pillar 2	**13.12%**	**13.10%**
Total Own Funds requirement for Pillar 1 and Pillar 2	**15.49%**	**15.48%**

The following table shows the structure of own funds according to implementing technical standards EBA with regard to disclosure of own funds requirements for institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (the positions not relevant for the Bank were excluded):

in EUR ths.	31.12.2023	31.12.2024
Common equity tier 1 capital (CET1)		
Capital instruments eligible as CET1	212,000	212,000
Retained earnings	1,439,046	1,503,082
Accumulated other comprehensive income	(1,290)	(1,647)
Common equity tier 1 capital (CET1) before regulatory adjustments	**1,649,756**	**1,713,435**
Prudential filter: fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	(194)	19
Value adjustments due to the requirements for prudent valuation	(1,193)	(1,346)
Securitisation positions which can alternatively be subject to a 1.250% risk weight	(13,026)	(13,771)
Other intangible assets	(12,783)	(13,133)
IRB shortfall of credit risk adjustments to expected losses	-	(2,843)
Insufficient coverage for non-performing exposures	(435)	(1,635)
Development of unaudited risk provisions during the year (EU No 183/2014)	(15,194)	(13,049)
Common equity tier 1 capital (CET1)	**1,606,931**	**1,667,677**
Additional tier 1 capital (AT1)		
Capital instruments eligible as AT1	480,000	480,000
Additional tier 1 capital (AT1)	**480,000**	**480,000**
Tier 1 capital - total amount of common equity tier 1 (CET1) and additional tier 1 (AT1)	**2,086,931**	**2,147,677**
Tier 2 capital (T2)		
Capital instruments and subordinated loans eligible as T2	15,177	12,103
IRB excess of provisions over expected losses eligible	54,949	44,809
T2 instruments of financial sector entities where the institution has a significant investment	(5,251)	(5,252)
Tier 2 capital (T2)	**64,875**	**51,660**
Total own funds	**2,151,806**	**2,199,337**
Capital requirement	**866,989**	**903,398**
CET1 capital ratio	**14.83%**	**14.77%**
Tier 1 capital ratio	**19.26%**	**19.02%**
Total capital ratio	**19.86%**	**19.48%**

The Following table shows risk exposure amounts reflecting the structure according to Regulation (EU) No 575/2013:

	31.12.2023		31.12.2024	
EUR ths.	Total risk	Capital requirement	Total risk	Capital requirement
Total Risk Exposure Amount	**10,837,360**	**866,989**	**11,292,476**	**903,398**
Risk weighted assets (credit risk)	10,082,385	806,591	10,491,884	839,351
Standardised approach	846,853	67,748	892,501	71,400
IRB approach	9,158,219	732,658	9,556,776	764,542
Securitisation positions	77,313	6,185	42,607	3,409
Trading book, foreign FX risk and commodity risk	11,110	889	1,105	88
Operational Risk	737,766	59,021	795,422	63,634
Exposure for CVA	6,099	488	4,065	325

The Bank uses AMA model for calculation of RWA and capital requirements arising from operational risk. The calculation is performed on ERSTE Group level.

26. Credit risk

In 2024, management attention was dedicated to the evolving Russia-Ukraine conflict, which poses serious threats to the European but also global economy. The Bank is not directly impacted, as it has no operating presence in geopolitical region of Russia or Ukraine and also direct exposure to these two markets is immaterial. Still, a number of ad-hoc risk management activities were undertaken in order to evaluate, actively steer and mitigate indirect impact on the capital position and risk profile. All stress scenarios, including 'no gas from Russia', would have manageable impact on the Bank risk profile, keeping all capital ratios above the limits.

Environmental, Social and Governance (ESG) risks remained one of the top priorities also in 2024. Focus in risk was on advancements in implementation of initiatives to achieve compliance with regulatory requirements and expectations such as performance of the ECB Climate Stress Test, improvements in the Carbon Footprint Calculation, development of methodologies for setting decarbonization targets for priority sectors, enhancement of Risk Materiality Assessment and reporting system, and incorporation of climate-related and environmental risks in credit risk processes.
Credit risk arises in the Bank's traditional lending and investment businesses. It involves both credit losses incurred as a result of borrowers' default (Stage 3) and credit losses expected if default occurs either within 1 year (Stage 1) or at any time until maturity (Stage 2).

Stage 1 credit losses apply to non-defaulted credit risk exposures without significant increase in credit risk (SICR) since inception, whilst Stage 2 credit losses apply to non-defaulted credit risk exposures for which SICR is observed at the reporting date. It also involves credit losses due to counterparty risk from trading in instruments and derivatives bearing market risk. Country risk and related macro-economic forward-looking information is also considered in the calculation of credit risk.

Operative credit decisions are made by the credit risk management units.

In contrast to large corporates, banks and governments managing credit risk in retail and SME involves dealing with a large number of relatively small exposures extended to private individuals, free professionals, entrepreneurs, or micro and small companies. Credit risk related to retail and SME loan portfolios is managed at bank and group level with a common interest in order 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.
The Bank also considers ESG factors in its risk management and industry strategy framework (e.g. ESG Factor Heatmap as an input in respective industry strategies). The Bank has established an ESG risk framework and toolkit for assessment of material ESG factors, related risks and appropriateness of the mitigating strategies in the credit and rating processes.

ESG risk management

Environmental, Social and Governance (ESG) risks remained one of the top priorities also in 2024.

For large corporate, commercial real estate and commercial residential real estate transactions, the Bank 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. Through this assessment, the Bank is able to determine to which extent a client's ESG strategy is aligned with bank's respective industry strategies. By providing a comprehensive ESG risk assessment, the Bank is able to determine how certain ESG factors may have a positive or negative impact on the financial performance of clients. The questionnaire enables the Bank to identify clients' ESG risks or opportunities.

Questions cover various dimensions, such as current and targeted greenhouse gas emissions, impact of carbon prices on profitability, transition related CAPEX, EU Taxonomy aligned and eligible financial data, waste, water consumption, biodiversity, physical risk impact, workers and human rights, governance topics, and compliance with minimum safeguards, to name a few.

Particular questions in the questionnaire may also require an in-depth assessment in order 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 the Bank to understand the client's business model in the context of carbon transition.

Furthermore, ESG relevant data is collected 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 bribery or legal proceedings) 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.

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. For the LGD models, climate risk is indirectly reflected via the collateral value. Since 2023, the ESG factors are considered in the soft facts assessment in the corporate rating models; an ESG rating override has been introduced in 2024, which is part of rating grade assignment for corporate clients where rating may be downgraded by half a notch in certain situation after considering client's negative impact on environment. Additionally, the bank is in the process of analyses how the ESG risks can be incorporated into ECL measurement. As of 31 December 2024, no overlays are deemed necessary.

For the assessment and management of physical risks, the Bank uses Munich Re's Location Risk Intelligence. Over the last year, the Bank has conducted a physical risks materiality assessment together with the University of Graz in order 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 inter-mediate 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 a newly developed physical risk model in 2023. The risk 'river flood' was determined to be the most relevant risk for Bank applying the climate hazard scores provided by Munich Re on Bank´s collaterals. In 2024 the bank implemented evaluation of physical risk of collaterals into its systems, but it has no impact on collateral value so far. During 2025 the bank will implement a possibility of haircutting collateral value based on physical risk of collateral.

Among the industries presented in the table 'Credit risk exposure by industry and risk category' below in this chapter, Bank identified, as part of the strategic climate initiative for the Net Zero Banking Alliance, certain sectors (where Bank is exposed to high greenhouse gas emissions due to either the credit risk exposure or its emission intensity) as important levers for setting interim emission targets for 2030, thereby supporting the migration of 'Transition Risk' in Bank financed portfolio. Targets are set for the following sectors: housing mortgages, commercial real estate, electricity production, heat production, cement production, auto manufacturing, oil and gas, iron, and steel. Decarbonization targets are emission/emission intensity targets set by the bank and consider how much absolute/relative emissions the bank will finance in coming years, mainly 2030, 2040 and 2050 with the aim to reduce financed emissions to zero.

With regards to 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. For the LGD models, climate risk is indirectly reflected via the collateral value. In 2023, ESG factors are considered in the corporate rating landscape by either using an ESG rating override and/or having a rating impact through a soft fact assessment relevant to a company's negative impact on the environment.

Internal rating system

The Bank has business and risk strategies in place that govern policies for lending and credit approval processes. These policies are reviewed and adjusted regularly, at a minimum on an annual basis. They cover the entire lending business, taking into account 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 counterparty default risk is based on the customer's probability of default (PD). For each credit exposure and lending decision, the Bank assigns an internal rating, which is a unique measure of the counterparty default risk. The internal rating of each customer is updated event-specific, however, at least once a year (annual rating review).

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 and the monitoring procedures for existing exposures. At a quantitative level, internal ratings influence the level of required risk pricing, loss allowances and risk-weighted assets under Pillar 1 and 2.

The Bank uses the internal ratings-based (IRB) approach, internal ratings are key input for the risk-weighted assets calculation. They are also used in the assessment of the economic capital requirements according to Pillar 2. 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.

Internal ratings take into account all available significant information for the assessment of counterparty 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 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 improve internal rating models and risk parameters in cooperation with risk managers. Model development follows a group-wide methodological standard and utilises relevant data covering local market. In this way, the Bank ensures the availability of rating models with the best possible prediction and discriminatory ability across its core regions.

All credit risk rating models are validated on the ongoing basis. 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 shared with the regulatory bodies. In addition to the validation process, the Bank applies a regular monitoring process on the performance of rating tools, reflecting developments in new defaults and early delinquencies.

Credit risk classification

For the disclosure of asset quality (e.g. in this document and to the regulatory bodies) the Bank 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 SLSP 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 with clients in this 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 to the Bank. Retail clients with possible payment problems in the past triggering early collection reminders from the Bank´s side. 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. As a rule, such loans are managed in specialised risk management departments.

Non-performing

There are exposure meeting criteria according to default definition set out above. The Bank 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.
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 was used for the assignment to risk categories. For the agency ratings, average one-year default rates resulting from long-term time series were applied.

Credit risk review and monitoring

Retail Credit Risk Management as well as Credit Risk Control in cooperation with Corporate Risk Management conduct periodical reviews of the loan portfolio to ensure an adequate portfolio quality.

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 by Corporate and Retail Credit Risk Management for respective segments. When early warning signals are identified and validated, the overall client exposure and creditworthiness is reviewed and adequate risk mitigating actions are taken if 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 and credit review are based on an automated early warning system. In retail risk management, the early warning signals for adverse portfolio developments include, for instance, quality deterioration in new business or a decreasing collections effectiveness and require appropriate countermeasures. Additionally, the monitoring is performed for clients where early warning signals have been identified, even if they are still fulfilling their contractual repayment obligations.
Adverse portfolio developments regarding the non-performing and substandard loans portfolio of the Bank are monitored, discussed and reported. In case of further negative developments clients are handled in specialized workout units aiming to minimize potential losses.

Credit risk exposure

Credit risk exposure relates to the sum of the following statement of financial position items:

- Cash and cash equivalents – other demand deposits to credit institutions;
- financial assets held for trading – derivatives, debt securities (without equity instruments);
- non-trading financial assets at fair value through profit or loss (FVTPL) (without equity instruments);
- financial assets at fair value through other comprehensive income (FVTOCI) (without equity instruments);
- financial assets at amortised cost (AC);
- finance lease receivables;
- positive fair value of hedge accounting derivatives;
- trade and other receivables;
- off-balance sheet positions (financial guarantees, irrevocable and revocable loan and other commitments given).

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.

Between the 31 December 2023 and 31 December 2024, credit risk exposure increased from EUR 28,222 million to EUR 29,661 million. This is an increase of 5.1% or EUR 1,439 million of which EUR 0,919 million increase was in on-balance and EUR 0,520 million in off-balance (of which Revocable part of off-balance was EUR 0,185 million, without impact on ECL). Revocable part of off-balance sheet represents EUR 2,461 million and irrevocable EUR 2,784 million. In 2023 revocable part of off-balance sheet represented EUR 2,276 million and irrevocable EUR 2,449 million. Revocable off-balance represents exposure that is immediately cancellable without pre-notice at bank's own discretion at any time and does not guarantee a loan for a client. No ECL is calculated for this part of portfolio.

Reconciliation between the gross carrying amount and the carrying amount of the separate components of the credit risk exposure

31.12.2024	Gross carrying amount	Credit loss allowances					Net carrying amount
EUR ths.		Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	
Cash and cash equivalents - other demand deposits	17,552	-	-	-	-	-	17,552
Financial assets at amortised cost	23,766,224	31,426	112,731	185,886	16,750	-	23,419,431
Loans and advances to banks	10,423	15	-	-	-	-	10,408
Loans and advances to customers	19,282,669	30,582	112,038	185,886	16,750	-	18,937,413
of which: Lending for house purchase	11,158,507	6,234	6,433	54,648	2,855	-	11,088,337
of which: Credit for consumption	1,715,797	8,528	18,903	65,584	54	-	1,622,728
of which: Corporate loans and others	6,408,365	15,820	86,702	65,654	13,841	-	6,226,348
Debt securities	4,473,132	829	693	-	-	-	4,471,610
Finance lease receivables	372,967	1,437	553	2,380	19	-	368,578
Trade and other receivables	166,465	814	817	864	348	-	163,622
Non-trading financial assets at fair value through profit or loss - Debt securities	11,856	-	-	-	-	-	11,856
Financial assets - held for trading	48,101	-	-	-	-	-	48,101
Positive fair value of derivatives - hedge accounting	32,784	-	-	-	-	-	32,784
Total credit risk exposure on-balance	**24,415,949**	**33,677**	**114,101**	**189,130**	**17,117**	**-**	**24,061,924**
Off-balance	5,244,671	2,858	10,037	1,223	270	1,883	5,228,400
Total credit risk exposure	**29,660,620**	**36,535**	**124,138**	**190,353**	**17,387**	**1,883**	**29,290,324**

31.12.2023	Gross carrying amount	Credit loss allowances					Net carrying amount
EUR ths.		Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	
Cash and cash equivalents - other demand deposits	9,172	-	-	-	-	-	9,172
Financial assets at amortised cost	22,898,815	37,679	107,211	183,735	25,154	-	22,545,036
Loans and advances to banks	10,060	28	-	-	-	-	10,032
Loans and advances to customers	18,765,942	36,810	106,420	183,735	25,154	-	18,413,823
of which: Lending for house purchase	10,783,029	10,691	17,968	68,980	1,989	-	10,683,401
of which: Credit for consumption	1,601,592	9,882	17,344	50,461	66	-	1,523,839
of which: Corporate loans and others	6,381,321	16,237	71,108	64,294	23,099	-	6,206,583
Debt securities	4,122,813	841	791	-	-	-	4,121,181
Finance lease receivables	351,940	590	1,473	2,514	40	-	347,323
Trade and other receivables	139,701	900	726	4,054	444	-	133,577
Non-trading financial assets at fair value through profit or loss - Debt securities	12,527	-	-	-	-	-	12,527
Financial assets - held for trading	60,289	-	-	-	-	-	60,289
Positive fair value of derivatives - hedge accounting	24,424	-	-	-	-	-	24,424
Total credit risk exposure on-balance	**23,496,868**	**39,169**	**109,410**	**190,303**	**25,638**	**-**	**23,132,348**
Off-balance	4,724,673	3,274	5,313	2,259	1,015	1,499	4,711,313
Total credit risk exposure	**28,221,541**	**42,443**	**114,723**	**192,562**	**26,653**	**1,499**	**27,843,661**

The non-defaulted part of POCI amounted to EUR 108.74 million (2023: EUR 107.68 million), the defaulted part to EUR 15.83 million (2023: EUR 13.00 million).

Additionally, the Bank holds cash and cash balances in the National Bank of Slovakia amounted to EUR 1,551 million (2023: EUR 1,587 million) and is exposed to credit risk to the central bank. The credit rating of the National Bank of Slovakia according to the international rating agency Moody's is A3 with stable outlook (since 13 December 2024). Under Article 114 of the CRR exposures to central banks have 0% risk weight therefore the exposure was not included in the table above.

On the next pages the credit risk exposure is presented according to the following criteria:

- counterparty FINREP sector and financial instrument;
- financial instrument and risk category;
- financial instrument and IFRS 9 stage;
- industry and financial instrument;
- industry and risk category;
- industry and IFRS 9 stage;
- region and financial instrument;
- region and risk category;
- region and IFRS 9 stage;
- impairment view;
- neither past due, not impaired;
- Basel 3 exposure class and financial instrument.

Credit risk exposure by counterparty finrep sector and financial instrument

EUR ths.	Central banks	General governments	Credit institutions	Other financial corporations	Non-financial corporations	Households	Total
31.12.2024							
Cash and cash equivalents - other demand deposits	-	-	17,552	-	-	-	17,552
Financial assets at amortised cost	-	4,386,892	350,601	244,661	5,266,412	13,517,658	23,766,224
Loans and advances to banks	-	-	10,423	-	-	-	10,423
Loans and advances to customers	-	381,136	-	234,006	5,149,869	13,517,658	19,282,669
of which: Lending for house purchase	-	-	-	-	-	11,158,507	11,158,507
of which: Credit for consumption	-	-	-	-	-	1,715,797	1,715,797
of which: Corporate loans and others	-	381,136	-	234,006	5,149,869	643,354	6,408,365
Debt securities	-	4,005,756	340,178	10,655	116,543	-	4,473,132
Finance lease receivables	-	1,325	-	162,653	207,457	1,532	372,967
Trade and other receivables	-	8,029	3,954	2,936	151,498	48	166,465
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	6,626	5,230	-	11,856
Derivatives - held for trading	-	-	10,862	57	37,180	2	48,101
Positive fair value of derivatives - hedge accounting	-	-	32,784	-	-	-	32,784
Total credit risk exposure on-balance	**-**	**4,396,246**	**415,753**	**416,933**	**5,667,777**	**13,519,240**	**24,415,949**
Off-balance	-	206,727	60,647	166,359	4,466,716	344,222	5,244,671
Total credit risk exposure	**-**	**4,602,973**	**476,400**	**583,292**	**10,134,493**	**13,863,462**	**29,660,620**

EUR ths.	Central banks	General governments	Credit institutions	Other financial corporations	Non-financial corporations	Households	Total
31.12.2023							
Cash and cash equivalents - other demand deposits	-	-	9,172	-	-	-	9,172
Financial assets at amortised cost	-	4,066,635	371,874	328,417	5,082,158	13,049,731	22,898,815
Loans and advances to banks	-	-	10,060	-	-	-	10,060
Loans and advances to customers	-	428,623	-	302,580	4,985,008	13,049,731	18,765,942
of which: Lending for house purchase	-	-	-	-	-	10,783,029	10,783,029
of which: Credit for consumption	-	-	-	-	-	1,601,592	1,601,592
of which: Corporate loans and others	-	428,623	-	302,580	4,985,008	665,110	6,381,321
Debt securities	-	3,638,012	361,814	25,837	97,150	-	4,122,813
Finance lease receivables	-	1,300	-	74,023	275,146	1,471	351,940
Trade and other receivables	-	1,070	4,359	2,620	131,619	33	139,701
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	7,516	5,011	-	12,527
Derivatives - held for trading	-	-	26,173	-	34,115	1	60,289
Positive fair value of derivatives - hedge accounting	-	-	24,424	-	-	-	24,424
Total credit risk exposure on-balance	**-**	**4,069,005**	**436,002**	**412,576**	**5,528,049**	**13,051,236**	**23,496,868**
Off-balance	-	122,717	47,091	374,405	3,800,658	379,802	4,724,673
Total credit risk exposure	**-**	**4,191,722**	**483,093**	**786,981**	**9,328,707**	**13,431,038**	**28,221,541**

Credit risk exposure by financial instrument and risk category

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2024					
Cash and cash equivalents - other demand deposits	17,552	-	-	-	17,552
Financial assets at amortised cost	18,556,646	3,477,868	1,355,504	376,206	23,766,224
Loans and advances to banks	10,423	-	-	-	10,423
Loans and advances to customers	14,083,746	3,467,213	1,355,504	376,206	19,282,669
of which: Lending for house purchase	8,869,370	1,554,481	585,948	148,708	11,158,507
of which: Credit for consumption	851,484	527,375	247,478	89,460	1,715,797
of which: Corporate loans and others	4,362,892	1,385,357	522,078	138,038	6,408,365
Debt securities	4,462,477	10,655	-	-	4,473,132
Finance lease receivables	162,038	189,231	17,363	4,335	372,967
Trade and other receivables	61,236	81,167	22,515	1,547	166,465
Non-trading financial assets at fair value through profit or loss - Debt securities	11,856	-	-	-	11,856
Derivatives - held for trading	47,748	341	12	-	48,101
Positive fair value of derivatives - hedge accounting	32,784	-	-	-	32,784
Total credit risk exposure on-balance	**18,889,860**	**3,748,607**	**1,395,394**	**382,088**	**24,415,949**
Off-balance	3,689,697	1,168,939	349,813	36,222	5,244,671
Total credit risk exposure	**22,579,557**	**4,917,546**	**1,745,207**	**418,310**	**29,660,620**

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2023					
Cash and cash equivalents - other demand deposits	9,172	-	-	-	9,172
Financial assets at amortised cost	18,244,500	3,134,765	1,171,447	348,103	22,898,815
Loans and advances to banks	10,058	-	2	-	10,060
Loans and advances to customers	14,122,284	3,124,634	1,170,921	348,103	18,765,942
of which: Lending for house purchase	8,723,594	1,425,686	486,350	147,399	10,783,029
of which: Credit for consumption	817,557	495,483	222,930	65,622	1,601,592
of which: Corporate loans and others	4,581,133	1,203,465	461,641	135,082	6,381,321
Debt securities	4,112,158	10,131	524	-	4,122,813
Finance lease receivables	254,621	83,679	9,741	3,899	351,940
Trade and other receivables	66,798	48,838	19,088	4,977	139,701
Non-trading financial assets at fair value through profit or loss - Debt securities	7,516	5,011	-	-	12,527
Derivatives - held for trading	59,895	326	68	-	60,289
Positive fair value of derivatives - hedge accounting	24,424	-	-	-	24,424
Total credit risk exposure on-balance	**18,666,926**	**3,272,619**	**1,200,344**	**356,979**	**23,496,868**
Off-balance	3,864,107	646,253	195,840	18,473	4,724,673
Total credit risk exposure	**22,531,033**	**3,918,872**	**1,396,184**	**375,452**	**28,221,541**

Credit risk exposure by financial instrument and IFRS 9 stage

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2024						
Cash and cash equivalents - other demand deposits	17,552	-	-	-	-	17,552
Financial assets at amortised cost	21,237,538	2,045,479	361,614	121,593	-	23,766,224
Loans and advances to banks	10,423	-	-	-	-	10,423
Loans and advances to customers	16,782,544	2,016,918	361,614	121,593	-	19,282,669
of which: Lending for house purchase	10,797,397	210,247	144,853	6,010	-	11,158,507
of which: Credit for consumption	1,401,836	224,416	89,381	164	-	1,715,797
of which: Corporate loans and others	4,583,311	1,582,255	127,380	115,419	-	6,408,365
Debt securities	4,444,571	28,561	-	-	-	4,473,132
Finance lease receivables	356,030	12,074	4,224	639	-	372,967
Trade and other receivables	162,011	2,907	1,181	366	-	166,465
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	11,856	11,856
Derivatives - held for trading	-	-	-	-	48,101	48,101
Positive fair value of derivatives - hedge accounting	-	-	-	-	32,784	32,784
Total credit risk exposure on-balance	**21,773,131**	**2,060,460**	**367,019**	**122,598**	**92,741**	**24,415,949**
Off-balance	1,662,223	234,815	7,346	1,970	3,338,317	5,244,671
Total credit risk exposure	**23,435,354**	**2,295,275**	**374,365**	**124,568**	**3,431,058**	**29,660,620**

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2023						
Cash and cash equivalents - other demand deposits	9,172	-	-	-	-	9,172
Financial assets at amortised cost	20,609,252	1,839,192	336,119	114,252	-	22,898,815
Loans and advances to banks	10,058	2	-	-	-	10,060
Loans and advances to customers	16,505,463	1,810,108	336,119	114,252	-	18,765,942
of which: Lending for house purchase	10,377,589	256,714	144,136	4,590	-	10,783,029
of which: Credit for consumption	1,366,415	169,450	65,535	192	-	1,601,592
of which: Corporate loans and others	4,761,459	1,383,944	126,448	109,470	-	6,381,321
Debt securities	4,093,731	29,082	-	-	-	4,122,813
Finance lease receivables	313,025	35,016	3,738	161	-	351,940
Trade and other receivables	132,751	1,973	4,397	580	-	139,701
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	12,527	12,527
Derivatives - held for trading	-	-	-	-	60,289	60,289
Positive fair value of derivatives - hedge accounting	-	-	-	-	24,424	24,424
Total credit risk exposure on-balance	**21,064,200**	**1,876,181**	**344,254**	**114,993**	**97,240**	**23,496,868**
Off-balance	1,518,759	117,279	5,905	5,686	3,077,044	4,724,673
Total credit risk exposure	**22,582,959**	**1,993,460**	**350,159**	**120,679**	**3,174,284**	**28,221,541**

Credit risk exposure by industry and financial instrument

31.12.2024		Financial assets at amortised cost										
	Cash and cash equivalents - other demand deposits		Loans and advances to customers				Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
EUR ths.		Loans and advances to banks	of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others	Debt securities						
I. Natural Resources & Commodities	-	-	-	153	645,194	-	31,872	39,332	-	1	484,925	1,201,477
II. Energy	-	-	-	-	567,071	29,281	10,839	8,061	-	30,649	901,726	1,547,627
III. Construction and building materials	-	-	-	305	461,334	-	31,640	22,304	-	-	1,179,636	1,695,219
IV. Automotive	-	-	-	14	215,351	-	2,623	23,654	-	-	326,874	568,516
V. Cyclical Consumer Products	-	-	-	160	320,774	-	11,716	11,809	-	162	207,975	552,596
VI. Non-Cyclical Consumer Products	-	-	-	184	394,245	9,356	10,954	16,864	-	-	183,874	615,477
VII. Machinery	-	-	-	-	230,067	-	9,875	15,531	-	-	270,228	525,701
VIII. Transportation	-	-	-	65	497,122	77,906	236,289	14,112	-	794	437,774	1,264,062
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	-	-	-	40	124,173	-	2,493	2,034	-	5	111,346	240,091
X. Healthcare & Services	-	-	-	234	305,932	-	17,136	5,182	-	396	217,579	546,459
XI. Hotels, Gaming & Leisure Industry	-	-	-	52	222,617	-	3,126	180	-	259	45,595	271,829
XII. Real Estate	-	-	-	-	1,453,175	10,131	3,445	273	5,230	4,914	297,711	1,774,879
XIII. Public Sector	-	-	-	-	375,261	4,005,756	660	7	-	-	59,239	4,440,923
XIV. Financial Institutions	17,552	10,423	-	-	46,415	340,702	132	7,121	6,626	43,646	210,700	683,317
XV. Private Households	-	-	11,158,507	1,714,590	549,266	-	167	1	-	2	309,489	13,732,022
XVI. Other	-	-	-	-	368	-	-	-	-	57	-	425
Total	**17,552**	**10,423**	**11,158,507**	**1,715,797**	**6,408,365**	**4,473,132**	**372,967**	**166,465**	**11,856**	**80,885**	**5,244,671**	**29,660,620**

31.12.2023 EUR ths.	Cash and cash equivalents - other demand deposits	Financial assets at amortised cost: Loans and advances to banks	Financial assets at amortised cost: Loans and advances to customers: of which: Lending for house purchase	Financial assets at amortised cost: Loans and advances to customers: of which: Credit for consumption	Financial assets at amortised cost: Loans and advances to customers: of which: Corporate loans and others	Financial assets at amortised cost: Debt securities	Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
I. Natural Resources & Commodities	-	-	-	-	624,485	-	30,453	37,281	-	57	469,591	1,161,867
II. Energy	-	-	-	-	617,595	29,269	9,837	2,946	-	29,742	711,765	1,401,154
III. Construction and building materials	-	-	-	-	419,270	-	21,836	11,958	-	-	1,059,357	1,512,421
IV. Automotive	-	-	-	-	232,647	-	4,129	11,719	-	-	323,539	572,034
V. Cyclical Consumer Products	-	-	-	-	323,290	-	12,290	9,757	5,011	66	160,615	511,029
VI. Non-Cyclical Consumer Products	-	-	-	-	409,325	9,355	10,038	17,015	-	96	206,711	652,540
VII. Machinery	-	-	-	-	213,077	-	10,799	20,578	-	-	256,244	500,698
VIII. Transportation	-	-	-	-	526,672	73,709	230,469	7,598	-	753	366,365	1,205,566
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	-	-	-	-	121,955	-	2,183	3,435	-	-	89,483	217,056
X. Healthcare & Services	-	-	-	-	239,572	-	13,905	9,452	-	-	101,485	364,414
XI. Hotels, Gaming & Leisure Industry	-	-	-	-	184,550	-	1,756	328	-	254	34,315	221,203
XII. Real Estate	-	-	-	-	1,360,038	10,131	3,168	351	-	2,874	264,454	1,641,016
XIII. Public Sector	-	-	-	-	405,825	3,638,012	815	303	-	-	60,577	4,105,532
XIV. Financial Institutions	9,172	10,060	-	-	145,942	362,337	122	6,980	7,516	50,870	275,251	868,250
XV. Private Households	-	-	10,783,029	1,601,592	557,011	-	140	-	-	1	344,898	13,286,671
XVI. Other	-	-	-	-	67	-	-	-	-	-	23	90
Total	**9,172**	**10,060**	**10,783,029**	**1,601,592**	**6,381,321**	**4,122,813**	**351,940**	**139,701**	**12,527**	**84,713**	**4,724,673**	**28,221,541**

Credit risk exposure by industry and risk category

EUR ths.	Low Risk	Management attention	Substandard	Non-performing loans	Total
31.12.2024					
I. Natural Resources & Commodities	488,228	576,591	101,639	35,019	1,201,477
II. Energy	1,398,327	120,004	25,857	3,439	1,547,627
III. Construction and building materials	874,937	490,743	287,339	42,200	1,695,219
IV. Automotive	406,771	138,669	14,144	8,932	568,516
V. Cyclical Consumer Products	246,375	167,024	105,733	33,464	552,596
VI. Non-Cyclical Consumer Products	368,091	170,103	68,585	8,698	615,477
VII. Machinery	237,849	225,171	51,939	10,742	525,701
VIII. Transportation	953,602	268,018	34,243	8,199	1,264,062
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	135,404	92,225	8,398	4,064	240,091
X. Healthcare & Services	302,620	163,985	76,348	3,506	546,459
XI. Hotels, Gaming & Leisure Industry	162,561	67,779	38,046	3,443	271,829
XII. Real Estate	1,541,838	180,342	41,055	11,644	1,774,879
XIII. Public Sector	4,350,796	72,497	17,630	-	4,440,923
XIV. Financial Institutions	651,848	26,412	4,973	84	683,317
XV. Private Households	10,459,885	2,157,983	869,278	244,876	13,732,022
XVI. Other	425	-	-	-	425
Total	**22,579,557**	**4,917,546**	**1,745,207**	**418,310**	**29,660,620**

EUR ths.	Low Risk	Management attention	Substandard	Non-performing loans	Total
31.12.2023					
I. Natural Resources & Commodities	773,005	275,542	94,812	18,508	1,161,867
II. Energy	1,260,523	118,602	17,828	4,201	1,401,154
III. Construction and building materials	1,049,020	288,231	143,513	31,657	1,512,421
IV. Automotive	448,896	89,667	15,712	17,759	572,034
V. Cyclical Consumer Products	237,432	137,697	101,248	34,652	511,029
VI. Non-Cyclical Consumer Products	444,017	141,711	58,434	8,378	652,540
VII. Machinery	298,417	146,167	45,919	10,195	500,698
VIII. Transportation	1,012,099	164,486	20,307	8,674	1,205,566
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	124,938	76,406	13,488	2,224	217,056
X. Healthcare & Services	229,882	91,740	40,098	2,694	364,414
XI. Hotels, Gaming & Leisure Industry	118,413	65,013	35,633	2,144	221,203
XII. Real Estate	1,355,598	235,693	37,428	12,297	1,641,016
XIII. Public Sector	3,989,164	93,801	22,564	3	4,105,532
XIV. Financial Institutions	855,277	2,019	7,760	3,194	868,250
XV. Private Households	10,334,312	1,992,047	741,440	218,872	13,286,671
XVI. Other	40	50	-	-	90
Total	**22,531,033**	**3,918,872**	**1,396,184**	**375,452**	**28,221,541**

Credit risk exposure by industry and IFRS9 stage

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2024						
I. Natural Resources & Commodities	642,410	198,913	28,644	6,113	325,397	1,201,477
II. Energy	934,847	73,318	1,439	2,545	535,478	1,547,627
III. Construction and building materials	467,441	183,281	26,936	2,090	1,015,471	1,695,219
IV. Automotive	270,725	33,539	7,854	6	256,392	568,516
V. Cyclical Consumer Products	241,686	156,351	27,494	4,209	122,856	552,596
VI. Non-Cyclical Consumer Products	413,941	102,807	8,330	470	89,929	615,477
VII. Machinery	270,643	43,003	4,558	2,735	204,762	525,701
VIII. Transportation	907,324	82,649	7,797	321	265,971	1,264,062
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	135,768	18,518	3,918	83	81,804	240,091
X. Healthcare & Services	333,038	86,815	3,402	642	122,562	546,459
XI. Hotels, Gaming & Leisure Industry	166,366	72,049	3,194	10,467	19,753	271,829
XII. Real Estate	806,798	755,966	10,743	87,009	114,363	1,774,879
XIII. Public Sector	4,420,148	1,068	-	26	19,681	4,440,923
XIV. Financial Institutions	402,303	24,325	84	25	256,580	683,317
XV. Private Households	13,021,548	462,673	239,972	7,827	2	13,732,022
XVI. Other	368	-	-	-	57	425
Total	**23,435,354**	**2,295,275**	**374,365**	**124,568**	**3,431,058**	**29,660,620**

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2023						
I. Natural Resources & Commodities	723,798	116,594	17,035	1,609	302,831	1,161,867
II. Energy	637,057	189,312	4,201	-	570,584	1,401,154
III. Construction and building materials	432,902	141,910	25,339	1,660	910,610	1,512,421
IV. Automotive	256,118	11,542	15,099	85	289,190	572,034
V. Cyclical Consumer Products	272,033	115,706	30,739	3,695	88,856	511,029
VI. Non-Cyclical Consumer Products	446,823	66,003	8,098	355	131,261	652,540
VII. Machinery	261,797	41,497	5,622	7,622	184,160	500,698
VIII. Transportation	919,202	52,481	8,258	401	225,224	1,205,566
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	128,771	24,838	2,076	65	61,306	217,056
X. Healthcare & Services	263,021	44,186	2,535	441	54,231	364,414
XI. Hotels, Gaming & Leisure Industry	89,065	96,825	2,096	11,236	21,981	221,203
XII. Real Estate	814,899	637,954	11,140	87,401	89,622	1,641,016
XIII. Public Sector	4,082,662	1,051	3	-	21,816	4,105,532
XIV. Financial Institutions	637,646	4,775	3,193	25	222,611	868,250
XV. Private Households	12,617,075	448,786	214,725	6,084	1	13,286,671
XVI. Other	90	-	-	-	-	90
Total	**22,582,959**	**1,993,460**	**350,159**	**120,679**	**3,174,284**	**28,221,541**

Credit risk exposure by region and financial instrument

31.12.2024 EUR ths.	Cash and cash equivalents - other demand deposits	Financial assets at amortised cost					Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
		Loans and advances to banks	Loans and advances to customers			Debt securities						
			of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others							
Slovakia	-	10,026	11,063,356	1,681,170	6,166,559	3,656,020	372,967	111,364	5,230	36,305	4,921,139	28,024,136
Central and Eastern Europe	16,337	397	24,281	17,731	189,164	154,533	-	22,983	-	43,391	297,324	766,141
Austria	15,925	-	4,522	853	23	-	-	5,216	-	42,457	16,086	85,082
Czech Republic	98	397	8,583	855	187,928	113,262	-	11,004	-	934	225,445	548,506
Hungary	310	-	34	371	910	-	-	5,689	-	-	55,429	62,743
Croatia	-	-	121	24	2	41,271	-	53	-	-	7	41,478
Romania	4	-	652	382	14	-	-	1,021	-	-	31	2,104
Serbia	-	-	10,369	15,246	287	-	-	-	-	-	326	26,228
Other EU	1,084	-	2,907	303	45,898	657,499	-	26,907	3,967	1,189	14,374	754,128
Other industrialised countries	131	-	3,453	279	6,503	5,080	-	1,464	2,659	-	8,904	28,473
Emerging markets	-	-	64,510	16,314	241	-	-	3,747	-	-	2,930	87,742
Total	**17,552**	**10,423**	**11,158,507**	**1,715,797**	**6,408,365**	**4,473,132**	**372,967**	**166,465**	**11,856**	**80,885**	**5,244,671**	**29,660,620**

31.12.2023 EUR ths.	Cash and cash equivalents - other demand deposits	Financial assets at amortised cost					Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
		Loans and advances to banks	Loans and advances to customers			Debt securities						
			of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others							
Slovakia	-	10,033	10,709,377	1,580,197	6,204,182	3,657,868	351,940	85,410	5,011	33,799	4,337,104	26,974,921
Central and Eastern Europe	8,438	27	21,482	11,546	134,253	78,088	-	22,560	-	49,518	285,046	610,958
Austria	7,709	14	3,656	619	19	-	-	6,164	-	49,196	25,791	93,168
Czech Republic	578	10	5,783	595	133,982	78,088	-	10,806	-	316	230,440	460,598
Hungary	147	3	68	211	29	-	-	4,080	-	6	26,276	30,820
Croatia	-	-	-	42	2	-	-	66	-	-	784	894
Romania	4	-	678	321	21	-	-	1,048	-	-	1,303	3,375
Serbia	-	-	11,297	9,758	200	-	-	396	-	-	452	22,103
Other EU	623	-	2,285	300	42,704	381,778	-	28,346	3,306	1,396	77,912	538,650
Other industrialised countries	111	-	3,007	274	5	5,079	-	1,749	4,210	-	22,084	36,519
Emerging markets	-	-	46,878	9,275	177	-	-	1,636	-	-	2,527	60,493
Total	**9,172**	**10,060**	**10,783,029**	**1,601,592**	**6,381,321**	**4,122,813**	**351,940**	**139,701**	**12,527**	**84,713**	**4,724,673**	**28,221,541**

Credit risk exposure by region and risk category

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2024					
Slovakia	21,118,390	4,803,342	1,688,286	414,118	28,024,136
Central and Eastern Europe	674,107	66,072	23,487	2,475	766,141
Austria	82,924	1,277	864	17	85,082
Czech Republic	482,396	49,960	15,509	641	548,506
Hungary	56,993	5,464	215	71	62,743
Croatia	41,303	54	121	-	41,478
Romania	617	734	683	70	2,104
Serbia	9,874	8,583	6,095	1,676	26,228
Other EU	719,272	18,947	15,241	668	754,128
Other industrialised countries	25,870	1,319	1,185	99	28,473
Emerging markets	41,918	27,866	17,008	950	87,742
Total	**22,579,557**	**4,917,546**	**1,745,207**	**418,310**	**29,660,620**

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2023					
Slovakia	21,512,216	3,796,098	1,296,770	369,837	26,974,921
Central and Eastern Europe	509,546	60,652	36,318	4,442	610,958
Austria	89,171	1,634	2,362	1	93,168
Czech Republic	393,077	44,799	18,948	3,774	460,598
Hungary	15,748	5,710	9,311	51	30,820
Croatia	9	290	594	1	894
Romania	2,024	1,267	17	67	3,375
Serbia	9,517	6,952	5,086	548	22,103
Other EU	451,494	42,942	43,484	730	538,650
Other industrialised countries	27,152	3,647	5,600	120	36,519
Emerging markets	30,625	15,533	14,012	323	60,493
Total	**22,531,033**	**3,918,872**	**1,396,184**	**375,452**	**28,221,541**

Credit risk exposure by region and IFRS 9 stage

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2024						
Slovakia	22,064,776	2,282,917	370,212	124,528	3,181,703	28,024,136
Central and Eastern Europe	538,021	8,240	2,456	21	217,403	766,141
Austria	26,356	234	11	8	58,473	85,082
Czech Republic	418,533	4,928	636	4	124,405	548,506
Hungary	27,628	518	70	2	34,525	62,743
Croatia	41,478	-	-	-	-	41,478
Romania	1,997	38	68	1	-	2,104
Serbia	22,029	2,522	1,671	6	-	26,228
Other EU	733,515	444	655	12	19,502	754,128
Other industrialised countries	16,934	90	99	-	11,350	28,473
Emerging markets	82,108	3,584	943	7	1,100	87,742
Total	**23,435,354**	**2,295,275**	**374,365**	**124,568**	**3,431,058**	**29,660,620**

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total credit risk exposure
31.12.2023						
Slovakia	21,734,437	1,987,231	345,171	120,518	2,787,564	26,974,921
Central and Eastern Europe	326,320	3,245	3,941	159	277,293	610,958
Austria	17,916	330	1	1	74,920	93,168
Czech Republic	281,489	953	3,286	145	174,725	460,598
Hungary	5,297	96	46	5	25,376	30,820
Croatia	86	30	1	-	777	894
Romania	2,031	12	65	2	1,265	3,375
Serbia	19,501	1,824	542	6	230	22,103
Other EU	455,148	484	605	-	82,413	538,650
Other industrialised countries	10,596	101	120	-	25,702	36,519
Emerging markets	56,458	2,399	322	2	1,312	60,493
Total	**22,582,959**	**1,993,460**	**350,159**	**120,679**	**3,174,284**	**28,221,541**

Credit risk exposure according to impairment view

31.12.2024	Non-impaired credit risk exposure								
EUR ths.	Total past due nor Impaired	Thereof 1-30 days past due	Thereof 31-60 days past due	Thereof 61-90 days past due	Thereof 91-180 days past due	Thereof more than 180 days past due	Neither past due nor Impaired	Impaired credit risk exposure	Total Credit risk exposure
Cash and cash equivalents - other demand deposits	-	-	-	-	-	-	17,552	-	17,552
Financial assets at amortised cost	502,110	457,455	21,347	15,577	6,467	1,264	22,887,909	376,205	23,766,224
Loans and advances to banks	-	-	-	-	-	-	10,423	-	10,423
Loans and advances to customers	502,110	457,455	21,347	15,577	6,467	1,264	18,404,354	376,205	19,282,669
of which: Lending for house purchase	169,320	144,652	11,911	6,592	5,209	956	10,840,480	148,707	11,158,507
of which: Credit for consumption	84,174	74,745	5,255	3,183	769	222	1,542,163	89,460	1,715,797
of which: Corporate loans and others	248,616	238,058	4,181	5,802	489	86	6,021,711	138,038	6,408,365
Debt securities	-	-	-	-	-	-	4,473,132	-	4,473,132
Finance lease receivables	4,626	4,182	368	14	26	36	364,006	4,335	372,967
Trade and other receivables	15,992	13,609	883	410	-	1,090	148,926	1,547	166,465
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	-	-	11,856	-	11,856
Financial assets - held for trading	-	-	-	-	-	-	48,101	-	48,101
Positive fair value of derivatives	-	-	-	-	-	-	32,784	-	32,784
Total credit risk exposure on-balance	**522,728**	**475,246**	**22,598**	**16,001**	**6,493**	**2,390**	**23,511,134**	**382,087**	**24,415,949**
Off-balance	-	-	-	-	-	-	5,236,567	8,104	5,244,671
Total credit risk exposure	**522,728**	**475,246**	**22,598**	**16,001**	**6,493**	**2,390**	**28,747,701**	**390,191**	**29,660,620**

31.12.2023	Non-impaired credit risk exposure								
EUR ths.	Total past due nor Impaired	Thereof 1-30 days past due	Thereof 31-60 days past due	Thereof 61-90 days past due	Thereof 91-180 days past due	Thereof more than 180 days past due	Neither past due nor Impaired	Impaired credit risk exposure	Total Credit risk exposure
Cash and cash equivalents - other demand deposits	-	-	-	-	-	-	9,172	-	9,172
Financial assets at amortised cost	410,724	378,523	18,531	8,244	3,932	1,494	22,139,988	348,103	22,898,815
Loans and advances to banks	29	29	-	-	-	-	10,031	-	10,060
Loans and advances to customers	410,695	378,494	18,531	8,244	3,932	1,494	18,007,144	348,103	18,765,942
of which: Lending for house purchase	136,312	118,008	9,877	4,252	3,022	1,153	10,499,318	147,399	10,783,029
of which: Credit for consumption	63,204	54,434	4,931	2,893	745	201	1,472,766	65,622	1,601,592
of which: Corporate loans and others	211,179	206,052	3,723	1,099	165	140	6,035,060	135,082	6,381,321
Debt securities	-	-	-	-	-	-	4,122,813	-	4,122,813
Finance lease receivables	5,797	5,530	192	75	-	-	342,244	3,899	351,940
Trade and other receivables	14,378	12,536	575	276	258	733	120,346	4,977	139,701
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	-	-	12,527	-	12,527
Financial assets - held for trading	-	-	-	-	-	-	60,289	-	60,289
Positive fair value of derivatives	-	-	-	-	-	-	24,424	-	24,424
Total credit risk exposure on-balance	**430,899**	**396,589**	**19,298**	**8,595**	**4,190**	**2,227**	**22,708,990**	**356,979**	**23,496,868**
Off-balance	-	-	-	-	-	-	4,718,496	6,177	4,724,673
Total credit risk exposure	**430,899**	**396,589**	**19,298**	**8,595**	**4,190**	**2,227**	**27,427,486**	**363,156**	**28,221,541**

Credit quality for exposures, which are neither past due non impaired

EUR ths.	Low Risk	Management attention	Substandard	Non-performing	Total
31.12.2024					
Cash and cash equivalents - other demand deposits	17,552	-	-	-	17,552
Financial assets at amortised cost	18,443,988	3,385,829	1,058,092	-	22,887,909
Loans and advances to banks	10,423	-	-	-	10,423
Loans and advances to customers	13,971,088	3,375,174	1,058,092	-	18,404,354
of which: Lending for house purchase	8,860,760	1,534,793	444,927	-	10,840,480
of which: Credit for consumption	850,693	518,904	172,566	-	1,542,163
of which: Corporate loans and others	4,259,635	1,321,477	440,599	-	6,021,711
Debt securities	4,462,477	10,655	-	-	4,473,132
Finance lease receivables	161,554	188,024	14,428	-	364,006
Trade and other receivables	58,405	71,221	19,300	-	148,926
Non-trading financial assets at fair value through profit or loss - Debt securities	11,856	-	-	-	11,856
Derivatives - held for trading	47,748	341	12	-	48,101
Positive fair value of derivatives - hedge accounting	32,784	-	-	-	32,784
Total credit risk exposure on-balance	**18,773,887**	**3,645,415**	**1,091,832**	**-**	**23,511,134**
Off-balance	3,689,697	1,168,939	349,813	28,118	5,236,567
Total credit risk exposure	**22,463,584**	**4,814,354**	**1,441,645**	**28,118**	**28,747,701**

EUR ths.	Low Risk	Management attention	Substandard	Non-performing	Total
31.12.2023					
Cash and cash equivalents - other demand deposits	9,172	-	-	-	9,172
Financial assets at amortised cost	18,180,814	3,027,975	931,199	-	22,139,988
Loans and advances to banks	10,031	-	-	-	10,031
Loans and advances to customers	14,058,625	3,017,844	930,675	-	18,007,144
of which: Lending for house purchase	8,717,020	1,408,311	373,987	-	10,499,318
of which: Credit for consumption	816,818	488,252	167,696	-	1,472,766
of which: Corporate loans and others	4,524,787	1,121,281	388,992	-	6,035,060
Debt securities	4,112,158	10,131	524	-	4,122,813
Finance lease receivables	253,740	80,734	7,770	-	342,244
Trade and other receivables	62,225	41,864	16,257	-	120,346
Non-trading financial assets at fair value through profit or loss - Debt securities	7,516	5,011	-	-	12,527
Derivatives - held for trading	59,895	326	68	-	60,289
Positive fair value of derivatives - hedge accounting	24,424	-	-	-	24,424
Total credit risk exposure on-balance	**18,597,786**	**3,155,910**	**955,294**	**-**	**22,708,990**
Off-balance	3,864,107	646,253	195,840	12,296	4,718,496
Total credit risk exposure	**22,461,893**	**3,802,163**	**1,151,134**	**12,296**	**27,427,486**

Credit risk exposure by Basel 3 exposure class and financial instrument

EUR ths.	Sovereigns	Institutions	Corporates	Retail	Total
31.12.2024					
Cash and cash equivalents - other demand deposits	-	17,552	-	-	17,552
Financial assets at amortised cost	4,020,829	716,664	5,187,278	13,841,453	23,766,224
Loans and advances to banks	-	10,423	-	-	10,423
Loans and advances to customers	15,073	366,063	5,060,080	13,841,453	19,282,669
of which: Lending for house purchase	-	-	-	11,158,507	11,158,507
of which: Credit for consumption	-	-	51	1,715,746	1,715,797
of which: Corporate loans and others	15,073	366,063	5,060,029	967,200	6,408,365
Debt securities	4,005,756	340,178	127,198	-	4,473,132
Finance lease receivables	192	1,133	359,624	12,018	372,967
Trade and other receivables	9,156	3,961	153,044	304	166,465
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	11,856	-	11,856
Derivatives - held for trading	-	10,862	37,237	2	48,101
Positive fair value of derivatives - hedge accounting	-	32,784	-	-	32,784
Total credit risk exposure on-balance	**4,030,177**	**782,956**	**5,749,039**	**13,853,777**	**24,415,949**
Off-balance	147,500	119,874	4,472,742	504,555	5,244,671
Total credit risk exposure	**4,177,677**	**902,830**	**10,221,781**	**14,358,332**	**29,660,620**

EUR ths.	Sovereigns	Institutions	Corporates	Retail	Total
31.12.2023					
Cash and cash equivalents - other demand deposits	-	9,172	-	-	9,172
Financial assets at amortised cost	3,675,442	763,066	5,090,312	13,369,995	22,898,815
Loans and advances to banks	-	10,060	-	-	10,060
Loans and advances to customers	37,431	391,192	4,967,324	13,369,995	18,765,942
of which: Lending for house purchase	-	-	-	10,783,029	10,783,029
of which: Credit for consumption	-	-	-	1,601,592	1,601,592
of which: Corporate loans and others	37,431	391,192	4,967,324	985,374	6,381,321
Debt securities	3,638,011	361,814	122,988	-	4,122,813
Finance lease receivables	-	1,300	338,851	11,789	351,940
Trade and other receivables	460	4,969	133,904	368	139,701
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	12,527	-	12,527
Derivatives - held for trading	-	26,173	34,115	1	60,289
Positive fair value of derivatives - hedge accounting	-	24,424	-	-	24,424
Total credit risk exposure on-balance	**3,675,902**	**829,104**	**5,609,709**	**13,382,153**	**23,496,868**
Off-balance	61,823	107,985	4,080,281	474,584	4,724,673
Total credit risk exposure	**3,737,725**	**937,089**	**9,689,990**	**13,856,737**	**28,221,541**

Expected credit loss measurement

The general principles and standards for credit loss allowances are governed by internal policies in the Bank. 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. For details related to stages of impaired financial instruments, please see Chapter Financial instruments – Material accounting policy information, subchapter 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).

Quantitative criteria

Quantitative SICR indicators include adverse changes in annualised lifetime probability of default and in lifetime probability of default with significance being assessed by reference to a comparison of the current probability of failure and mix of relative and absolute change 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. In order for the SICR to occur for a particular financial instrument, both the relative and absolute thresholds need to be breached.

The relative measure is calculated as a ratio between current annualised PD and annualised PD value on initial recognition. 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 as necessary, and are subject to initial and on-going validation.

Relative thresholds for SICR assessment

	Threshold interval (x times)	
	Min	Max
31.12.2024	1.13	4.08
31.12.2023	1.13	4.08

There are certain portfolios where SICR quantitative criteria are assessed based on the ratings rather than PDs. The main rule in those cases is that downgrading of the ratings beyond certain threshold would lead to SICR. Hence initial rating plays important role in SICR assessment here. For initial ratings closer to the threshold, it is easier to breach it and therefore qualify as SICR. These rules are applied primarily to leasing and factoring business receivables.

The absolute threshold refers to difference of LT PD on initial recognition and current LT PD. It is set to a maximum of 50 bps and serves as a back-stop 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 positively concluded.

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 (if it is not sufficiently considered in the rating) 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 bank 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.

Bank has introduced additional portfolio level SICR assessment criteria due to the war in Ukraine (implemented in 2022) and related economic impacts. For more details refer to “Collective assessment” in the next chapter.

Considering the war in Ukraine, Bank started with a portfolio screening to identify customers affected by the secondary effects of the geopolitical risk. The Bank has only very limited exposure towards the affected region with only several clients with exposure.

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.

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 Bank'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 (EUR 0.3 mil. for Retail, no limit for corporate clients). 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 on the basis of shared risk characteristics. The banking 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 bank is using rating method and product information to segment customers and assets into homogenous clusters to calculate collective credit loss allowances.

The calculation of credit loss allowances is done on a daily basis on a single exposure level and in the contractual currency of the exposure. To compute the collective credit loss allowance, the Bank 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 Bank 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 Bank'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 from initial recognition through the life-time of the loans. It is assumed to be the same across all assets in the same portfolio and rating band.

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 was estimated as a lifetime curve for any point in time, based on historical loss observations. Lifetime curves were used in previous IRB LGD model and IFRS 9 version of this model was used until September 2024 when Bank implemented new LGD model for IFRS 9 provisioning for Retail segment. This model is methodologically harmonized with IRB LGD model (adapted for IFRS9 usage) and uses LGD grade matrices instead of lifetime curves. LGD grades are based on empirically observed risk drivers with impact on LGD and with this concept the new model is more precise in predicting LGD. LGD model is under continuous development and the bank is expecting to update the model in the future. By implementing the new LGD model the bank released provisions as can be seen in section Movement in credit loss allowances.

The risk parameters used in the ECL calculation take into account available information at the reporting date about past events, current conditions and forecasts on future economic trends. Generally, the risk parameters applied in the calculation of collective allowances differ from the risk parameters compliant with capital requirement regulations, calculated on a through-the-cycle basis, if the characteristics of the respective portfolio in combination with IFRS standards necessitate this.

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 a number of alternative scenarios for selected macroeconomic variables. The alternative scenarios are derived, together with their probabilities of occurrence, as a deviation from baseline forecasts, where the baseline forecasts are, with a few exceptions, internally determined by Bank's research department. Given multiple scenarios, the 'neutral' PDs (and, with a few exceptions, also 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 back to through-the-cycle observations immediately in year four.

Thus, the unbiased probability-weighted ECL considering FLI is derived using the weights representing the probability of occurrence 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 is the GDP. In addition, economic effects of the war in Ukraine led to increases of the inflation and/or the interest rates. Erste Group adjusted macro-shift models to reflect expected effects of those into credit risk parameters. In the table below we are disclosing expected development of inflation or interest rates in our region. Disclosures are based on the relevancy in the macro-shift model.

Bank reviewed the FLI in the fourth quarter of 2024 according to the disclosed forecasts for baseline, downside and upside scenarios. The overall macroeconomic situation slightly improved, therefore Group decided to reconsider weights of scenarios. Current {Up: 28% - increase from 1% in 2023, Base: 50% - same as 2023, Down: 22% - decrease from 49% in 2023} weights still reflect some adverse economic uncertainties due to war Russia/Ukraine, still high inflation and interest rates and prices of utilities. By applying FLI component in provisioning we are increasing credit loss allowances by EUR +11.6 mil.

Below we are publishing scenarios used for ECL calculation and as well latest available GDP growth forecasts.

Baseline, upside and downside scenarios of GDP growth

31.12.2024

Parameter	Scenario	Weight	2024	2025	2026	2027
GDP - real growth (in %)	Macro down	22%	2.2	(4.9)	(2.8)	(0.5)
	Macro base	50%	2.2	2.0	1.9	2.2
	Macro up	28%	2.2	4.4	4.3	4.6
GDP - Nominal growth (in %)	Macro down	22%	7.2	3.3	1.8	0.8
	Macro base	50%	7.2	7.1	5.6	4.6
	Macro up	28%	7.2	10.2	8.7	7.7
Unemployment rate (in %)	Macro down	22%	5.5	6.9	8.3	7.9
	Macro base	50%	5.5	5.5	5.3	5.1
	Macro up	28%	5.5	4.1	3.8	3.6
Inflation - CPI (in %)	Macro down	22%	3.1	8.3	6.9	4.2
	Macro base	50%	3.1	4.5	3.0	2.3
	Macro up	28%	3.1	2.0	0.5	(0.2)
Unemployment rate - shift 12 months (in %)	Macro down	22%	5.8	5.5	6.9	8.3
	Macro base	50%	5.8	5.5	5.5	5.3
	Macro up	28%	5.8	5.5	4.1	3.8
Real Wage growth (in %)	Macro down	22%	4.6	(0.7)	0.1	0.4
	Macro base	50%	4.6	1.3	2.1	2.4
	Macro up	28%	4.6	3.4	4.2	4.5

31.12.2023

Parameter	Scenario	Weight	2023	2024	2025	2026
GDP - real growth (in %)	Macro down	49%	1.5	(2.5)	(1.3)	(0.3)
	Macro base	50%	1.5	2.3	2.7	2.4
	Macro up	1%	1.5	4.7	5.1	4.8
GDP - Nominal growth (in %)	Macro down	49%	8.0	4.9	2.6	1.4
	Macro base	50%	8.0	8.8	6.5	5.3
	Macro up	1%	8.0	12.3	10.0	8.8
Unemployment rate (in %)	Macro down	49%	6.1	7.3	8.2	7.8
	Macro base	50%	6.1	6.0	5.7	5.4
	Macro up	1%	6.1	4.4	4.2	3.9
Inflation - CPI (in %)	Macro down	49%	7.7	8.8	6.8	5.3
	Macro base	50%	7.7	5.0	3.5	2.5
	Macro up	1%	7.7	3.2	1.7	0.7
Unemployment rate - shift 12 months (in %)	Macro down	49%	6.1	6.1	7.3	8.2
	Macro base	50%	6.1	6.1	6.0	5.7
	Macro up	1%	6.1	6.1	4.4	4.2
Real Wage growth (in %)	Macro down	49%	(1.5)	0.3	0.8	0.8
	Macro base	50%	(1.5)	1.9	2.4	2.4
	Macro up	1%	(1.5)	3.6	4.1	4.1

The Bank recognizes additional challenges caused by the ESG (environmental, social and governance) risks. We are in the process of analyses how to incorporate these risks into ECL measurement.

In the Risk Materiality Assessment, climate and environment-related risks are overall assessed as medium and therefore classified as material, but they are expected to generate more impact on credit risk in the medium to long run. Therefore, in the short-term Bank did not include additional overlays for ESG risks into ECL calculation for year 2024.

Collective assessment

As at 31 December 2024, in addition to standard SICR assessment, Bank applied stage overlays rules, i.e. transfer into Stage 2 based on pre-defined portfolio characteristics, due to the uncertainty caused by the war in Ukraine and the energy crisis.

War in Ukraine

The Ukraine-Russia war, intensified challenges for both risk and business divisions: a rally in energy prices on the one hand and disruptions in supply chains on the other hand. The first ones had implications on various industries, mainly those with energy intensive production processes, but also impacting segments with high fuel cost shares. Issues with supply chains are managed by affected clients with diverse measures aiming to safeguard the business activity and liquidity (amongst others: active working capital management, targeted stocking-up, output adaptation, renegotiations with off takers etc.), in some cases also by ensuring backup/liquidity financing. Developments as mentioned above are reflected in the regular updates of the industry strategies.

In June 2022, Bank implemented rules for stage overlays due to the war in Ukraine as a combination of industries with correlation to economic downturn (cyclical industries) and one-year IFRS PD. These rules, also called "cyclical overlays", were defined on top of existing criteria mentioned in the section 'Significant increase in credit risk determination – Qualitative criteria'.

In addition to cyclical overlays, from September 2022 Bank has introduced additional energy overlays due to the distortions in the energy market with implications on gas/energy availability and price. Within the industry Natural Resources and Commodities, Metals and Chemical subindustries were identified as being most affected. All customers belonging to these industries / sub-industries were migrated to Stage 2. The decommission of Energy overlays took place in 2024 as the exit triggers were met.

In November 2024, the cyclical overlays were decommissioned, which led to release of provision approximately EUR -2.3 million. Instead of the cyclical overlays was introduced a new type of collective SICR assessment, an industry overlays. All industry subsegments which have in the industry strategy assessment high risk profile or medium risk profile with "hold" or "decreased" industry strategy, would be in the scope of the overlay. However, potential risks might not yet be spread or crystallized at client level, translated into client financials or rating. Therefore one-year IFRS PD threshold (> 250bps) is set to differentiate between clients who could be potentially impacted. The table below shows volumes for the Industry overlay.

The Bank is currently applying only one type of overlays, the industry overlays mentioned above: Clients having affected industry and one-year IFRS PD > 250bps are part of the industry overlay and are migrated to Stage 2.

The table below shows volumes for the industry overlays:

Credit risk exposure and credit loss allowances by industry and IFRS9 treatment – industry overlays

31.12.2024 EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Credit risk exposure (AC and FVOCI)	Not subject to IFRS 9 impairment	Total	Credit loss allowances
I. Natural Resources & Commodities	642,410	198,913	28,644	6,113	876,080	325,397	1,201,477	26,798
of which industry overlays	-	-	-	-	-	-	-	-
II. Public utility services and renewable energy sources	934,847	73,318	1,439	2,545	1,012,149	535,478	1,547,627	7,761
of which industry overlays	-	15,684	-	-	15,684	6,740	22,424	2,293
III. Construction and building materials	467,441	183,281	26,936	2,090	679,748	1,015,471	1,695,219	33,427
of which industry overlays	-	58,150	-	-	58,150	53,207	111,357	4,233
IV. Automotive	270,725	33,539	7,854	6	312,124	256,392	568,516	4,455
of which industry overlays	-	14,242	-	-	14,242	210	14,452	848
V. Cyclical Consumer Products	241,686	156,351	27,494	4,209	429,740	122,856	552,596	25,829
of which industry overlays	-	131,371	-	-	131,371	5,279	136,650	10,676
VI. Non-Cyclical Consumer Products	413,941	102,807	8,330	470	525,548	89,929	615,477	13,026
of which industry overlays	-	4,444	-	-	4,444	220	4,664	403
VII. Machinery	270,643	43,003	4,558	2,735	320,939	204,762	525,701	10,183
of which industry overlays	-	-	-	-	-	-	-	-
VIII. Transportation	907,324	82,649	7,797	321	998,091	265,971	1,264,062	9,188
of which industry overlays	-	12,774	-	-	12,774	-	12,774	420
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	135,768	18,518	3,918	83	158,287	81,804	240,091	3,352
of which industry overlays	-	7,867	-	-	7,867	9	7,876	350
X. Healthcare & Services	333,038	86,815	3,402	642	423,897	122,562	546,459	9,032
of which industry overlays	-	44,617	-	-	44,617	6,744	51,361	2,577
XI. Hotels, Gaming & Leisure Industry	166,366	72,049	3,194	10,467	252,076	19,753	271,829	10,236
of which industry overlays	-	12,939	-	-	12,939	506	13,445	1,367
XII. Real Estate activities	806,798	755,966	10,743	87,009	1,660,516	114,363	1,774,879	43,412
of which industry overlays	-	640,821	-	-	640,821	17,721	658,542	27,315
XIII. Public Sector	4,420,148	1,068	-	26	4,421,242	19,681	4,440,923	1,249
of which industry overlays	-	-	-	-	-	-	-	-
XIV. Financial Institutions	402,303	24,325	84	25	426,737	256,580	683,317	973
of which industry overlays	-	19	-	-	19	-	19	1
XV. Private Households	13,021,548	462,673	239,972	7,827	13,732,020	2	13,732,022	171,375
of which industry overlays	-	-	-	-	-	-	-	-
XVI. Other	368	-	-	-	368	57	425	-
of which industry overlays	-	-	-	-	-	-	-	-
Total	**23,435,354**	**2,295,275**	**374,365**	**124,568**	**26,229,562**	**3,431,058**	**29,660,620**	**370,296**
of which industry overlays	**-**	**942,928**	**-**	**-**	**942,928**	**90,636**	**1,033,564**	**50,483**

Total sum of credit risk exposure in Stage 2 of exposures categorized in industry overlays as at December 2024 is EUR 942.93 million with allocated credit loss allowances of EUR 50.48 million. The impact on credit risk allowances from industry overlays is EUR 13.6 million and it represents additional credit loss allowances of Stage 2 exposures which would have been in Stage 1 if they were not part for the industry overlays. The remaining portion of credit loss allowances would still be allocated in Stage 2 because of standard SICR rules.

Sensitivity of ECL overlays

The Bank has calculated potential effects of various scenarios on ECL. We focused on change in PD parameter in both industry overlays and change in PD threshold for industry overlays. The results are presented in the following table.

Sensitivity of ECL overlays

31.12.2024	Scenario PD + 20%				Scenario PD threshold 0bps			
EUR ths.	Credit risk exposure	CLA	CLA stress	Δ(CLA - CLA stress)	Credit risk exposure	CLA	CLA stress	Δ(CLA - CLA stress)
I. Natural Resources & Commodities	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
II. Public utility services and renewable energy sources	110,689	2,433	2,922	489	110,689	2,433	3,049	616
of which industry overlays	20,191	2,362	2,834	472	110,689	2,433	3,049	616
III. Construction and building materials	323,206	5,354	6,765	1,411	323,206	5,354	7,654	2,300
of which industry overlays	87,362	4,291	5,462	1,171	323,206	5,354	7,654	2,300
IV. Automotive	337,386	1,915	2,361	446	337,386	1,915	4,766	2,851
of which industry overlays	15,613	867	1,051	184	337,386	1,915	4,766	2,851
V. Cyclical Consumer Products	389,577	12,262	15,082	2,820	389,577	12,262	15,969	3,707
of which industry overlays	144,254	10,871	13,397	2,526	389,577	12,262	15,969	3,707
VI. Non-Cyclical Consumer Products	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
VII. Machinery	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
VIII. Transportation	1,018	6	8	2	1,018	6	10	4
of which industry overlays	-	-	-	-	1,018	6	10	4
IX. TMT; Telecommunications, Media, Technology and Paper & Packaging	40,654	561	681	120	40,654	561	883	322
of which industry overlays	8,306	357	436	79	40,654	561	883	322
X. Healthcare & Services	156,871	3,102	3,854	752	156,871	3,102	4,964	1,862
of which industry overlays	49,819	2,678	3,343	665	156,871	3,102	4,964	1,862
XI. Hotels, Gaming & Leisure Industry	34,574	1,512	1,853	341	34,574	1,512	1,739	227
of which industry overlays	14,899	1,404	1,723	319	34,574	1,512	1,739	227
XII. Real Estate activities	1,486,284	32,776	39,598	6,822	1,486,284	32,776	39,493	6,717
of which industry overlays	652,566	27,608	33,395	5,787	1,486,284	32,776	39,493	6,717
XIII. Public Sector	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
XIV. Financial Institutions	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
XV. Private Households	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
XVI. Other	-	-	-	-	-	-	-	-
of which industry overlays	-	-	-	-	-	-	-	-
Total	**2,880,259**	**59,921**	**73,124**	**13,203**	**2,880,259**	**59,921**	**78,527**	**18,606**
of which industry overlays	**993,010**	**50,438**	**61,641**	**11,203**	**2,880,259**	**59,921**	**78,527**	**18,606**

The bank performed sensitivity analysis of CLA with two scenarios. In both scenarios, the table presents portfolio of industry overlays after applying stressed scenario. Both exposure and CLA are linked to this new portfolio. The difference in CLA and CLA stress is then outcome of changes in parameters or in overlays rules. The sensitivity analysis is done this way to overcome impacts not related to overlays. E.g. in case of scenario PD +20% we would see impact on whole portfolio regardless of exposure presence in overlays. But since we are recalculating only the overlay portfolio with new parameters or overlay rules and then present impacts on that portfolio we are showing impacts solely on the overlay portfolio.

In first scenario (Scenario PD +20%) we modified IFRS9 PD's such that the PD values are 20% higher, which resulted in difference in CLA of EUR 11.2 million. In second scenario we changed the threshold value for industry overlays from 250bps to 0bps, meaning that every exposure segmented as industry will be part of industry overlays regardless of IFRS9 PD. In this case the difference in CLA resulted in EUR 18.6 million.

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. Restructuring can be business restructuring (in the retail segment), commercial renegotiation (in the corporate segment), or forbearance (e.g. concession due to financial difficulties) in line with EBA requirements in both segments.

Restructuring and renegotiation

Restructuring as business restructuring in the retail segment or as commercial renegotiation in the corporate segment is a potential and effective customer retention tool involving re-pricing or the offering of an additional loan or both in order to maintain the Bank's valuable, good clientele.

Forbearance

The definition of 'forbearance' is included in Regulation (EU) 2015/227. 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 is more than 30 days past due on any account in the past 3 months;
- the customer would be more than 30 days past due on any account without receiving forbearance;
- the customer is in default;
- the customer would default without receiving forbearance.

Additional criteria for non-retail segment:

- specific early warning signals for this customer were identified in the last 3 months;
- customer has deteriorated financial figures, which led to decline of the rating grade;
- customer has increased probability of default.

Forborne exposure is assessed at account level and means only the exposure to which forbearance measures have been extended and excludes any other exposure the customer may have, as long as no forbearance was extended to these.

Contractual modification 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;
- the contract modification involves total or partial cancellation of the debt by (partial) write-off;
- activation of embedded forbearance clause of the contract;
- waiver of a material breach of a financial covenant.

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.

Forbearance statuses are divided and reported as:

- performing forbearance (incl. performing forbearance under probation that was upgraded from non-performing forbearance);
- non-performing forbearance (incl. defaulted forbearance; since 10/2019 the definition of non-performing status is aligned with default).

Forbearance measures are defined as qualitative trigger events in the SICR concept according to the internal regulations of the Bank.

Default definition

The Bank applies the definition of default on client level. If a client defaults on any of its credit risk exposure then the client rating must be set to "R" and all on- and off balance exposure including equity products is considered as defaulted.

Default is recognized when one or both of the following incidents occur:

- the obligor is past due 90 consecutive days with any material credit obligation to the Bank, the parent undertaking or any of its subsidiaries in full; or
- the obligor is considered unlikely to pay (UTP) its credit obligation to the Bank, the parent undertaking or any of its subsidiaries in full without realisation of the collateral.

In the Bank the default status triggers the credit-impairment and the Stage 3 classification under IFRS9. In addition the Bank considers all non-performing exposures as defaulted.

Client is classified as defaulted due following 5 reasons, which are linked either to unlikely to pay (UTP) or days past due:

- E1 – unlikely to pay
- E2 – 90 days overdue
- E3 –forbearance
- E4 – Credit loss
- E5 – bankruptcy

Credit Risk Model department participates on the definition of default with Late Collection and Corporate Workout departments. The definition of default fulfils EBA criteria and influences estimation of LLP, SRC, etc.

Credit risk exposure, forbearance exposure and credit loss allowances

EUR ths.	Loans and advances	Debt securities	Other positions	Off-balance	Total credit risk exposure
31.12.2024					
Gross exposure	19,832,524	4,484,988	98,437	5,244,671	29,660,620
thereof gross forborne exposure	422,691	-	-	10,738	433,429
Performing exposure	19,450,436	4,484,988	98,437	5,208,449	29,242,310
thereof performing forborne exposure	305,037	-	-	10,682	315,719
Credit loss allowances for performing exposure	153,098	1,521	-	14,071	168,690
thereof credit loss allowances for performing forborne exposure	17,974	-	-	189	18,163
Non-performing exposure	382,088	-	-	36,222	418,310
thereof non-performing forborne exposure	117,654	-	-	56	117,710
Credit loss allowances for non-performing exposure	199,403	-	-	2,199	201,602
thereof credit loss allowances for non-performing forborne exposure	52,955	-	-	6	52,961

EUR ths.	Loans and advances	Debt securities	Other positions	Off-balance	Total credit risk exposure
31.12.2023					
Gross exposure	19,267,643	4,135,340	93,885	4,724,673	28,221,541
thereof gross forborne exposure	366,008	-	-	7,006	373,014
Performing exposure	18,910,664	4,135,340	93,885	4,706,200	27,846,089
thereof performing forborne exposure	242,280	-	-	6,993	249,273
Credit loss allowances for performing exposure	164,735	1,632	-	10,178	176,545
thereof credit loss allowances for performing forborne exposure	13,340	-	-	143	13,483
Non-performing exposure	356,979	-	-	18,473	375,452
thereof non-performing forborne exposure	123,728	-	-	14	123,742
Credit loss allowances for non-performing exposure	198,152	-	-	3,181	201,333
thereof credit loss allowances for non-performing forborne exposure	60,295	-	-	5	60,300

Loans and advances also include lease, trade and other receivables. Other positions represent derivatives and other demand deposits.

Collateral

Recognition of credit collateral

Collateral Management is integrated in Underwriting Processes department of Credit Risk divisions. The Bank's Collateral Management Policy defines, among other things, uniform valuation standards for credit collateral. It ensures that the credit risk decision processes are standardised with respect to accepted collateral values.
All collateral types acceptable within the Bank are contained in the Collateral Catalogue. Permitted collateral is defined in accordance with applicable national legal provisions. The valuation and revaluation of collateral is done according to the principles defined in the Bank's 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 Corporate Credit Risk Management after determining if the applicable regulatory requirements are met. Credit underwriting monitors adherence to the standard work processes stipulated for assigning the acceptable collateral assets to the categories available.

Main types of credit collateral

The following types of credit collateral are accepted:

- real estate: residential and commercial real estate;
- financial collateral: securities, cash deposits and 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 taking into account 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 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. Therefore, imputed excess collateral values are not possible. Only independent appraisers not involved in the lending decision process are permitted to conduct real estate valuations, and the valuation methods to be applied are defined by the Bank. For quality assurance purposes, the real estate evaluation mechanism and real estate valuations are validated on an ongoing basis.
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 current recoveries.

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.

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. 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.

Credit risk exposure by financial instrument and collaterals

31.12.2024	Credit risk exposure	Collateral: thereof attributable to credit impaired exposure	Collateralised by			Collateral total	Credit risk exposure net of collateral	IFRS 9 impairment relevant		
EUR ths.			Guarantees	Real estate	Other			Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Cash and cash equivalents - other demand deposits	17,552	-	-	-	-	-	17,552	17,552	-	-
Financial assets at amortised cost	23,766,224	185,381	224,775	12,007,257	373,549	12,605,581	11,160,643	22,887,909	502,110	376,205
Loans and advances to banks	10,423	-	-	-	-	-	10,423	10,423	-	-
Loans and advances to customers	19,282,669	185,381	204,412	12,007,257	373,549	12,585,218	6,697,451	18,404,354	502,110	376,205
of which: Lending for house purchase	11,158,507	138,348	-	10,446,399	22	10,446,421	712,086	10,840,480	169,320	148,707
of which: Credit for consumption	1,715,797	346	-	365	1,078	1,443	1,714,354	1,542,163	84,174	89,460
of which: Corporate loans and others	6,408,365	46,687	204,412	1,560,493	372,449	2,137,354	4,271,011	6,021,711	248,616	138,038
Debt securities	4,473,132	-	20,363	-	-	20,363	4,452,769	4,473,132	-	-
Finance lease receivables	372,967	2,091	-	-	247,259	247,259	125,708	364,006	4,626	4,335
Trade and other receivables	166,465	-	-	-	-	-	166,465	148,926	15,992	1,547
Non-trading financial assets at fair value through profit or loss - Debt securities	11,856	-	-	-	-	-	11,856	-	-	-
Financial assets - held for trading	48,101	-	-	-	-	-	48,101	-	-	-
Positive fair value of derivatives	32,784	-	-	-	-	-	32,784	-	-	-
Total credit risk exposure on-balance	**24,415,949**	**187,472**	**224,775**	**12,007,257**	**620,808**	**12,852,840**	**11,563,109**	**23,418,393**	**522,728**	**382,087**
Off-balance	5,244,671	1,497	-	199,606	167,405	367,011	4,877,660	1,898,250	-	8,104
Total credit risk exposure	**29,660,620**	**188,969**	**224,775**	**12,206,863**	**788,213**	**13,219,851**	**16,440,769**	**25,316,643**	**522,728**	**390,191**

31.12.2023	Credit risk exposure	Collateral: thereof attributable to credit impaired exposure	Collateralised by			Collateral total	Credit risk exposure net of collateral	IFRS 9 impairment relevant		
EUR ths.			Guarantees	Real estate	Other			Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Cash and cash equivalents - other demand deposits	9,172	-	-	-	-	-	9,172	9,172	-	-
Financial assets at amortised cost	22,898,815	181,191	295,954	11,709,487	398,140	12,403,581	10,495,234	22,139,988	410,724	348,103
Loans and advances to banks	10,060	-	13	-	-	13	10,047	10,031	29	-
Loans and advances to customers	18,765,942	181,191	285,844	11,709,487	398,140	12,393,471	6,372,471	18,007,144	410,695	348,103
of which: Lending for house purchase	10,783,029	138,483	-	10,205,645	23	10,205,668	577,361	10,499,318	136,312	147,399
'of which: Credit for consumption	1,601,592	273	-	303	-	303	1,601,289	1,472,766	63,204	65,622
'of which: Corporate loans and others	6,381,321	42,435	285,844	1,503,539	398,117	2,187,500	4,193,821	6,035,060	211,179	135,082
Debt securities	4,122,813	-	10,097	-	-	10,097	4,112,716	4,122,813	-	-
Finance lease receivables	351,940	1,552	-	-	237,996	237,996	113,944	342,244	5,797	3,899
Trade and other receivables	139,701	-	-	-	-	-	139,701	120,346	14,378	4,977
Non-trading financial assets at fair value through profit or loss - Debt securities	12,527	-	-	-	-	-	12,527	-	-	-
Financial assets - held for trading	60,289	-	-	-	-	-	60,289	-	-	-
Positive fair value of derivatives	24,424	-	-	-	-	-	24,424	-	-	-
Total credit risk exposure on-balance	**23,496,868**	**182,743**	**295,954**	**11,709,487**	**636,136**	**12,641,577**	**10,855,291**	**22,611,750**	**430,899**	**356,979**
Off-balance	4,724,673	961	-	130,498	112,953	243,451	4,481,222	1,641,453	-	6,177
Total credit risk exposure	**28,221,541**	**183,704**	**295,954**	**11,839,985**	**749,089**	**12,885,028**	**15,336,513**	**24,253,203**	**430,899**	**363,156**

The collateral attributable to exposures that are credit-impaired at 31 December 2024 amounts to EUR 187.5 million (2023: EUR 182.7 million).

Concentration

The following table presents a summary of the Bank's credit risk to the Slovak Republic, companies controlled by the Slovak government, self-governing regions, guarantees issued by the Slovak government and similar exposures:

EUR ths.	Amount		Portion of total assets %	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Cash and cash equivalents	2,658,749	1,551,042	10.03%	5.87%
Loans and receivables to customers	538,417	506,217	2.03%	1.92%
Securities portfolio	3,222,237	3,256,135	12.16%	12.33%
Total	**6,419,403**	**5,313,394**	**24.22%**	**20.12%**

The following table presents a breakdown of state debt securities held by the Bank per portfolio and type of security:

EUR ths.	31.12.2023	31.12.2024
Financial assets at amortised cost	3,222,237	3,256,135
State bonds denominated in EUR	3,222,237	3,256,135
Total	**3,222,237**	**3,256,135**

The sovereign issuer rating of the Slovak Republic according to the international rating agency Moody's is A3 with stable outlook (since 13 December 2024).

27. 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. The entire market risk management is independent from the business lines and is carried out by Strategic Risk Management (SRM). Trading and investment operations are subject to strict rules defined by SRM and approved by ALCO committee.

Methods and instruments employed

All positions of the bank, both in banking and trading books, that are subject to market risk are re-valued daily (including positions held-to-maturity), either to market or to model prices, and respective profit or loss is calculated. The main tools to measure market risk exposure are sensitivity analysis and value-at-risk (VAR) which is complemented by back testing and stress testing programme.
Sensitivity and VAR are applied to Trading Book positions as well as to Investment portfolios of the Banking Book. The overall interest rate risk of the bank (IRRBB) is quantified by Economic Value of Equity (change value of on- and off-balance sheet positions due to shift in the yield curves) and ICAAP IRRBB capital charge (one year VAR at 99.92% confidence level based on historical observed shifts in yield curves). The limits are imposed to both of the measures.

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 calculation is done according to the method of historic simulation with a one-sided confidence level of 99%, a holding period of one day and a simulation period of two years.

Back-testing is used to constantly monitor the validity of the statistical methods. 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 single day should exceed the VAR statistically only two to three times a year (1% of around 250 workdays).

This shows one of the limits of the VaR approach: on the one hand, the confidence level is limited to 99%, and on the other hand, the model takes into account only those market scenarios observed in each case within the simulation period of two years and calculates the VAR for the current position of the Bank on this basis. In order to investigate any extreme market situations beyond this, stress tests are conducted at the Bank. These events include mainly market movements of low probability.

In addition to standard day-to-day risk measurement and monitoring, comprehensive stress testing procedures are established. Neither traditional risk measurement using sensitivity indicators, nor value-at-risk model is capable of capturing extreme events that occur in the market from time to time. Since the value-at-risk model only estimates the potential maximum loss with 99% probability, potential stressful events that possess less than 1% probability will not be embraced in the value-at-risk figure.
In stress testing, scenarios of potential extreme behaviour of the most significant market variables are developed. These are then applied to the current market values and potential profit or loss is calculated for current positions.
These analyses are made available to the management board within the scope of the regular market risk reporting.

Methods and instruments of risk mitigation

In order to manage the maximum risk exposure, a comprehensive system of limits is established, including VAR, sensitivity, and stop-loss limits. Limits are structured according to individual portfolios (separate limits are defined for derivative trades). Limits are reviewed and proposed usually at year-end by SRM in cooperation with Treasury and BSM for the upcoming business year. Reallocations are also possible during the current year. The new limits proposal or change in approved limits is subject to approval by ALCO committee. Monitoring is performed daily by SRM. Each limit violation must be reported and explained with ALCO being the supreme decision maker on further action.
Risk reporting is done daily for relevant management and monthly for ALCO.

Sensitivity, VAR and stop-loss limits are applied to Trading Book positions as well as to Investment portfolios of the Banking Book. The overall interest rate risk of the bank (entire statement of financial position) is quantified by Economic Value of Equity (change in statement of financial position value due to shift in the yield curves) and ICAAP IRRBB capital charge (one year VAR at 99.92% confidence level based on historical observed shifts in yield curves). The limits are imposed to both of the measures.

Analysis of market risk

The following tables summarize the risk measures – Value at Risk of banking book and trading book:

Value at Risk of banking book and trading book

EUR ths.	31.12.2023	31.12.2024
Banking book - ALM portfolio	13,958	15,172
Banking book - Corporate portfolio	1,090	774
Banking book - ALCO portfolio	294	194
Trading book	44	7

VAR figure is almost fully driven by interest rate risk, whilst foreign exchange and other risks are negligible. The main goal of Trading Book activity is to manage operational liquidity and minimal required reserves. Thus, its market risk is rather low as this business strategy is aimed on short term money market trading.

Interest rate risk in the banking book (IRRBB)

Interest rate risk is the risk of an adverse change in the value of interest rate sensitive on- and off-balance sheet positions caused by a movement in market interest rates. This type of risk arises when mismatches exist between assets, liabilities and off-balance items, including derivatives, in respect of their maturities, interest rate behaviour or of the timing of interest rate adjustments.

Limits and thresholds are implemented for both aspects of the IRRBB, the change in economic value (EVE) as well as the change in earnings. 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.

Economic value of equity (EVE)

EUR ths.	31.12.2023	31.12.2024
parallel down scenario	(199,236)	(56,148)
parallel up scenario	40,298	(44)
flattener scenario	(124,081)	(109,192)
steepener scenario	63,241	52,628
short down scenario	36,359	47,011
short up scenario	(81,068)	(99,478)

The positive numbers mean an increase in economic value due to the shift in yield curves, i.e. profit, the negative numbers vice versa. The biggest risk for the Bank arises from non-parallel shift in the yield curves – the flattener scenario, under which the short end of the yield curves goes up while the long end declines. The Bank quantify, monitor and manage the IRRBB in compliance with valid regulations.

The EVE scenarios are defined according to EBA IRRBB guideline. The following table shows the shifts (in basis points) applied to EUR curve for each of the scenarios.

	parallel up scenario	parallel down scenario	steepener scenario	flattener scenario	short up scenario	short down scenario
6 months	200	(200)	(133)	169	223	(223)
1 year	200	(200)	(107)	143	197	(197)
3 years	200	(200)	(30)	64	134	(134)
5 years	200	(200)	17	15	81	(81)
10 years	200	(200)	69	(38)	23	(23)
15 years	200	(200)	83	(53)	9	(9)
20 years	200	(200)	88	(58)	3	(3)

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. These risks might originate from customer-related operations or proprietary trading and are monitored and managed on a daily basis.
Basis principle behind managing FX risk is to transfer positions stemming from banking book activities to Erste Holding. However, in reasonable cases, banking book is permitted to hold strategic FX positions. This would typically be opened in order to hedge existing FX positions that are not explicitly seen on the statement of financial position.

Strategic positions are subject to ALCO approval and shall be managed on a daily basis by Balance Sheet Management. They are covered by sufficient limit structure and reporting on VAR, stop-loss limit and are disclosed as the gain or loss (responsibility of Strategic Risk Management). There is no open FX strategic position at year-end 2024.

Credit spread risk

Credit spread risk is the risk of an adverse movement in the fair value of financial instruments caused by a change in the creditworthiness of an issuer perceived by the market. The Bank is exposed to credit spread risk with respect to its bond portfolio accounted at fair value. There is no bonds position in the trading book. The bonds position in fair value portfolio in the banking book is small (EUR 4.8 million). 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 one-year horizon is calculated. It is based on credit spread sensitivities (CR01) and the risk factors used are mainly asset swap spreads for sovereigns and iTRAXX CDS indices for financials and corporates. The resulting amount is used as part of the ICAAP IRRBB - calculations to determine the capital consumption of the banking book portfolio.

Hedging

Banking book market risk management consists of optimising the Bank's risk position by finding the proper trade-off between the economic value of the statement of financial position and forecasted earnings. Decisions are based on statement of financial position development, economic environment, competitive landscape, fair value of risk, effect on net interest income and appropriate liquidity position. In order 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 are used. In addition, the fair value option is used for hedging the market risk from the economic perspective. The hedging within the Bank concerns hedging of interest rate risk.

28. Liquidity risk

Liquidity strategy

In 2024, customer deposits remained the primary source of funding for the bank. The growth in loan volume surpassed inflows of customer deposits. The gap was offset by issuance of own bonds. The liquidity surplus was placed mainly in ECB and short-term money market loans.

The goal of the Bank's Funding Strategy is to cover the gap coming from the core business and also Minimum Requirement for Own Funds and Eligible Liabilities (MREL) efficiently, i.e. reaching an optimal liquidity status and MREL compliance in terms of structure and costs versus risk tolerance.

With regards its own issuance, the Bank issued EUR 184.3 million in senior bonds in 2024 (2023: EUR 1,565 million).

The Bank's total TLTRO participation at the end of 2024 was EUR 0 (2023: EUR 1 billion).

Liquidity Metrics and Reports

The liquidity risk is defined in the Bank as the inability to meet the Bank's cash obligations as they come due because of an inability to liquidate assets or obtain adequate funding. Accordingly, a distinction is made between market liquidity risk, which is the risk that the Bank 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 will not be able to meet efficiently both expected and unexpected current and future cash flows and collateral needs without affecting either daily operations or the financial condition of Bank. 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 Bank's own refinancing cost or spread.

Liquidity risk is within the authority of ALCO. The Local Operating Liquidity Committee (L-OLC) is responsible for operational managing and analysing of the liquidity situation of the Bank.

Actual management of liquidity risk is done by Strategic Risk Management. Structural liquidity management is performed by Balance Sheet Management and daily liquidity managing and the fulfilment of minimum required reserves is performed by the Treasury department.

Methods and instruments employed

Short-term insolvency risk is monitored by calculating the survival period (SPA) on weekly basis. This analysis determines the maximum period during which the Bank can survive a set of defined scenarios, including a severe combined market and idiosyncratic crisis while relying on its counterbalancing capacity consist mainly of 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.
Liquidity ratios defined by the regulator (LCR – Liquidity Coverage Ratio, NSFR – Net Stable Funding Ration and local LCR) are periodically monitored and are all at very satisfactory levels. All limits defined by the regulator are observed with large buffer.

Additionally, the static liquidity gap is monitored regularly on weekly basis and reported monthly to ALCO. Funding concentration risk is continuously analysed in respect to counterparties and is also reported to ALCO monthly.

Strategic Risk Management provides the reverse stress testing of liquidity where several assumptions (withdrawal, rollover, reserve haircuts) are modelled in order for the Bank to survive exactly one month. This is done on a monthly basis and is reported to ALCO.

Methods and instruments of risk mitigation

General standards of liquidity risk controlling and management (standards, limits and analysis) have been defined within the Bank and are continuously reviewed and improved by L-OLC and ALCO.

The short-term liquidity risk is managed by limits resulting from the survival period analysis where horizon limits are defined for each scenario as follows:

- ordinary course of business – over 3 months
- name crisis – over 1 months
- market crisis – over 6 months
- combined name and market crisis – over 3 months

For each scenario also the limit for liquidity surplus over given horizon limit is applied. The limit is set at EUR 0 million with warning level in range between EUR 0 and EUR 250 million in 2024 (at EUR 260 million in 2025).

The Bank daily monitors its counter-balancing capacity, which consists of cash, excess minimum reserve at the central banks, as well as unencumbered central bank eligible assets and amount of retained covered bonds which could be pledged in central bank. These assets can be mobilized in the short term to offset potential cash outflows in a crisis situation.

Further, short-term risk is managed by regulatory and internal (more severe) limits on LCR and NFSR.

Funding Concentrations management – sum of top 10 biggest clients of each monitored group of wholesale funding providers (public, financial, credit institutions and corporates) may not account for more than EUR 890 million in 2024 (EUR 960 million in 2025).

Based on analysis and measurement, and based on liquidity strategy, medium and long-term (structural) management of liquidity is carried out by BSM while major decisions have to be approved by ALCO. Strategic Risk Management must ensure that the execution is in line with the approved Liquidity Strategy and that the approved limits are being followed. ALCO must be informed on the status of structural liquidity within the regular ALCO liquidity reports.

The Contingency Plan ensures the necessary coordination of all parties involved in the liquidity management process in case of crisis and is reviewed on a regular basis.

Analysis of liquidity risk

In the Bank, the liquidity risk is analysed by the following methods.

Liquidity coverage ratio

The Bank uses the regulatory liquidity coverage ratio for internal monitoring and steering of the liquidity position as well. In order to keep the LCR above both limits, the regulatory limit and the internal limit, the Bank closely monitors its short-term liquidity inflows and outflows as well as its available counterbalancing capacity.

The following table shows the LCR as at 31 December 2023 and 31 December 2024:

EUR ths.	31.12.2023	31.12.2024
Liquidity buffer	6,222,713	5,872,016
Net liquidity outflow	3,239,431	3,299,893
Liquidity coverage ratio	192.09%	177.95%

Counterbalancing capacity

The Bank regularly monitors its counterbalancing capacity, which consists of cash, excess minimum reserves at the central banks as well as unencumbered central bank eligible assets, amount of retained covered bonds which could be pledged in ECB 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 outflows in a crisis situation.

Term structure of counterbalancing capacity

EUR mil.	< 1 week	1 week-1 month	1-3 months	3-6 months	6-12 months
31.12.2024					
Cash, excess reserve	1,814	-	-	-	-
Liquid assets	4,809	-	-	26	273
Other central bank eligible assets	-	1,182	2	3	6
Thereof retained covered bonds	-	1,085	-	-	-
Thereof credit claims	-	97	2	3	6
Counterbalancing capacity	**6,623**	**1,182**	**2**	**29**	**279**

EUR mil.	< 1 week	1 week-1 month	1-3 months	3-6 months	6-12 months
31.12.2023					
Cash, excess reserve	2,849	-	-	-	-
Liquid assets	3,387	10	9	15	224
Other central bank eligible assets	-	1,039	2	3	5
Thereof retained covered bonds	-	940	-	-	-
Thereof credit claims	-	99	2	3	5
Counterbalancing capacity	**6,236**	**1,049**	**11**	**18**	**229**

The figures above show the total amount of potential liquidity available for the Bank in a going concern situation, taking into account the applicable central bank haircuts. In a crisis situation, adverse market movements can decrease this amount. Negative figures are maturing positions of the counterbalancing capacity. Positive figures after one week are positions not immediately available as counterbalancing capacity.

Financial liabilities

Maturities of contractual undiscounted cash flows from financial liabilities were as follows:

EUR ths.	31.12.2024	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years
Non-derivative liabilities	**23,571,764**	**23,897,738**	**16,829,384**	**2,384,718**	**4,520,104**	**163,532**
Deposits by banks	205,924	229,562	16,416	27,455	103,492	82,199
Customer deposits	18,744,678	18,755,533	16,792,084	1,687,872	275,577	-
Debt securities in issue	4,605,368	4,895,621	20,884	669,295	4,124,109	81,333
Subordinated liabilities	15,794	17,022	-	96	16,926	-
Derivative liabilities	**77,353**	**53,890**	**899**	**48,158**	**4,823**	**10**
Derivative liabilities with gross Cash Flow (net)	**45,522**	**35,906**	**380**	**33,639**	**1,877**	**10**
Outflows	-	238,188	115,728	101,923	20,479	58
Inflows	-	(202,282)	(115,348)	(68,284)	(18,602)	(48)
Hedge accounting derivatives with gross Cash Flow (net)	**31,831**	**17,984**	**519**	**14,519**	**2,946**	**-**
Outflows	-	63,826	1,813	27,484	34,529	-
Inflows	-	(45,842)	(1,294)	(12,965)	(31,583)	-
Contingent liabilities	**2,784,007**	**2,784,007**	**2,784,007**	**-**	**-**	**-**
Financial guarantees	6,567	6,567	6,567	-	-	-
Commitments	2,777,440	2,777,440	2,777,440	-	-	-
Other financial liabilities	54,730	54,730	54,730	-	-	-
Trade payables	43,044	43,044	43,044	-	-	-
Lease liabilities	73,217	73,217	1,893	10,531	35,166	25,627
Total	**26,604,116**	**26,906,627**	**19,670,957**	**2,443,407**	**4,560,093**	**189,169**

EUR ths.	31.12.2023	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years
Non-derivative liabilities	**23,493,834**	**23,805,033**	**16,098,090**	**2,695,467**	**4,804,251**	**207,225**
Deposits by banks	1,247,163	1,249,850	26,772	1,050,117	102,545	70,416
Customer deposits	17,589,627	17,600,052	16,056,151	1,266,127	277,774	-
Debt securities in issue	4,641,242	4,938,682	15,167	379,120	4,407,586	136,809
Subordinated liabilities	15,802	16,449	-	103	16,346	-
Derivative liabilities	**120,823**	**66,447**	**353**	**30,543**	**35,362**	**189**
Derivative liabilities with gross Cash Flow (net)	**56,596**	**32,862**	**353**	**4,484**	**27,872**	**153**
Outflows	-	220,337	80,893	69,117	69,542	785
Inflows	-	(187,475)	(80,540)	(64,633)	(41,670)	(632)
Hedge accounting derivatives with gross Cash Flow (net)	**64,227**	**33,585**	**-**	**26,059**	**7,490**	**36**
Outflows	-	81,197	-	39,224	39,358	2,615
Inflows	-	(47,612)	-	(13,165)	(31,868)	(2,579)
Contingent liabilities	**2,448,908**	**2,448,908**	**2,448,908**	**-**	**-**	**-**
Financial guarantees	14,528	14,528	14,528	-	-	-
Commitments	2,434,380	2,434,380	2,434,380	-	-	-
Other financial liabilities	183,254	183,254	183,254	-	-	-
Trade payables	45,907	45,907	45,907	-	-	-
Lease liabilities	77,106	77,106	1,818	10,414	33,455	31,419
Total	**26,369,832**	**26,626,655**	**18,778,330**	**2,736,424**	**4,873,068**	**238,833**

As at year-end 2024, the currency composition of the non-derivative liabilities consisted mainly by EUR (approximately 98%).

Financial assets

Maturities of contractual undiscounted cash flows from financial assets were as follows:

EUR ths.	31.12.2024	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years	Undefined
Non-derivative assets	**25,972,612**	**25,972,612**	**2,143,530**	**2,951,376**	**7,852,494**	**12,692,868**	**332,345**
Cash and cash equivalents	1,988,940	1,988,940	1,988,940	-	-	-	-
Financial assets at amortised cost	23,419,431	23,419,431	148,559	2,886,433	7,670,127	12,579,247	135,066
Loans and advances to banks	10,408	10,408	10,408	-	-	-	-
Loans and advances to customers	18,937,413	18,937,413	114,512	2,527,544	5,763,542	10,396,749	135,066
Debt securities	4,471,610	4,471,610	23,639	358,889	1,906,585	2,182,498	-
Finance lease receivables	368,578	368,578	6,031	64,939	182,367	108,395	6,846
Trade and other receivables	163,622	163,622	-	-	-	-	163,622
Non-trading financial assets at fair value through profit or loss	32,041	32,041	-	4	-	5,226	26,811
Derivative assets	**80,885**	**53,614**	**3,742**	**28,063**	**22,158**	**(349)**	**-**
Derivative assets with gross Cash Flow (net)	**48,101**	**38,715**	**514**	**34,985**	**3,190**	**26**	**-**
Outflows	-	(256,210)	(156,688)	(78,902)	(20,583)	(37)	-
Inflows	-	294,925	157,202	113,887	23,773	63	-
Hedge accounting derivatives with gross Cash Flow (net)	**32,784**	**14,899**	**3,228**	**(6,922)**	**18,968**	**(375)**	**-**
Outflows	-	(76,039)	(8,015)	(23,158)	(38,018)	(6,848)	-
Inflows	-	90,938	11,243	16,236	56,986	6,473	-
Total	**26,053,497**	**26,026,226**	**2,147,272**	**2,979,439**	**7,874,652**	**12,692,519**	**332,345**

EUR ths.	31.12.2023	Contractual cash flows	< 1 month	1-12 months	1-5 years	> 5 years	Undefined
Non-derivative assets	**26,080,832**	**26,080,832**	**3,230,328**	**3,051,162**	**7,334,692**	**12,204,970**	**259,680**
Cash and cash equivalents	3,030,858	3,030,858	3,030,858	-	-	-	-
Financial assets at amortised cost	22,545,036	22,545,036	193,826	2,991,587	7,161,473	12,097,827	100,323
Loans and advances to banks	10,032	10,032	10,032	-	-	-	-
Loans and advances to customers	18,413,823	18,413,823	115,658	2,653,251	5,451,399	10,093,192	100,323
Debt securities	4,121,181	4,121,181	68,136	338,336	1,710,074	2,004,635	-
Finance lease receivables	347,323	347,323	5,644	59,571	173,219	102,136	6,753
Trade and other receivables	133,577	133,577	-	-	-	-	133,577
Non-trading financial assets at fair value through profit or loss	24,038	24,038	-	4	-	5,007	19,027
Derivative assets	**84,713**	**49,228**	**(3,147)**	**14,160**	**39,011**	**(796)**	**-**
Derivative assets with gross Cash Flow (net)	**60,289**	**37,607**	**966**	**6,763**	**29,764**	**114**	**-**
Outflows	-	(286,227)	(178,242)	(66,313)	(41,058)	(614)	-
Inflows	-	323,834	179,208	73,076	70,822	728	-
Hedge accounting derivatives with gross Cash Flow (net)	**24,424**	**11,621**	**(4,113)**	**7,397**	**9,247**	**(910)**	**-**
Outflows	-	(87,365)	(6,594)	(15,004)	(55,281)	(10,486)	-
Inflows	-	98,986	2,481	22,401	64,528	9,576	-
Total	**26,165,545**	**26,130,060**	**3,227,181**	**3,065,322**	**7,373,703**	**12,204,174**	**259,680**

As at year-end 2024, the currency composition of the non-derivative assets consisted mainly by EUR (approximately 99%).

29. Operational risk

In line with Article 4 Section 52 of regulation (EU) 575/2013 (CRR), the Bank defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events, including legal risks. Both quantitative and qualitative methods are used to identify operational risks. Consistent with international practice, the responsibility for managing operational risk rests with the line management.

Methods and instruments employed

The quantitative measurement methods are based on internal loss experience data, which are collected across the Bank using a standard methodology and entered into a central data pool. Additionally, in order to be able to model losses that have not occurred in the past but are nonetheless possible, scenarios and external data are also used. The Bank sources external data from a leading non-profit risk-loss data consortium.

The Bank calculates capital requirements for operational risk based on the Advanced Measurement Approach (AMA) that is subject to regulatory approval. AMA is a sophisticated approach for measuring operational risk. Pursuant to AMA, the required capital is calculated using an internal VaR model, taking into account internal data, external data, scenario analysis, business environment and internal risk control factors. Additionally, the Bank received the approval to use insurance contracts for mitigation within the AMA pursuant to Article 323 CRR.

Methods and instruments of risk mitigation

In addition to quantitative methods, qualitative methods are also used to determine operational risk, such as risk and control assessments through expert panels. Additional methods include setting of key risk indicators and risk assessments in connection with product approvals, outsourcing assessments and operational risk decisions. The results of these assessments and processes are reported to line management along with mitigation measures and thus help to reduce operational risks. In order to ensure early detection of changes in the risk profile that may lead to losses, the Bank monitors a number of key risk indicators such as system availability, staff turnover, and customer complaints.

The Bank uses a group-wide insurance program that has reduced the cost of meeting the Bank’s traditional property insurance needs. Freed-up resources made it possible to buy additional insurance for previously uninsured bank-specific risks. This program uses a captive reinsurance entity as a vehicle to share losses within the Bank and access the external market.
The quantitative and qualitative methods used, together with the insurance strategy and the modelling approaches described above, form the operational risk framework of the Bank. Information on operational risk is periodically communicated to the management board via various reports, including the quarterly top management reports, which

describe the recent loss history, loss development, qualitative information from risk assessments and key risk indicators as well as the operational VaR for the Bank.

Main objectives of effective system of operational risk management are:

- set up a bank-wide framework for operational risk management and to translate this framework into specific policies, procedures or processes that can be implemented and verified within different business units
- properly identify major drivers of operational risk
- develop model for quantification of risk exposure profile and for calculation of both economic and regulatory capital
- prevent or minimize losses due to operational risk by adaptation of suitable processes, preventive measures or by selecting suitable insurance
- implement and update of insurance program
- define outsourcing and internal control system principles
- prepare ORCO meetings
- continuously improve the operational risk management process
- provide quality reporting and documentation.

Non-current assets and other investments

30. Property, equipment, investment properties and right of use assets

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’.

Type of property and equipment	Useful lives in years
Buildings	30 years
Right-of-use assets - buildings	15 - 30 years
Office equipment / Passenger cars/ Other fixed assets	4 - 12 years
IT assets (hardware)	4 years

Land is not depreciated.

Investment properties

Investment property is presented on the statement of financial position in the line item ‘Investment properties’.

The Bank uses the cost model for 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 15-30 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 costs

Own property, equipment, investment properties and right of use assets

EUR ths.	Land and buildings	Office equipment / other fixed assets	IT assets (hardware)	Right-of-use assets - Land and buildings	Property and equipment total	Investment properties
Balance as at 1 January 2023	**144,349**	**45,426**	**56,437**	**125,264**	**371,476**	**6,744**
Additions	5,414	4,559	8,857	8,280	27,110	-
Disposals	(11,073)	(6,655)	(8,210)	(384)	(26,322)	(105)
Reclassification	280	-	-	-	280	(280)
Balance as at 31 December 2023	**138,970**	**43,330**	**57,084**	**133,160**	**372,544**	**6,359**
Additions	6,591	4,534	14,085	9,175	34,385	-
Disposals	(2,856)	(4,366)	(5,970)	(2,910)	(16,102)	-
Reclassification	66	11	-	-	77	(66)
Balance as at 31 December 2024	**142,771**	**43,509**	**65,199**	**139,425**	**390,904**	**6,293**

Accumulated depreciation

Own property, equipment, investment properties and right of use assets

EUR ths.	Land and buildings	Office and plant equipment/other fixed assets	IT assets (hardware)	Right-of-use assets - Land and buildings	Property and equipment total	Investment properties
Balance as at 1 January 2023	**(89,847)**	**(36,943)**	**(38,247)**	**(44,020)**	**(209,057)**	**(5,289)**
Amortisation and depreciation	(6,277)	(2,566)	(6,903)	(14,018)	(29,764)	(224)
Disposals	8,266	6,492	8,199	384	23,341	56
Impairment	(632)	-	-	-	(632)	-
Reversal of impairment	2,575	-	-	-	2,575	60
Reclassification	(211)	-	-	-	(211)	211
Balance as at 31 December 2023	**(86,126)**	**(33,017)**	**(36,951)**	**(57,654)**	**(213,748)**	**(5,186)**
Amortisation and depreciation	(6,525)	(3,202)	(7,865)	(14,102)	(31,694)	(210)
Disposals	2,322	4,103	5,981	2,911	15,317	-
Impairment	(1,520)	-	-	-	(1,520)	(1)
Reversal of impairment	2,098	-	-	-	2,098	4
Reclassification	(57)	-	-	-	(57)	57
Balance as at 31 December 2024	**(89,808)**	**(32,116)**	**(38,835)**	**(68,845)**	**(229,604)**	**(5,336)**

Carrying amounts

Own property, equipment, investment properties and right of use assets

EUR ths.	Land and buildings (used by the Group)	Office equipment / other fixed assets	IT assets (hardware)	Right-of-use assets - Land and buildings	Property and equipment total	Investment properties
Balance as at 31 December 2023	**52,845**	**10,313**	**20,133**	**75,506**	**158,797**	**1,173**
Balance as at 31 December 2024	**52,964**	**11,392**	**26,365**	**70,580**	**161,301**	**957**

As at 31 December 2024, land and buildings were impaired in the cumulative amount of EUR 5.2 million (2023: EUR 5.8 million).

Cost of property and equipment, which are fully depreciated but still used by the Bank as at 31 December 2024 amounted EUR 51.0 million (2023: EUR 50.9 million) and includes various types of tangible fixed assets.

As at 31 December 2024 the Bank owned property and equipment not yet put in use in the amount of EUR 2.6 million (2023: EUR 7.2 million).

Tangible assets are insured for standard risks, such as theft, robbery, vandalism, natural disasters etc.

31. Intangible assets

The Bank's intangible assets include computer software 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'.

Type of Intangible assets	Useful lives in years
Software acquired	4 - 8 years
Self-constructed software within the Group	8 years
Others (licenses, patents, etc.)	4 years

Acquisition and production costs

EUR ths.	Software acquired	Self-constructed software within the Group	Others (licenses, patents, etc.)	Total
Balance as at 1 January 2023	**295,328**	**2,661**	**2,723**	**300,712**
Additions	7,152	-	-	7,152
Disposals	(17,275)	-	-	(17,275)
Balance as at 31 December 2023	**285,205**	**2,661**	**2,723**	**290,589**
Additions	6,545	-	-	6,545
Reclassification	(11)	-	-	(11)
Balance as at 31 December 2024	**291,739**	**2,661**	**2,723**	**297,123**

Accumulated depreciation

EUR ths.	Software acquired	Self-constructed software within the Group	Others (licenses, patents, etc.)	Total
Balance as at 1 January 2023	**(277,474)**	**(2,660)**	**(2,710)**	**(282,844)**
Amortisation and depreciation	(6,425)	-	(7)	(6,432)
Disposals	17,275	-	-	17,275
Balance as at 31 December 2023	**(266,624)**	**(2,660)**	**(2,717)**	**(272,001)**
Amortisation and depreciation	(4,480)	(1)	(6)	(4,487)
Balance as at 31 December 2024	**(271,104)**	**(2,661)**	**(2,723)**	**(276,488)**

Carrying amounts

EUR ths.	Software acquired	Others (licenses, patents, etc.)	Total
Balance as at 31 December 2023	**18,581**	**7**	**18,588**
Balance as at 31 December 2024	**20,635**	**-**	**20,635**

Cost of intangible assets, which are fully depreciated but still used by the Bank as at 31 December 2024 amounted EUR 49.1 million (2023: EUR 43.5 million).

As at 31 December 2024 the Bank owned intangible assets not yet put in use in the amount of EUR 3.9 million (2023: EUR 5.1 million).

During the year 2024 the Bank put in use upgrade of the core banking system, which amounted EUR 7.6 million (2023: EUR 4.4 million).

Intangible assets are insured for standard risks, such as theft, robbery, vandalism, natural disasters etc.

32. Other assets

EUR ths.	31.12.2023	31.12.2024
Client settlement	6,317	12,123
Personnel balances	2,050	2,275
State budget, social and health insurance, taxes	11,771	258
Sundry assets	9,989	9,767
Thereof: deferred cost	9,338	9,471
Other assets	**30,127**	**24,423**

These items represent balances like:

Item Client settlement represents mainly suspense accounts or money in transit accounts that are not allocated to respective client account due to missing information or due to essence of the transaction. The main part of this items belongs to interbank clearing or open settlement with securities transactions.

Sundry assets represent other items that do not fall into the above-mentioned categories mainly deferred costs and suspense accounts.

Fiduciary assets

The Bank 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 the Bank.

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.

33. The Bank 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, the Bank 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'.

Finance leases

The Bank 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:

EUR ths.	31.12.2023	31.12.2024
Outstanding lease payments	393,382	420,476
Gross investment	**393,382**	**420,476**
Unrealised financial income	(41,442)	(47,511)
Net investment	**351,940**	**372,965**
Present value of outstanding lease payments	**351,940**	**372,965**

Maturity analysis by residual maturities

EUR ths.	31.12.2023		31.12.2024	
	Gross investment	Present value of outstanding lease payments	Gross investment	Present value of outstanding lease payments
< 1 year	76,258	66,526	86,792	75,074
1-2 years	68,155	60,219	75,229	65,842
2-3 years	55,804	49,519	60,274	52,914
3-4 years	43,432	38,491	42,683	37,019
4-5 years	28,849	24,999	31,266	26,814
> 5 years	120,884	112,186	124,232	115,302
Total	**393,382**	**351,940**	**420,476**	**372,965**

During 2024, the Bank recognised interest income on finance lease receivables in the amount of EUR 11.8 million (2023: EUR 8.5 million). Gains/(losses) from derecognition of finance lease receivables are recognized in line item 'Net other loss 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					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2024											
General governments	1,325	-	-	-	1,325	(7)	-	-	-	(7)	1,318
Other financial corporations	162,653	-	-	-	162,653	(348)	-	-	-	(348)	162,305
Non-financial corporations	190,819	11,975	4,024	639	207,457	(1,076)	(550)	(2,263)	(19)	(3,906)	203,549
Households	1,233	99	200	-	1,532	(6)	(3)	(117)	-	(126)	1,406
Total	**356,030**	**12,074**	**4,224**	**639**	**372,967**	**(1,437)**	**(553)**	**(2,380)**	**(19)**	**(4,387)**	**368,578**

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As at 31.12.2023											
General governments	1,300	-	-	-	1,300	(3)	-	-	-	(3)	1,297
Other financial corporations	74,023	-	-	-	74,023	(83)	-	-	-	(83)	73,940
Non-financial corporations	236,529	34,979	3,477	161	275,146	(502)	(1,473)	(2,376)	(40)	(4,391)	270,755
Households	1,173	37	261	-	1,471	(2)	-	(138)	-	(140)	1,331
Total	**313,025**	**35,016**	**3,738**	**161**	**351,940**	**(590)**	**(1,473)**	**(2,514)**	**(40)**	**(4,617)**	**347,323**

Movement in credit loss allowances

EUR ths.	01.01.2024	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2024
Stage 1	(590)	(188)	4	1,031	(1,694)	-	(1,437)
Stage 2	(1,473)	-	1	(201)	1,121	-	(553)
Stage 3	(2,514)	-	192	(116)	(561)	620	(2,380)
POCI	(40)	-	4	-	17	-	(19)
Total	**(4,617)**	**(188)**	**201**	**714**	**(1,117)**	**620**	**(4,387)**

EUR ths.	01.01.2023	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	31.12.2023
Stage 1	(393)	(161)	16	129	(181)	-	(590)
Stage 2	(509)	-	3	(1,176)	209	-	(1,473)
Stage 3	(2,728)	-	302	(112)	(131)	155	(2,514)
POCI	(11)	-	-	-	(29)	-	(40)
Total	**(3,641)**	**(161)**	**321**	**(1,159)**	**(132)**	**155**	**(4,617)**

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10.

One significant driver of the credit loss allowance 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 2024 to a different stage compared to 1 January 2024 (or to the initial recognition date, if originated during the year) are summarized below:

Transfers between stages

EUR ths.	2023	2024
Transfers between Stage 1 and Stage 2	**49,223**	**32,662**
To Stage 2 from Stage 1	31,863	8,768
To Stage 1 from Stage 2	17,360	23,894
Transfers between Stage 2 and Stage 3	**432**	**838**
To Stage 3 from Stage 2	432	838
Transfers between Stage 1 and Stage 3	**302**	**714**
To Stage 3 from Stage 1	302	714

The year-end total gross carrying amount of the finance lease receivables that were initially recognized during the reporting period and not fully de-recognized by 31 December 2024 amounts to EUR 91.5 million (2023: EUR 164.5 million). The gross carrying amounts of the finance lease receivables that were held at 1 January 2024 and fully de-recognized during the year 2024 amounts to EUR 27.3 million (2023: EUR 59.2 million).

34. Leases where the Bank is a lessee

Under IFRS 16, the Bank 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. The Bank uses the straight-line method of depreciation. The right-of-use assets are presented on the statement of financial position as part of 'Property and equipment, right-of-use assets'.

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 lease payments in an optional renewal period are considered if the Bank is reasonably certain to exercise the options. Extension and termination options are included in a number of real estate leases across the Bank. The use of extension and termination options gives the Bank 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 the lease payment the Bank 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. In the statement of financial position, the lease liabilities are presented in the line item 'Lease liabilities'.

The Bank primarily rents real estate such as buildings and land for headquarters, branches and parking lots. For details related to right of use assets capitalized in statement of financial position arising from leases where the Bank is lessee, please see Note 30 Property, equipment, investment properties and right of use assets.

Total cash outflow for leases in 2024 was EUR 16.3 million (2023: EUR 16.0 million).

Accruals, provisions, contingent liabilities and legal proceedings

35. Other liabilities

EUR ths.	31.12.2023	31.12.2024
Client settlement	33,518	27,216
Trade payables	45,907	43,044
Personnel balances and social fund	37,874	39,964
State budget, social and health insurance, taxes	14,882	11,566
Sundry liabilities	468	1,287
Other liabilities	**132,649**	**123,077**

Item Client settlement represents mainly suspense accounts or money in transit accounts that are not allocated to respective client account due to missing information or due to essence of the transaction.

Item Trade payables represents liabilities to suppliers, including accruals and the main part belongs to unbilled deliveries, that are completed but unbilled as end of month.

Item Personnel balances and social fund mainly represents provisions for personnel costs, wage liabilities to employees and social fund contribution.

Item State budget, social and health insurance, taxes consist mainly of withholding tax and VAT tax payables that will be settled with state budget within next month.

Social fund liability, which is included in the line item 'Other liabilities', developed as follows:

EUR ths.	2023	2024
As at 1 January	**6,950**	**7,447**
Additions	3,330	4,050
Withdrawals	(2,833)	(4,515)
As at 31 December	**7,447**	**6,982**

36. Provisions

Provisions are liabilities with uncertain timing or amount. The statement of financial position line item 'Provisions' includes:
- provisions for defined employee benefit plans recognised based on requirements of IAS 19 Employee benefits
- 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 Provisions, contingent liabilities and contingent assets such as provisions or litigation, restructuring, commitments and guarantees not in scope of IFRS 9.

Further details on provisions for off-balance credit risk exposures in Note 26 Credit risk. Legal proceedings that do not meet the criteria for recognition of provisions are described in Note 37 Contingent liabilities.

Following classes of provision can be distinguished in the business of the Bank:

EUR ths.	31.12.2023	31.12.2024
Defined employee benefit plans	7,691	10,109
Pending legal issues	11,351	8,602
Loan commitments and financial guarantees given in scope of IFRS 9	11,860	14,387
Commitments and guarantees given out of scope of IFRS 9	1,499	1,883
Provisions	**32,401**	**34,981**

Defined employee benefit plans

Defined employee benefit plans operated by the Bank are for severance and jubilee benefits.

All employees that are employed are entitled to receive a severance payment if their employment is terminated by the employer or if they retire after defined employment period. The amount to be paid depends on the number of years of service and the employee's salary at termination of the employment.

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.

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.

Remeasurements consist of actuarial gains and losses on the defined benefit obligations. Remeasurements of severance defined benefit plans are recognised as accumulated OCI in equity specifically under 'Remeasurement of defined benefit pension liabilities' 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

The Bank has a defined employee benefit program under which all employees are entitled to a lump-sum payment upon working anniversaries or retirement. The number of employees under this program is disclosed in the note 0 General administrative expenses.

The amounts relating to long-term employee provisions recognised on the statement of financial position, in the income statement and in the statement of other comprehensive income were as follows:

EUR ths.	Long-term employee provision	Severance payments	Working anniversaries provision	Total
Present value of long-term employee benefit obligations – 01.01.2023	**3,494**	**-**	**2,102**	**5,596**
Service cost	231	1,588	184	2,003
Interest cost	60	-	36	96
Payments	(341)	-	(269)	(610)
Actuarial gains/losses recognised in OCI	**423**	**-**	**183**	**606**
Experience adjustments	423	-	183	606
As at 31.12.2023	**3,867**	**1,588**	**2,236**	**7,691**
As at 01.01.2024	**3,867**	**1,588**	**2,236**	**7,691**
Service cost	234	2,144	181	2,559
Interest cost	84	-	48	132
Payments	(567)	-	(212)	(779)
Other changes	(24)	-	(11)	(35)
Actuarial gains/losses recognised in OCI	**535**	**-**	**6**	**541**
Experience adjustments	535	-	6	541
As at 31.12.2024	**4,129**	**3,732**	**2,248**	**10,109**

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.

The actuarial calculation of long-term employee provision used the following assumptions:

Long-term employee provision	2023	2024
Annual discount rate	2.18%	1.87%
Annual rate of salary increase in future	0.00%	0.00%
Annual employee turnover	5,69% - 13,16%	4,96% - 9,13%
Retirement age	64 years	64 years

The actuarial calculation of working anniversaries provision used the following assumptions:

Working anniversary provision	2023	2024
Annual discount rate	2.18%	1.87%
Annual rate of salary increase in future	0.00%	0.00%
Annual employee turnover	5,69% - 13,16%	4,96% - 9,13%
Retirement age	64 years	64 years

In the calculation of long-term employee provisions official mortality tables published by the Statistical Office were used.

Sensitivity to key assumption

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the statement of financial position. The analysis is based on relative change in employee turnover by 10%.

EUR ths.	31.12.2023	31.12.2024
Change in the annual employee turnover +10%	3,621	3,982
Change in the annual employee turnover -10%	4,085	4,294

Financial guarantees

In the ordinary course of business, the Bank provides financial guarantees, consisting of various types of letters of credit and guarantees.

The Bank as a guarantor recognises financial guarantees as soon as it becomes a contracting party. Financial guarantees are initially measured at fair value. Generally, the initial measurement is the premium received for a guarantee. This amount is subsequently amortised to fee income. If no premium is received at contract inception (i.e. the initial transaction price is zero), this is the price that would be paid to transfer the liability in an orderly transaction between market participants. As a result, the fair value of such a financial guarantee and thus the initial measurement is nil. Subsequent to initial recognition, provisions are recognised based on the expected credit loss impairment model if the amount is higher than the unamortised balance of the initial premium. They are presented on the statement of financial position under the line 'Provisions'. The premium received is recognised in the statement of income under the line item 'Fee and commission income' under 'Net fee and commission income' on a straight-line basis over the life of the guarantee.

If the Bank is a guarantee holder, the treatment depends on whether the financial guarantee is considered as integral to the contractual terms of financial assets whose risk is guaranteed. The Bank 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.

Integral financial guarantees are included in the estimates of expected credit losses from the related financial assets. Premiums paid for integral financial guarantees and other credit enhancements are considered in the EIR of the related financial assets.
Financial guarantees which are not considered integral are recognised as reimbursement assets under 'Other assets' in the statement of financial position. In the statement of income, they reduce the impairment loss incurred on guaranteed financial assets under 'Net impairment loss 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'.

Provision for commitments and financial guarantees given

Provisions for commitments and financial guarantees were created to cover losses expected in unused loan commitments, guarantees and letters of credits. The amount of these provisions is estimated with respect to credit risk relating to affected items, as well as time value of money (i.e. current market interest rates used for discounting).

The following table presents movements in the provision for commitments and financial guarantees:

EUR ths.	01.01.2024	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between stages	31.12.2024
Stage 1	3,274	34,188	(9,852)	(24,630)	(122)	2,858
Stage 2	5,313	-	(6,928)	2,629	9,022	10,036
Stage 3	2,259	-	(1,973)	792	145	1,223
POCI	1,014	-	(2,044)	1,300	-	270
Total	**11,860**	**34,188**	**(20,797)**	**(19,909)**	**9,045**	**14,387**

Of which provisions for financial guarantees represent the amount of EUR 0.0 million as at 31. December 2024.

EUR ths.	01.01.2023	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between stages	31.12.2023
Stage 1	4,097	47,172	(13,419)	(31,810)	(2,766)	3,274
Stage 2	10,438	-	(6,276)	(4,656)	5,807	5,313
Stage 3	1,946	-	(2,135)	2,202	246	2,259
POCI	4,556	-	(1,522)	(2,020)	-	1,014
Total	**21,037**	**47,172**	**(23,352)**	**(36,284)**	**3,287**	**11,860**

Of which provisions for financial guarantees represent the amount of EUR 0.5 million as at 31 December 2023.

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases of the credit loss allowances and reclassifications between stages. Reconciliation of such movements to income statement line 'Net impairment loss from financial instruments' is disclosed in note 10.

In column 'Increases due to origination and acquisition' increases of credit risk allowances due to the initial recognition of commitments and guarantees given during the current reporting period are disclosed. Releases of credit risk allowances following the derecognition of the related commitments and guarantees given are reported in column 'Decreases due to derecognition'.

Provisions for pending legal issues and other provisions

Expenses or income related to these provisions are reported in the statement of income under the line item 'Other operating result'.

Provisions for legal issues relate to legal cases where the Bank is sued and which arose from normal banking activities. During the reporting period the Bank does not participate in any new passive legal cases.

The item 'Other provisions´ includes provision on contribution to Resolution fund and provision on contribution to Deposit protection fund during the year. When the actual amount of contributions is announced, the payment is accounted for as utilisation of particular provision. Both contributions for the year 2024 were paid in full amount, therefore the Bank does not disclose these items as other provisions.

The following table presents development of legal issues as well as other provisions:

EUR ths.	01.01.2024	Addition	Use	Release	31.12.2024
Pending legal issues	11,351	1,716	(289)	(4,176)	8,602
Commitments and guarantees given out of scope of IFRS9	1,499	1,076	-	(692)	1,883
Other provisions	-	2,540	(2,540)	-	-
Other	-	2,540	(2,540)	-	-
Provisions for deposit insurance fund	-	2,540	(2,540)	-	-
Total	**12,850**	**5,332**	**(2,829)**	**(4,868)**	**10,485**

EUR ths.	01.01.2023	Addition	Use	Release	31.12.2023
Pending legal issues	9,857	1,708	(214)	-	11,351
Commitments and guarantees given out of scope of IFRS9	2,303	-	-	(804)	1,499
Other provisions	179	6,841	(6,841)	(179)	-
Restructuring provision	179	-	-	(179)	-
Other	-	6,841	(6,841)	-	-
Provisions for deposit insurance fund	-	2,394	(2,394)	-	-
Provisions for recovery resolution fund	-	4,447	(4,447)	-	-
Total	**12,339**	**8,549**	**(7,055)**	**(983)**	**12,850**

The movement of other provisions related to the provisions for Deposit protection fund and Resolution fund accounted for in accordance with IFRIC 21.

Additions and releases of provision for pending legal issues and commitments and guarantees given out of scope of IFRS 9 are included in the line Other operating result in Separate Statement of Income.

Additions for provision for deposit insurance fund are included in the line Other administrative expenses in Separate Statement of Income.

37. 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 statement of financial position, they do involve credit risk and are therefore part of the overall risk of the Bank (see Note 26 Credit risk).

Legal proceedings

The Bank is 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 the Bank.

Capital instruments, equity and reserves

38. Total equity

in EUR ths.	31.12.2023	31.12.2024
Subscribed capital	212,000	212,000
Legal reserve fund	79,795	79,795
Other funds	39,104	39,104
Retained earnings	1,631,835	1,670,312
Additional equity instruments	480,000	480,000
Other components of equity	(1,290)	(1,647)
Owners of the parent	**2,441,444**	**2,479,564**
Total	**2,441,444**	**2,479,564**

As at 31 December 2024, subscribed capital (also known as registered capital) consists of 212,000 (2023: 212,000) voting shares (ordinary shares). Nominal value of share is EUR 1,000.00. Subscribed capital was fully paid. Retained earnings and other reserves represent accumulated net profit brought forward, as well as income and expenses recognised in other comprehensive income.

Additional equity instruments

The Bank issued additional tier 1 capital (AT1 bonds) reported in the column 'Additional equity instruments' in the statement of changes in equity. AT1 bonds shall constitute direct, unsecured and subordinated bonds. AT1 bonds are perpetual and can be cancelled only 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

Name	ISIN	Nominal value	Currency	Issue date	Initial fixed rate	Reset rate after the first call date	Coupon payments	First and subsequent calls dates
EUR 100,000,000 Undated Fixed to Fixed AT1 Notes	AT0000A35Y77	100,000,000	EUR	27.6.2023	9,43% p.a.	M/S + 618 bps	Annually	27.6.2028 and each Distribution Payment Date following the First Reset Date
EUR 80,000,000 Undated Fixed to Fixed Resettable Additional Tier 1 Notes	AT0000A2UFJ4	80,000,000	EUR	30.11.2021	4,49% p.a.	M/S + 457 bps	Semi-annually	30.11.2026 and each Distribution Payment Date following the First Reset Date
SLSP AT1 PNC5 IC 2020 II	SK4000018172	150,000,000	EUR	23.11.2020	4,82% p.a.	M/S + 527 bps	Semi-annually	23.11.2025 and each Distribution Payment Date following the First Reset Date
SLSP AT1 PNC5 IC 2020	SK4000016788	150,000,000	EUR	27.2.2020	4,15% p.a.	M/S + 449 bps	Semi-annually	27.2.2025 and each Distribution Payment Date after 27.2.2025 falling one year after the previous Call Redemption Date

Distributions on own equity instruments

Distributions on own equity instruments are recognised when their payment is confirmed. For dividends on common shares as well as for coupons on Additional Tier 1 instruments the decision is taken by the Annual General Meeting.

The following table presents distribution of individual profits of the Bank for the years 2023 (approved) and 2024 (proposed):

Profit distribution (in EUR ths.)	31.12.2023	31.12.2024
Profit for the year	308,576	283,016
Coupon payment for AT1 bond SK4000016788*	6,225	10,380
Coupon payment for AT1 bond SK4000018172	7,230	7,230
Coupon payment for AT1 bond AT0000A2UFJ4	3,592	3,592
Coupon payment for AT1 bond AT0000A35Y77	9,430	9,430
Dividends paid to shareholder from profit for the year	218,062	231,992
Transfer to retained earnings	64,036	20,393
Number of shares with nominal value of EUR 1 000 (in pcs.)	212,000	212,000
Dividend per share (in EUR)	**1,029**	**1,094**

* Based on estimated 5y EUR mid swap rate as of 25th February 2025 (estimation as of 28*th* January 2025), actual rate will/might differ.

Dividends for the year 2023 were paid in March 2024 in amount of EUR 218 million following the resolution of General Assembly of the Bank dated 27 March 2024.

As at 27 February 2024 was paid coupon payment from investment certificate SLSP AT1 PNC5 IC 2020 in amount of EUR 3.1 million.

On 23 May 2024, a coupon was paid from the investment certificate SLSP AT1 PNC5 IC 2020 II in the value of EUR 3.6 million and then on 30 May 2024, a coupon from the investment certificate EUR 80,000,000 Undated Fixed to Fixed Resettable Additional Tier 1 Notes was paid in the amount of EUR 1.8 million.

As at 27 June 2024 was paid coupon payment from investment certificate EUR 100,000,000 Undated Fixed to Fixed AT1 Notes in amount EUR 9.6 million.
As at 27 August 2024 was paid coupon payment from investment certificate SLSP AT1 PNC5 IC 2020 in amount EUR 3.1 million.

On 25 November 2024 was paid from coupon payment from investment certificate SLSP AT1 PNC5 IC 2020 II in amount of EUR 3.6 million and then on 02 December 2024, a coupon from investment certificate EUR 80,000,000 Undated Fixed to Fixed Resettable Additional Tier 1 Notes was paid in the amount of EUR 1.8 million.

Legal reserve fund

According to Commercial Code all companies are required to create a legal reserve fund to cover adverse financial conditions in the future. The Bank is obliged to contribute to the fund the amount, which is not less than 10% of its annual net profit until the cumulative amount of annual contributions reaches 20% of its share capital. As at 31 December 2024 Legal reserve fund amounted to EUR 79.8 million (2023: EUR 79.8 million) and in both years exceeded the required 20% of the share capital. Legal reserve fund is not available for distribution to the shareholder.

Other funds

Other funds include only Statutory fund created from distributable profits to strengthen the Bank's capital base. This fund is not available for distribution to the shareholder. Once the Bank's share capital or legal reserve fund is increased, Statutory fund may be terminated and transferred back to the distributable profits with the approval of the Supervisory Board and of the General Assembly. As at 31 December 2024 Statutory fund amounted EUR 39.1 million (2023: EUR 39.1 million).

Fair value reserve

Fair value reserve represents the unrealised revaluation of financial assets measured at fair value through other comprehensive income. This reserve is not available for distribution to the shareholder.

Remeasurements of defined benefit pension liabilities

This equity component reflects the results of actuarial calculations related to the pension provision. As at 31 December 2024 the remeasurement of the pension provision amounted EUR 1.6 million (2023: EUR 1.3 million), net of deferred tax.

Investments in subsidiaries, associates and joint ventures

39. Subsidiaries

The following table presents overview of the carrying amounts of investments in subsidiaries.

EUR ths.	Cost		Impairment		Net book value	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Subsidiaries						
Procurement Services SK, s.r.o.	3	3	-	-	3	3
SLSP Social Finance, s.r.o.	21,052	34,322	-	-	21,052	34,322
LANED a.s.	25,807	25,807	-	-	25,807	25,807
SLSP Seed Starter, s.r.o.	1,697	2,392	-	-	1,697	2,392
Total	**48,559**	**62,524**	**-**	**-**	**48,559**	**62,524**

Investments in subsidiaries of Slovenská sporiteľňa, a.s.

	Procurement Services SK, s.r.o.		SLSP Social Finance, s.r.o.		LANED a.s.		SLSP Seed Starter, s.r.o.	
EUR ths.	2023	2024	2023	2024	2023	2024	2023	2024
Place of business	Tomášikova 48, 832 75 Bratislava, Slovakia		Tomášikova 48, 832 01 Bratislava, Slovakia		Tomášikova 48, 832 71 Bratislava, Slovakia		Tomášikova 48, 831 04 Bratislava, Slovakia	
Main business activity	Procurement		Advisory services		Real estate company		Advisory services	
Ownership held	51.00%		60.40%		100.00%		100.00%	
Voting rights held	51.00%		60.40%		100.00%		100.00%	
IFRS Classification	Subsidiary		Subsidiary		Subsidiary		Subsidiary	
Reporting currency	EURO		EURO		EURO		EURO	
Dividend income received	19	19	-	-	-	-	-	-
Investee's key financial information for the reporting year								
Cash and cash equivalents	179	232	189	149	8,577	9,417	506	157
Other current assets	26	61	-	-	14	47	372	5
Non-current assets	31	34	29,393	43,002	44,559	43,075	416	1,246
Current liabilities	-	266	7,047	14	18,263	2,001	-	6
Non-current liabilities	175	-	12	7,064	300	14,432	1	-
Operating result	(135)	(866)	(13)	(57)	(36)	1,601	(303)	(599)
Post-tax result from continuing operations	(135)	37	(13)	279	(36)	1,520	(311)	(586)
Total comprehensive result	(135)	37	(13)	279	(36)	1,520	(311)	(586)
Depreciation and amortization	-	-	-	-	-	(3,848)	-	-
Interest income	-	-	10	11	-	-	15	33
Interest expense	-	-	-	(28)	-	(941)	-	-
Tax expense/income	-	(7)	-	(2)	-	(14)	-	(1)

Changes in subsidiaries during the year 2024

During the first half of the year 2024 the Bank contributed to capital funds of SLSP Social Finance, s.r.o. in the amount of EUR 13.3 million.

During the year 2024 the Bank invested in the subsidiary SLSP Seed Starter, s.r.o. to increase capital funds in the amount of EUR 0.7 million.

40. Investments in associates and joint ventures

The Bank has significant influence in the associates and joint ventures described in the table below. In these separate financial statements the investments in associates and joint ventures are recognized at cost, less any impairment losses.

The following table presents overview of the carrying amounts of investments in associates:

EUR ths.	Cost		Impairment		Net book value	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Associates						
Prvá stavebná sporiteľňa, a.s.	1,093	1,093	-	-	1,093	1,093
Slovak Banking Credit Bureau, s.r.o.	3	3	-	-	3	3
Holding Card Service, s.r.o.	7,049	7,049	-	-	7,049	7,049
Total	**8,145**	**8,145**	**-**	**-**	**8,145**	**8,145**

The following table presents overview of the carrying amounts of investments in joint ventures:

EUR ths.	Cost		Impairment		Net book value	
	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024
Joint ventures						
Monilogi, s.r.o.	1,924	2,032	-	-	1,924	2,032
Total	**1,924**	**2,032**	**-**	**-**	**1,924**	**2,032**

Investments in associates and joint ventures of Slovenská sporiteľňa, a.s.

	Monilogi, s.r.o.*		Prvá stavebná sporiteľňa, a.s. ("PSS")**		Slovak Banking Credit Bureau, s.r.o.**		Holding Card Service, s.r.o.	
EUR ths.	2023	2024	2023	2024	2023	2024	2023	2024
Place of business	Mlynské nivy 1 821 09 Bratislava, Slovakia		Bajkalská 30 829 48 Bratislava, Slovakia		Mlynské nivy 14 821 09 Bratislava, Slovakia		Olbrachtova 1929/62 140 00 Praha 4, Czech republic	
Main business activity	Cash handling		Banking		Retail credit register		Equity release company	
Ownership held	26.00%	28.00%	9.98%		33.33%		21.78%	
Voting rights held	26.00%	28.00%	35.00%		33.33%		21.78%	
IFRS Classification	Joint venture		Associate		Associate		Associate	
Reporting currency	EURO		EURO		EURO		EURO	
Investee's key financial information for the reporting year								
Cash and cash equivalents	977	984	13,237	711	287	332	20	17
Other current assets	1,727	466	194,406	106,901	1,114	7	-	-
Non-current assets	1,637	2,351	2,917,774	2,906,311	-	-	43,809	43,008
Current liabilities	1,831	1,226	2,496,726	2,340,715	1,105	6	-	-
Non-current liabilities	17	7	316,843	350,649	1	2	-	-
Operating result	(1,980)	3,867	30,348	30,927	(115)	(113)	(3)	(2)
Post-tax result from continuing operations	(2,486)	716	20,798	10,628	33	37	(3)	(2)
Total comprehensive result	(2,486)	716	20,651	10,711	33	37	(3)	(2)
Depreciation and amortization	(324)	(541)	(6,414)	(6,078)	-	-	-	-
Interest income	-	-	96,537	95,688	-	-	-	-
Interest expense	(1)	-	(34,191)	(39,143)	(2)	(2)	-	-
Tax expense/income	-	-	(4,476)	(8,309)	-	-	-	-

*The results for the year ended 31.12.2023 disclosed in the table are unaudited data for 11 months. The results for the year ended 31.12.2024 are unaudited data for 12 months.
**The table discloses unaudited data for 11 months.

Changes in associates and joint ventures during the year 2024

In June 2024, the Bank made a cash deposit in the amount of EUR 0.1 million to the joint venture Monilogi, s.r.o. The Bank's ownership share of joint venture Monilogi, s.r.o have increased from 26% (31.12.2023) to 28%.

During the first half of the year the Bank increased its investment in its subsidiary SLSP Social Finance, s. r. o. to increase capital funds in the amount of EUR 13.3 million.

Other disclosure matters

41. Related-party transactions and principal shareholders

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The Bank is controlled by the only shareholder Erste Group Bank AG, which directly owns 100% share on the voting rights of the Bank. Further related parties include subsidiaries, which are under control of the Bank, associates and joint ventures over which the Bank has significant influence. Moreover, other members of the Erste Group are also related parties of the Bank.

Transactions with related parties occur in the normal course of business and primarily include loans and deposits. These transactions are performed at arm's length, i.e. the terms and conditions applied respect market conditions.

Balances exposures with related parties

	Erste Group Bank AG		Companies of Erste Group		Subsidiaries		Associates and joint ventures	
EUR ths.	**31.12.2023**	**31.12.2024**	**31.12.2023**	**31.12.2024**	**31.12.2023**	**31.12.2024**	**31.12.2023**	**31.12.2024**
Assets								
Cash and cash equivalents	7,709	15,926	730	412	-	-	-	-
Derivatives	26,167	10,862	6	-	-	-	-	-
Derivatives – Hedge accounting	23,027	31,595	-	-	-	-	-	-
Securities	-	-	-	-	5,011	5,230	5,265	5,260
Loans and advances to banks	4,330	3,811	46	507	-	-	10,030	10,026
Loans and advances to customers	-	-	3,327	2,639	18,266	16,382	-	-
Property and equipment, right-of-use	-	-	-	-	55,912	51,744	-	-
Other assets	35	139	-	-	-	-	-	-
Total assets	**61,268**	**62,333**	**4,109**	**3,558**	**79,189**	**73,356**	**15,295**	**15,286**
Liabilities								
Derivatives held for trading	32,586	35,977	-	10	-	-	-	-
Deposits from banks	10,567	229	3,423	57	-	-	113	110
Deposits from customers	-	-	7,305	10,428	9,450	9,955	-	-
Debt securities issued	506,803	318,554	2,899	2,947	-	-	-	-
Derivatives – hedge accounting	64,227	31,831	-	-	-	-	-	-
Lease liabilities	-	-	-	-	56,950	52,027	-	-
Other liabilities	307	659	2,340	2,305	18	(35)	-	-
Total liabilities	**614,490**	**387,250**	**15,967**	**15,747**	**66,418**	**61,947**	**113**	**110**
Financial guarantees given	19,763	15,835	13,971	13,613	-	-	-	-
Financial guarantees received	19,359	15,931	13,812	13,512	-	-	-	-

Expenses/Income generated by transactions with related parties

	Erste Group Bank AG		Companies of Erste Group		Subsidiaries		Associates and joint ventures	
EUR ths.	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**
Interest income	25,263	26,676	30	13	970	965	871	1,174
Interest expense	(40,326)	(52,018)	(107)	(78)	(2,442)	(2,232)	(1)	-
Dividend income	-	-	-	435	19	19	-	-
Net fee and commission income	130	843	18,215	22,299	1	1	-	4
Net trading result	5,630	24,885	(1,846)	376	-	-	-	-
Net gain from financial instruments measured at fair value through profit or loss	-	-	-	-	185	35	-	-
General administrative expenses	(3,976)	(4,361)	(22,771)	(25,401)	(1,085)	(963)	-	-
Depreciation and amortisation	-	-	-	-	(5,796)	(5,678)	-	-
Other operating result	331	120	636	668	268	268	-	-
Total	**(12,948)**	**(3,855)**	**(5,843)**	**(1,688)**	**(7,880)**	**(7,585)**	**870**	**1,178**

Terms of contracts (excluding derivatives) with related parties

	31.12.2024		31.12.2023	
	Maximum maturity	Weighted average contractual interest rate	Maximum maturity	Weighted average contractual interest rate
Assets				
Securities	2031	2.61%	2031	3.32%
Loans and advances to banks	2025	3.19%	2029	4.14%
Loans and advances to customers	2029	4.58%	2028	5.55%
Liabilities				
Deposits from banks	2025	0.06%	2024	2.64%
Deposits from customers	2025	0.34%	2024	0.26%
Debt securities issued	2029	1.17%	2029	0.90%

The maturity of the guarantees received and given is in some cases more than 10 years.

The Bank received financial guarantees to its parent company Erste Group Bank AG covering clients' exposures in the amount of EUR 15.9 million as at the reporting date.

The Bank received financial guarantees to its sister company Česká spořitelna, a.s. covering clients' exposures in the amount of EUR 0.5 million and to its sister company Erste Group Bank Hungary ZRT in amount of EUR 13.0 million as at the reporting date.

Transactions with related parties are done at arm's length.

The amounts with Erste Group Bank AG reported in the line items 'Interest income' and 'Net trading result' represent results from derivative instruments used to close positions with the clients.

All issued investment certificates disclosed as AT1 instruments in equity at 31 December 2024 were purchased by Erste Group Bank AG (see note 38).

In year 2024 and in year 2023, the Bank did not receive any dividends from its associates.

Remuneration of management and supervisory board members

The remuneration of the Board of Directors members and the Supervisory Board members paid during the year 2024 in form of short-term employee benefits amounted to EUR 3.4 million (2023: EUR 3.7 million). The remuneration policy of the Board of Directors members is in compliance with CRD directive as adopted in the national legislation.

42. Audit fees and tax consultancy fees

The following table contains fees charged by the auditors of the Bank for the financial years 2024 and 2023; the auditors being PricewaterhouseCoopers Slovensko, s.r.o.

EUR ths.	2023	2024
Audit of statutory financial statements	(698)	(734)
Other assurance services	(157)	(519)
Other non-audit services	(30)	(12)
Total	**(885)**	**(1,265)**

Other assurance services in the amount of EUR 519 thousand (2023: EUR 157 thousand) related to a review of the special-purpose standard reporting forms: Half Year review; ISAE 3402 Custody Type II report; limited assurance for CSRD reporting; NBS loan portfolio ALM; SRB AUP, review of the report for the resolution authority. Other non-audit services in the amount of EUR 12 thousand (2023: EUR 30 thousand) related to agreed-upon procedures on the Bank's compliance with terms of grant agreement.

43. Analysis of remaining maturities

Expected remaining maturities of assets and liabilities

EUR ths.	< 1 year	> 1 year	< 1 year	> 1 year
	31.12.2023		31.12.2024	
Assets				
Cash and cash equivalents	3,030,858	-	1,988,940	-
Financial assets HfT	3,379	56,910	36,067	12,034
Derivatives	3,379	56,910	36,067	12,034
Non-trading financial assets at FVPL	-	24,038	-	32,041
Equity instruments	-	11,511	-	20,185
Debt securities	-	12,527	-	11,856
Financial assets at AC	2,946,773	19,598,263	2,873,081	20,546,350
Debt securities	351,457	3,769,724	310,383	4,161,227
Loans and advances to banks	10,032	-	10,408	-
Loans and advances to customers	2,585,284	15,828,539	2,552,290	16,385,123
Finance lease receivables	61,909	285,414	67,791	300,787
Hedge accounting derivatives	1,819	22,605	863	31,921
Property and equipment, right-of-use assets	-	158,797	-	161,301
Investment properties	-	1,173	-	957
Intangible assets	-	18,588	-	20,635
Investments in associates	-	58,628	-	72,701
Current tax assets	-	-	584	-
Deferred tax assets	-	68,399	-	80,589
Trade and other receivables	133,577	-	163,622	-
Other assets	30,127	-	24,423	-
Total assets	**6,208,442**	**20,292,815**	**5,155,371**	**21,259,316**

EUR ths.	< 1 year	> 1 year	< 1 year	> 1 year
	31.12.2023		31.12.2024	
Liabilities				
Financial liabilities HfT	2,633	53,964	35,507	10,015
Derivatives	2,633	53,964	35,507	10,015
Financial liabilities at AC	18,908,489	4,768,600	19,196,810	4,429,685
Deposits from banks	1,076,316	170,847	43,504	162,420
Deposits from customers	17,315,791	273,836	18,472,985	271,693
Debt securities in issued	333,128	4,323,917	625,591	3,995,572
Other financial liabilities	183,254	-	54,730	-
Lease liabilities	12,232	64,873	12,425	60,792
Hedge accounting derivatives	7,569	56,659	5,999	25,832
Provisions	14,947	17,454	20,003	14,978
Current tax liabilities	19,746	-	-	-
Other Liabilities	132,646	-	123,077	-
Total liabilities	**19,098,262**	**4,961,550**	**19,393,821**	**4,541,302**

44. Events after the balance sheet date

There are no significant events after the balance sheet date that require disclosure or adjustment to these separate financial statements.

Statement of members of the management board

We confirm that to the best of our knowledge the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Bank as required by the applicable accounting standards and that the Bank management report gives a true and fair view of the development and performance of the business and the position of the Bank, together with a description of the principal risks and uncertainties to which the Bank is exposed.

Ing. Peter Krutil

Chairman of the Board of Directors
and Chief Executive Officer

Ing. Pavel Cetkovský

Member of the Board of Directors
and Deputy of Chief Executive Officer

Bratislava, 18 February 2025

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